



Meeting minutes

Meeting: Regional Waste Advisory Committee (RWAC) Meeting
Date: Thursday, May 20, 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
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 8:32 am and previewed the agenda.

2. PUBLIC COMMENT PERIOD

There were no public comments.

3. 2022 WET WASTE TONNAGE ALLOCATION METHODOLOGY

Molly Vogt (Metro) presented Metro's proposed criteria for tonnage allocations and the implementation plan for 2022. She explained that the presentation looks at the proposed wet waste tonnage allocations plan that would be implemented for the 2022 calendar year. Implementing them actually means creating the plan and setting the criteria now, so that transfer stations can respond in 2021, but it affects the 2022 allocations. Metro's framework principles that staff have been leaning on and looking to be in the 2030 Regional Waste Plan (RWP). Metro is looking at ways to address racial disparities and equity questions. The RWP was an incredible process of community engagement over many years. And through that, there are goals and actions that are guiding this work, including tonnage allocations. Metro is also looking at ways to reduce impacts of the entire product life cycle. Metro wants to address the full product cycle and the RWP has many goals directed at that. The tonnage allocation process is focused on wet waste and fits into a larger strategy to address materials. The allocation methodology establishes maximum tons for private transfer stations in the region. It has very little influence over the generation question.

Ms. Vogt posed the question: why does Metro allocate? It is part of the solid waste that Metro manages. Metro manages to serve the public good. And Metro Council has given direction going back clearly since 2016 and before then as well. The allocation methodology that staff are presenting today is something that's part of a larger framework, detailed in administrative rules. We are seeking guidance from the Regional Waste Advisory Committee and the Metro Council and input from stakeholders on those administrative rules before bringing them to Metro's Chief Operating Officer for approval.

One of the items laid out in the 2016 transfer system configuration policy was that Metro should receive no less than 40% of the region's wet waste. Metro has a public-private hybrid transfer system and that sustains Metro's operations and many of the public services that Metro stations provide. That gives the benchmark of the amount that can be allocated to private stations, which is up to 60% of the region's forecasted wet waste. In 2020, Metro Council directed staff to develop the criteria by which they would allocate wet waste tonnage to those private transfer stations to support progress on the RWP goals. Metro has now implemented a 2021 mid-year phase, and going into a full year phase for 2022. It has been a phased approach in order to provide a smooth and stable implementation. Metro is focusing on five goals from the RWP and establishing criteria for those goals. If transfer stations meet any one of these goals, they would be eligible for a certain amount of goals-based tonnage associated with that goal. That is above and beyond a base allocation. Each transfer station would get a base allocation in 2022. And then if they are able to demonstrate that they've met additional criteria, they would be allocated additional tons.

Ms. Sharetta Butcher (NxNE) asked if transfer stations will they get more allocation if they meet more than one goal.

Ms. Vogt responded that yes, in the plan for 2022, an equal amount of additional tonnage is available for each goal.

Ms. Vogt continued that two additional goals inform other aspects of the methodology, including those base allocations: overall system stability and transfer station transportation logistics and geographic distribution.

There are four primary principles for the goals based tonnage:

1. Are they meaningful? And by that, do they advance the regional waste time goals? Do they make a positive impact?
2. Are they also achievable? Are they realistic? Can they be achieved with a reasonable amount of time and investment, especially given where we are in implementing other aspects of the RWP and the timeline for implementation?
3. Are they measurable, so that we can verify that they're documented, that they've really happened? That's for practicality of implementation.
4. Standardized: we are trying to be as consistent as possible. Standardizing to regional targets where targets exist or standardizing to a regional target or to Metro benchmark in an absence of a regional target. Staff are using Metro as the benchmark until there is a more regionally agreed upon target.

Key changes between the 2021 plan already implemented and the proposed 2022 plan are:

- Metro will use the same goals, but more – double the amount of – tonnage will be available for allocation. This increases the incentive to meet the goals.
- Transfer stations would receive tonnage for each goal met.
- Because of the timeline and not wanting to modify the system too abruptly, staff have been striving for consistency and continuation of most of the criteria. Metro intends to advance some refinements for 2022. Metro can advance additional modifications in the future.

Goal 3.0: Ensuring that jobs in the region, in the garbage and recycling industry, pay living wages and include good benefits. This is one goal where Metro does not have a regionally defined standard for what a living wage is. Currently, Metro is proposing that wages for entry-level positions at the private transfer stations must match or exceed Metro's in-house and contracted lowest wage for entry level positions.

