



Meeting minutes

Meeting: Regional Waste Advisory Committee (RWAC) Meeting
Date: Thursday, April 15, 2021
Time: 8:30 a.m. to 10:30 a.m.
Place: Zoom meeting
Purpose: *The purpose of the Regional Waste Advisory Committee is to provide input on certain policies, programs, and projects that implement actions in the 2030 Regional Waste Plan, as well as to provide input on certain legislative and administrative actions that the Metro Council or Chief Operating Officer will consider related to implementation of the 2030 Regional Waste Plan.*

Members in Attendance:

Roy Brower, Metro
Sharetta Butcher, North by Northeast Community Health Center (NxNE)
Marilou Carrera, Portland Resident
Thomas Egleston, Washington County
Alondra Flores Aviña, Student
Jill Kolek, City of Portland
Shannon Martin, City of Gresham
Christa McDermott, Community Environmental Services, PSU (PSU)
Audrey O'Brien, Oregon Department of Environmental Quality (DEQ)
Eben Polk, Clackamas County
Jenny Slepian, City of Lake Oswego

Members Absent:

Beth Vargas Duncan, Oregon Refuse and Recycling Association (ORRA)

1. CALL TO ORDER & MEETING OVERVIEW

Roy Brower (Metro) brought the virtual meeting to order at 8:33 am and previewed the agenda.

2. PUBLIC COMMENT PERIOD

There were no public comments.

3. INNOVATION & INVESTMENT GRANT Part 2

Suzanne Piluso (Metro) introduced the topic, which is the second engagement on this topic ahead of the Metro Council session coming up in the spring. The two main policy questions to be discussed at the meeting:

1. Would the Innovation & Investment program continue to add value to the region if it were to continue beyond the pilot?
2. Should Metro elevate the racial equity goal by establishing minimum performance targets – and if so, for each grant, or for the program as a whole?

Ms. Piluso noted that at the last meeting she framed the area for input as five options for areas of emphasis if the program were to continue. But since that time, staff realized that they were inadvertently pitting environmental and equity outcomes against each other which is not how they want to frame it. All of these grants are necessarily going to have environmental impact because they are related to waste reduction

Staff are wanting input today from this committee on if this program is doing enough to advance racial equity. Ms. Piluso shared high level information on the evaluation:

1. Nearly 83,000 tons of waste will be reduced after all of the grants are fully implemented
2. 168,000 tons of system capacity will be created
3. 37,000 metric tons of CO2 equivalents of greenhouse gas emissions will be avoided

Staff determined that the program is advancing racial equity goals and actions within the Regional Waste Plan. These impacts have taken the form of funding to black-owned companies or organizations directly serving communities of color or other underserved communities; capacity building and jobs created for underserved individuals; and expanded services. There are a number of ways the program is advancing racial equity. A key finding is that the impacts vary widely across individual grants. Some of the capital grants struggled to demonstrate direct significant equity impacts. Staff are now exploring (if this program is to continue) whether the equity goals of the program specifically related to capital grants need to be strengthened. Staff are considering if there should be performance targets.

Marilou Carrera (Portland Resident) thought reframing the five options to the two different questions is helpful to focus the conversation. She got the sense that the program would continue to add value to the region and that should the program continue, there would be added benefit. Thinking about the equity goals in general and the question around impact on communities: they are one year grants. So talking about impact is an odd thing when talking about such a short time frame. Building trust with community takes time, and impact is related to all of those things, plus maintaining relationships and sustaining relationships. She asked if the question is really about impact, or are there other ways to approach it. Is it about engagement? Outreach? Or is it about how to best make communication accessible? Those are other ways to uplift this question: what can you impact over time? She thought that this would provide a more feasible starting place for organizations. The other thing about impact is that you may presume to know what impacts are most beneficial for communities. And Metro won't know that unless they engage in with community.

Ms. Piluso added one clarification: the program grants default to a one year grant, and sometimes they go up to 18 months. The capital grants are generally 18 months to two years. Metro asked for key metrics for three years after the capital grants, but there is a point where Metro is no longer tracking what these organizations are doing. At the end of the grant, staff try to get into the data about their equity and environmental impacts. She noted that staff need to be realistic about what can be accomplished within these grant metrics.