Goal 4.0: Increase the diversity of the workforce in all occupations, where people of color, women, and other historically marginalized communities are underrepresented. The criteria for this is to provide workforce diversity data to Metro. Metro has a lot of discussions and work happening behind the scenes right now for additional criteria in the future that would incentivize increased diversity. Staff recognize that providing data does not necessarily move the needle, in terms of monitoring the impact. However, Metro wants to ensure that community-based organizations have a voice. Staff are coordinating internally at Metro the Diversity, Equity and Inclusion team to be as consistent as possible in how staff are working across the agency, and the timeline on this project hasn't allowed staff to come up with criteria for 2022 that we feel are achievable and meaningful and consistent. For this reason, Metro is proposing a requirement to provide workforce diversity data. This data will be very useful as staff are shaping other policies and programs.

Goal 12: Manage operations to reduce nuisance, safety and environmental impacts. There are three options for transfer stations on this particular goal:

1. Changing to low particulate or low greenhouse gas emission fuel, either at the transfer station onsite.
2. Using R99 or qualifying renewable diesel for long-haul disposal transport from the transfer station to the landfill.
3. Rather than just switching fuels, that the equipment that they use is a Tier 4 engine, or has an emission control device, using technology that minimizes the pollution emissions.

Goal 13: Invest in communities that receive garbage and recyclables from the Metro region so that those communities regard solid waste facilities as assets. Transfer stations are already collecting Community Enhancement fee for the Community Enhancement Grant Program. Metro is offering two options for this:

1. Collect a supplemental 50 cents per ton on wet waste. They're already collecting a dollar per ton on wet waste for the Community Enhancement Grant Program.
2. Collect a supplemental \$1.00 per ton on materials that are not wet waste.

Goal 14: Adopt rates for all services that are reasonable, responsive to user economic needs, regionally consistent and well understood. The rates criteria is that the total charge per ton at the private transfer station should be no more than Metro's solid waste fee, no more than Metro's charge per ton, inclusive of all fees. This is another change from the 2021 plan. In 2021, Metro allowed a 5% buffer above Metro's fee. Metro's fees are scheduled to go up in July 2021, which gives transfer stations an ability to increase their fees up to that new amount.

Ms. Vogt shared some information about the timeline. She also shared feedback they have received from groups like the Oregon Refuse and Recycling Association (ORRA). One of the main points was that transfer stations differ in their circumstances and in costs and that raises questions about whether it is appropriate for Metro to use its own benchmarks for criteria. The differences include taxes, services provided, hours and staffing, materials received, equipment, and private transfer stations are also budgeting for a profit, while public transfer stations are not. Metro would like more information in order to understand the impacts of implementing this plan.

The second question, also related to a point in that ORRA letter, is that wet waste could travel farther in the scenario where Metro changes tonnage allocations from the historic levels (thus increasing greenhouse gas emissions in the region). If Metro were to focus solely on allocations that would reduce off-route vehicle travel and no other goals, analyses reveal that the potential

reduction in off-route vehicle travel is significant (26%) but those greenhouse gas savings represent a very small amount of the total greenhouse gas in the region – equivalent to the annual carbon footprint of 77 people. Metro needs to make meaningful progress toward the regional equity and environmental goals in the RWP. That is why Metro pivoted to the plan presented at this meeting.

Beth Vargas Duncan (ORRA) asked about the analogy of the carbon footprint of 77 people – is that over the time span of a year?

Ms. Vogt confirmed that yes - it's an annual carbon footprint. There are some standards of coefficients in the industry. This analysis is based on a standard coefficient that an average resident in the United States emits about 20 metric tons of CO₂ in a year.

Christa McDermott (PSU) mentioned the pollutant factor and especially the impact on public health is one of the main environmental impacts of extra vehicle travel. If the region moves toward electrification of trucks, that could be mitigated. She wondered if that is accounted for elsewhere in the environmental impact. Ms. McDermott felt that's actually more meaningful, especially if these routes tend to be around other highly impacted communities or people, if it's sitting in traffic and creating more pollutants. So it's not necessarily miles traveled.

Ms. Vogt responded that the points made by Ms. McDermott are reinforced and echoed in presentations that other staff have given to counsel again, about the switch to R99 renewable diesel that reduces those pollution impacts and that the public health impacts and the racial disparities. Ms. Vogt noted that Ms. McDermott reaffirmed that that should be a goal – that staff need to be looking at public health impacts and not just the carbon.