Thomas Egleston (Washington County) supports the grant program and believes it adds value and benefit to the region. There are budget considerations in terms of the overarching picture of where Metro is at and that the scale of program has adjusted a lot over the years. It has had a lot of impact on what the program can deliver based on the scale of the program. He believes racial equity should be elevated and that there should be targets and requirements, maybe benchmarks or floor criteria for each applicant, not just the overarching program and on the capital side of things. These could be living wage requirements or benefited employee requirements. Funneling money into some of these organizations should include the expectation that they are being equitable in their employment practices and making that a hard requirement.

Sharetta Butcher (NxNE) believes that the program adds value. She echoed what Mr. Egleston shared when talking about the jobs and that folks get hired into temporary and part time positions don't get allowed the benefits that the families need.

Eben Polk (Clackamas County) supports the grant program and wanted to acknowledge is that Metro and local governments need to use more than just the grant program to encourage things like living wages. The whole system needs to be behind that and supporting it. A grant program can help

nudge in that way, but it may not rise to the level needed to drive the change that is needed. Mr. Polk participated in the review committee a couple of years ago and wanted to challenge applicants to step up in some way relative to where they were coming in. He felt that a great mindset to bring to the program is that everyone applying should be growing. He noted that the grant review process was also a space for members of the community to get educated in ways that made them more able to speak to the nuances of the solid waste system. This could also be empowering.

Jenny Slepian (City of Lake Oswego) echoed many of the earlier comments. She noted that equity is a large component/purpose of the 2030 Regional Waste Plan (RWP). The more that in every Metro solid waste-related program government is advancing equity as one of the primary priorities, the more it sends the message that this is what's expected of everyone operating in the solid waste system. The more consistent Metro and local governments are in applying those racial equity goals and benchmarking them, the more it becomes the norm of how everybody is expected to behave.

Christa McDermott (PSU) supports the continuation of the program. If there was one change she would like to see, it would be removing the energy recovery area that is funded, which hasn't been mentioned at all. It's just a fancy word for burning things. In terms of equity, she wondered if there is any in-kind contribution that could be made in terms of technical assistance from Metro. For example, instead of giving money to organizations who have goals for racial equity but not really seeming to have the capacity to do it or the operations on the ground, or they're just not quite there yet. Instead of giving them the grant funding for that piece, that Metro could provide technical assistance. This could be entirely outside of the scope of this department, but it seems that many organizations may have positive intentions and not a great map of how to get there and could benefit more from someone walking them through it than having money that they don't quite know what to do within that area.

Matt Korot (Metro) responded that Metro staff discussed the idea of bringing on a contractor who applicants could access to help them at the early stages of their equity work. Metro put this idea aside at the beginning of the pilot because Metro just didn't have the bandwidth.

Jill Kolek (City of Portland) was part of the review committee for the first round, and saw a lot of companies apply that had great innovation and ideas, but they were in the earliest stages of their equity journey. She thinks leveraging that money to raise the floor up with some of these organizations and in an effort to move an industry forward is great use of funds. In general, Portland is very supportive of the program. Since Ms. McDermott brought up energy recovery, Ms. Kolek was curious if that is going to continue to be a part of the grant program. Portland would agree in being less than excited about the energy recovery component.

Mr. Korot shared that Metro hasn't given a lot of thought to that element. The original language was reflective of some of the statutory language that governs what Metro can do.

Ms. Piluso noted that Metro received very little interest in energy recovery proposals, and the ones that were received were poorly developed. Metro did fund one grant, which was a feasibility study for putting small-scale boilers in businesses around town for wood waste.

Mr. Brower commented that originally this was a three-year pilot program. This is the three years that we're now looking back before we go forward. One of the key questions going to council is, should this be an annual program or more of a permanent program ongoing? That answer will help shape the direction of the program and how staff builds these layers and how it is used to complement other efforts like the capacity-building grants, the goals-based tonnage allocations, and other policies and programs that will be promoted through Metro and with communities.

Ms. Butcher asked if it is a lot of the same companies that are applying for the grants, or are there new applicants applying year over year.