Ms. Vogt highlighted the other main themes of feedback that staff have heard:

- Transfer stations differ in circumstances and costs
- Wet waste may travel further
- More time is needed to budget for and procure changes
- Impacts on costs to ratepayers – from investments to meet goals or from reduced tonnage from non-participation
- Other RWP goals such as disaster resilience are relevant
- Diversity needed at all levels of a company
- Minimum wage versus total compensation
- Touch points with rate transparency and other initiatives

Eben Polk (Clackamas County) asked about Goal 14, which shifts from the 5% leeway to the idea that the private transfer station fees should not exceed Metro's. Does Metro have a mechanism to verify that the condition is actually being met?

Ms. Vogt responded that Metro will expect a letter certifying what the new rates for each transfer station for that period. Metro will need notification if it changes during that period, and will need to be copied on any correspondence, advertising, or notifications that go out to their rate payers or haulers signifying the change.

Mr. Brower added that Metro inspectors go to these facilities periodically and verify the gate rates.

Thomas Egleston (Washington County) also referenced Goal 14 and expressed support for an approach that maintains some consistency and gives local government more confidence in the local rate setting processes. He acknowledged the argument that private stations pay different taxes, fees, and have different costs essentially than a public station does. But it's extremely relevant on the west side is that private stations are not providing the same services that Metro's public stations are. Self-haul and household hazardous waste (HHW) collection is severely limited on the west side. That's an important consideration in responding to that concept because there isn't rate

transparency. It's important for local governments to be confident that rates are reasonable and that our rate payers should be paying those costs.

Ms. Vargas Duncan commented that the private transfer stations make a contribution to help offset or fund the self-haul and other activities.

Mr. Brower clarified that self-haul at Metro stations is primarily covered by Metro customers. HHW is different, and is covered by the regional system fee.

Christa McDermott (PSU) asked if now all customers will be charged the same rate at private transfer stations.

Ms. Vogt answered that it doesn't inherently mean consistent rates. Metro doesn't regulate rates in that sense. The criteria establish the maximum amount that a private transfer station can charge if it wants to be eligible to receive the additional goals based tonnage for that year. So there's nothing to prevent them from charging a higher rate. If it's a higher rate above Metro's threshold, then they simply wouldn't be eligible for the tons associated with that. And they can still charge a lower rate. So they want to give a particular hauler some kind of a break they're able to do that.

Ms. McDermott noted that it will most likely favor the vertically integrated transfer station haulers and is not a fair situation to the smaller businesses.

Ms. McDermott asked if these allocations will be revisited on an annual basis.

Ms. Vogt replied that for now, Metro will develop them on an annual basis. Staff are aware that it's a lot of energy and time. The plan is to move to at least a two year timeline and hopefully three or five year timeline.

Mr. Egleston noted that it's important that there is a good baseline and that Metro/local governments get this right, but then, once committed, that it sticks for a while, particularly when considering labor practices.

Marilou Carrera (Portland resident) wanted to express general support for the criteria. She thanked Ms. Vogt for the presentation and how it is organized with the numbers down to the level of social math. As someone in the community, and not in the solid waste industry, it is helpful to have something on this level.

4. PRODUCT STEWARDSHIP LEGISLATION UPDATE

Pam Peck (Metro) shared that Metro's goal today is to give you an overview of the three bills advancing in the Oregon Legislature.

Scott Klag (Metro) provided a quick refresher from when they presented in 2020 on extended producer responsibility (EPR). The bills that are current in the legislative session going on right now are:

- HB 582A: Modernizing Recycling Act
- SB 570A: Product stewardship for mattresses
- HB 4955A: Product stewardship for household hazardous wastes.

Three common elements of the 2021 EPR Bills:

1. Producers will need to form/join a Producer Responsibility Organization (PRO) in order to discharge the obligations placed on them if/when the bills pass.
2. PRO's will need to submit plans to DEQ
3. DEQ will review and approve plans, oversee programs, and PROs will cover DEQ costs.

Specific to SB 582A, Mr. Klag noted that producers will also support the processors. They'll pay for some of the costs of transferring materials, particularly in the rural parts of the state. This will help

level playing field a bit for rural communities and the rest of the state, where they can be able to get their materials to processors and markets that are cheaper price with support from the processes. There's also going to be a system of payments from the producers to protect rate payers from fluctuations in the market. There will be an additional tracking and better reporting about where materials go. One thing that people are looking for was the elimination of the chasing arrows symbol, so that people won't be confused about, what's really recycling. And that will indeed happen with this bill. The larger question is exactly how you deal with truth and recycling. There'll be a task force to look at that. Finally, there are provisions on where the materials will have to go. Local governments will have to ensure that the materials flow to a permitted or certified facility.