Ms. Piluso responded that with the capital grants there were some repeat applicants. With the program grants, each round staff got better at getting further out into the community and bringing in more nonprofit organizations and community groups. And so there were new applicants each time. That would be a major effort for the new iteration of this program - to get out more and try to find out where those opportunities are for investing.

Ms. Butcher asked about the applicants who were denied: was there any type of feedback/support/coaching to help those folks prepare for future opportunities and improve their applications.

Ms. Piluso responded that Metro did as much as possible with the limited two-person staff. Metro offered feedback to everyone who didn't get a grant, especially focusing on the community organizations. A good example is Hygiene for All: a new organization to build hygiene stations and dignity for unhoused communities. They applied but were outside the scope of what could be funded. Metro worked with them over two years to shape a proposal, and they were finally funded in 2020 to work on a pilot clothing and bedding exchange.

Audrey O'Brien (DEQ) commented that DEQ does support the continuation of the program. She noted that DEQ has paused their grant program in order to evaluate some of the same questions and criteria that Metro is doing in terms of how to improve how grants are used by communities and help further equity. She felt it critical to work together and learn the criteria each grant program is using and how it can be used to further these goals.

Ms. Kolek asked about the budget being set and when that falls into the sequence. The scale of the program would really impact the success of the model. She wondered what that looks like from the Metro side of the process.

Mr. Brower responded that as far as the budget is concerned, the department has included the program in this next year (FY21-22) as a \$3 million grant program as a placeholder, going back to the original amount. That is one of the questions staff are asking Metro Council: is that the right funding amount or would they like to go more or less. But right now, the \$3 million is built into the rate model for July 1st 2021. We will see how Council would like to move forward with that and at what level.

Mr. Polk asked how the size of this program compares with the size of the community enhancement funding that goes to communities that are hosting solid waste facilities.

Mr. Brower responded that the community enhancement dollars are based on \$1.00 per ton of all waste. That is about \$2 - 2.5 million program split through all the host communities.

Ms. McDermott wondered if from Metro's perspective - would they rather be spending this money differently, or is it just this equity piece that's been problematic that staff are working on? Does staff have another preference that's not being mentioned where they'd rather direct the money?

Mr. Korot responded that the hesitancy is to create the space for the Metro Council to make this decision. There was a very strong role of staff in the origin of program; it really had been reflecting things the department had been hearing from the Council. And so we see value in the program. It is one element that helps us move towards the RWP goals.

Mr. Brower added that over the last year, there has been a fair level of uncertainty, and it wasn't clear what the waste coming into the system was looking like. Metro is expecting the waste tonnage going through facilities to stabilize and probably increase slightly which would bolster this funding and make certain that Metro can keep basic community services and keep the transfer stations and household hazardous waste facilities open and operating. Also - MetroPaint, and RID Patrol cleanups, etc.

Ms. O'Brien had a question about the energy efficiency component that Ms. McDermott mentioned. She wondered if the statute is broad enough that it could be looking at sustainable energy use or energy efficiency, renewable energy instead of burning. Is that a criteria that could be added to Metro's evaluation for grant looking at renewable energy, which would then impact climate change and be something that's good as a criteria rather than burning?

Mr. Korot responded that it's the statute that governs the use of funds derived from solid waste fees – so it has to be tied to the product life cycle. But Metro is not obligated to follow everything that the statute allows in this program. Metro can look at the totality of options related to energy recovery from excluding it completely to see if the suggestion can fit in, to no change.

4. GOALS-BASED WET WASTE TONNAGE ALLOCATIONS: BACKGROUND TO 2022 CRITERIA AND IMPLEMENTATION PLAN

Molly Vogt (Metro) started her presentation noting that this is the first of two engagements with the committee. What Metro is working on right now is advancing the wet waste allocation methodology. She shared that staff are anchoring everything here in the 2030 Regional Waste Plan (RWP), focusing on equity guiding framework. This is a relatively new intersection and staff are bringing RWP goals and voices to how Metro allocates wet waste a very new way. There's no perfect formula to follow, but equity will be a guiding theme in the tonnage allocations. The other piece that will be helpful will be the product life cycle components of how the region is managing materials and waste. The regional tonnage being discussed has been fairly consistent despite the COVID-19 pandemic. And it is close to half and half split of dry waste and wet waste. Wet waste is the waste that is under discussion related to allocating specifically to the transfer stations in the region. Ms. Vogt gave a little background on why Metro allocates the tons of wet waste and what percentages go to Metro public transfer stations versus private stations.

Metro staff are now looking at what those allocation amounts should be to serve the public good. In 2020, post adoption of the RWP, Metro Council directed staff to develop criteria for allocating the wet waste that would support progress on RWP plan goals. Staff are looking forward to 2022 and beyond, and developing an administrative rule for that. Right now, Metro has a phased allocation approach. Ms. Vogt shared information on the allocations to be implemented mid-year 2021.

Ms. Vogt shared the five goal areas that are in the RWP being used and approved by Metro Council:

1. Living wages and good benefits
2. Diversity in the workforce
3. Minimizing environmental impacts
4. Investing in communities
5. Affordable and consistent rates

Staff are trying to achieve all those at the same time while also monitoring system stability and logistics to enable the system to function. The criteria are going to be what transfer stations need to do to demonstrate that they've met reasonably achieved progress toward the RWP goals. If they do meet those criteria, they get additional tonnage beyond the base share. The criteria need to be measurable for the sake of implementation. Metro needs to be able to verify whether goals are met.

Ms. Vogt shared that Metro is committed to mitigating barriers and making these criteria achievable. Metro staff don't have full knowledge of the private transfer station costs and have asked for feedback on their challenges and how Metro can engage more on how to reduce that impact. Another theme is that the private transfer stations differ amongst themselves in their circumstances and in their costs. And there's also differences in terms of private versus public costs. The concern is that the criteria may have uneven impacts. Metro has worked to advance the RWP goals, knowing that there's no perfect approach to this, but individual or individualized facility

standards would create problems. For this reason, Metro is setting regional standards which seems appropriate and best practice, similar to minimum wage law, clean drinking water, regulations, etc.

For 2021, if a transfer station meets three out of the five goals, they will be eligible for the full goal-based tonnage. Metro also added a buffer on the Metro rate and added new criteria options so that if the original criteria were especially difficult, Metro gave additional options. Staff are doing their best to respond where there are challenges in implementing this from the transfer station side. There have been questions about wet waste potentially traveling farther because of the change in allocations. That presumes that the current system is optimally efficient and it's not - there are vertical markets. Haulers will bypass near a transfer stations to go to an affiliated transfer station at times. Metro has done some studies and has noted that there's potentially up to a 25% ability to reduce off route travel already. The system is not currently optimized and the change in allocations does not necessarily mean it's going to be more problematic or travel further. Ms. Vogt added that there are many other RWP initiatives that tie to this work. This work is relatively early in terms of implementing the RWP with respect to the five different goal areas, as well as a few others. Rate transparency is one that's outside of those explicit goal areas.

Ms. Vogt walked through the 2021 and 2022 timeline. March 31st, 2021, the criteria and the implementation plan was approved as temporary administrative rule and stakeholders were notified about the criteria that would be needed to be met for additional tonnage this year. April 15th and May 20th, coming to this committee for advice and input on the criteria for 2022. In May, staff will also be holding the public comment period and additional engagement so industry engagement for that 2022 plan. Staff plan to return to Metro Council on June 15, 2021.

Alondra Flores Aviña (Student) asked if the industry feedback was from all the industries, or just the ones that are interested in applying for the goals-based allocations?

Ms. Vogt responded that the feedback Metro has received is primarily from private transfer stations that are eligible to receive goals-based tons, or that have an allocation of some sort. There's one private transfer station just outside the region that Metro allocates to. The forums are open publicly and Metro has shared invitations to local solid waste directors, the Oregon Refuse & Recycling Association, the private transfer station operators and anyone else that they felt they wanted to forward it to those who were invited.

Ms. Flores Aviña asked if there will be continuous feedback from the industry and is Metro engaging with industry to get more input from them so that they can get support and resources needed to meet these goals, where possible?

Ms. Vogt responded that she has an open invitation to all the transfer station operators and others to contact her if there are questions or suggestions. Metro is also planning group forums for May.

Mr. Polk shared that Clackamas County is supportive of the goal-based approach and using that to advance RWP objectives. He thinks it is a good idea for this forum/committee to continue to dive deeper into that last goal area of rates, which is one of the main opportunities for those here who set rates at the local level, but also community members to look at the value in the system. The regional policy to provide essentially guaranteed tonnages is a factor that makes it difficult to ensure that private transfer stations provide a good value. The typical benefit of private sector involvement is competition for business to ensure a good value and competitive price, but this isn't an option for regional transfer services. Providing guaranteed tonnages is a little bit like what is done in the franchise system, of granting exclusive territories for collection service. The difference is that at the local level they review and set rates in order to ensure that the public is receiving a good value. The regional transfer system means they have private transfer stations receiving guaranteed tons without any complementary consideration of their cost of service, or transparency that would assure local government that the public is receiving a good value for the service. The decision to include a benchmark to Metro's fee as a goal-based tonnage allocation tool can help

somewhat, but it is unclear how much it helps unless there is more information. There is still a governance and transparency gap that needs to continue to be evaluated.

Ms. Kolek asked about the diversity of the workforce and the data that Metro is getting and how that is going to be shared. And then what is the process for setting some goals. She was wondering what the timing and process is for that.

Ms. Vogt responded that Metro is working on the timeline knowing that there is a team at Metro who are advising on how to move those forward and develop appropriate targets, where they can be in the near term. Because of the short timeline, that might need more time to mature and looking for other ways that staff can ensure that transfer stations are taking actions to increase diversity for now and adopting the targets that are more regionally established as those are available.

Ms. Vogt noted that in general, the diversity data is anonymized, but it's associated with position types. Metro is asking for it to be collected without individual names or wages associated, and is not seeing it as proprietary data. If staff do delve into an area that is deemed to be proprietary or confidential – first, staff would try not to collect it to begin with, but if there's something perceived as proprietary, then Metro can engage a third party to host that data.

Shannon Martin (City of Gresham) echoed Mr. Polk's comments about having conversations around rate transparency. He is interested to know with the rate increases that will be happening in effect July 1, he assumes that'll support Metro's efforts to meet these goals and the work that is being done. If private transfer stations follow Metro's rate increase, does that increase support them to meet all of these goals that Metro is adding into the tonnage allocation? Mr. Martin is curious if there are burdens to this and meeting these new goals with all of this happening at the same time.

Ms. Vogt responded that Metro is interested in that as well. Staff have heard that transfer stations have concerns about meeting criteria, but Metro doesn't know what kind of impact this has. Metro is interested as well and have not heard back yet for more details.

Mr. Egleston wanted to note his support for more of rate transparency control, especially if Metro's rates are going up, so that local governments know that the rate payers are reasonably compensating private facilities for their disposal charges.

Ms. McDermott wondered if the allocation rate process could be used to leverage or work on other goals specifically around goal 8 in the RWP in terms of promoting reuse, recycling, repair and donation. More on separating out some of the dry waste that is probably going into the wet waste that is salvageable, especially wood waste. She is looking for opportunities to de-couple the incentive that comes with taking on more wet waste and that it doesn't incentivize reducing the amount of that waste that's ultimately landfilled. And so, if there are transfer stations that do more to have salvage areas or donation separating out more for compost.

Ms. Vogt responded that Metro has had the five goals on the table for a while, but that's not to say they have to be the only five goals forever. Each of those five becomes its own project. Staff do want these goals to be flexible and reflecting priorities where Metro feels the most good can be done with this policy. Always open to discussing what could be done in the future.

Ms. Vogt shared that staff plan to come back to this committee with a proposal for the criteria and implementation plan for 2022, with the primary question being, do these criteria advance original waste plan goals sufficiently, while balancing the other interests that we're trying to achieve? Do they look appropriate for the task at hand? Staff haven't fully developed what they're going to be. Staff are still getting input, but the intent is to come back with that question in mind.

5. CONSIDERATION AND APPROVAL OF ITEMS

Committee meeting minutes for March 18, 2021 were approved by the committee.

6. SCHEDULE OF TOPICS

Mr. Brower reviewed the coming months of topics for the committee.

Ms. Kolek requested that the system-wide facility planning discussion come sooner to the committee, especially as conversations are happening with the Metro South facility.

MEETING AJOURNED at 10:20 a.m.