Mr. Klag shared high-level details about SB270A and HB 4955A – details available on the presentation attached at the end of the meeting minutes.

Jenny Slepian (City of Lake Oswego) asked if SB 582A also applies to compostable and bio plastic products?

Mr. Klag replied that food service wear is defined as a covered product. There were some early provisions in the bill that didn't get included. Right now, composting isn't a big part of the bill, but there is some consideration the products are covered.

Alondra Flores Aviña asked about the Governor's advisory council and bottle bill taskforce and if this is going to be for a certain group or will it be open to community members or the public to be a more equitable.

Ms. Peck answered at least for the recycling modernization bill that the makeup of that committee would include community members and representatives of local governments and other parties to the system. The bottle bill task force does include a community member, representing the unhoused community. It also includes an environmental group representative that is out of 12 members that mostly represent the wine and spirits and wine distributors.

Ms. McDermott asked about the producer organization and if it effectively a fund collection group or do they have more control over the allocation of the fees that they'll be collecting from their members. She was trying to differentiate between the paint care model where that is an industry led group and that there's been some issues around how much they've actually encouraged prevention of waste.

Mr. Klag noted that some of the controversies about paint care have to do with that they collect the fee and then how do they raise and set the fee that is reviewed by the DEQ, the same thing with a mattress bill. It will be a similar thing. The industry likes those because it guarantees them operational money to run the program, the waste bill and the pharmaceutical bill, for example, they have to figure out how to get the funds.

5. MARKET DESTINATIONS OF RECYCLABLES

Rosalynn Greene (Metro) started by providing some background and refresher information from when they were last at RWAC in June of 2020. She explained that contaminants are the non-acceptable items placed in recycling bins by people when they're at home or at work. A successful recycling system depends on the quality of materials collected. In 2017, overseas recycling markets began to limit the amount of recyclables Oregon could send, which disrupted the state's recycling system. One reason for that change was that some countries were no longer willing to accept recyclables that were contaminated with trash.

Ms. Greene explained that recyclables make their way to material recovery facility (MRF), where the mixed recyclables are sorted into categories, such as paper, plastic, metal, and contamination is hopefully sorted out and thrown away as garbage and sent to a landfill. Then the MRF operators bail the material so it can be easily transported to what is known as a market to be recycled. Markets can either be located locally, domestically, or internationally.

A key goal of the 2030 Regional Waste Plan (RWP) is to manage recycling more responsibly. The goal is responsible recycling to ensure that recyclables are processed in a way that minimizes the impact for people and the planet, both in the greater Portland area, as well as around the world. But how does decreasing contamination improve our recycling system? Material quality ensures that more material can be recycled. It's becoming more common that when contaminated recyclables from the United States and Europe are sent to other countries, the material is either thrown away or sent back to the country of origin to be thrown away or for more fully sorted. Clean material also increases efficiency and decreases processing costs at the MRF. Contaminants are also dangerous for MRF workers. Lastly, clean material optimizes environmental and human health benefits of recycling because the materials gets recycled when it's not dirty.

Ms. Greene shared the three RWP indicators related to contamination. The indicators are designed for Metro and local governments to demonstrate the positive impacts. The first indicator is contamination rate of mixed recyclables by sector. The second is contamination rates for outbound recyclables. The third indicator is the share of material sent to markets located in Oregon and the United States. The slides delve into the indicator details – attached at the end of the meeting minutes.

Sabrina Gogol (Metro) noted that the MRF standards project is a multi-year planning process to develop and consider, and implement new requirements for those MRFs that Ms. Greene was talking about that are having so much trouble with contamination. The new requirements will be researched and developed and refined with an eye for advancing goals, three, four and 15 of the RWP.

Ms. Gogol outlined the new requirements for regional recycling facilities:

1. Improve marketability of recyclables.
2. Achieving good jobs and increasing the diversity of the workforce at facilities that process those recyclables.
3. Reduce the negative impacts to human health and the environment from the management of recyclables.
4. Collect data so that staff have a strong foundation for doing additional requirements later.

Metro staff are also going to try to develop reporting requirements to help Metro have better data on the share of the regions recoverable materials that are sent to markets in Oregon in the United States. Staff are also going to develop quality standards at MRFs for inbound recyclables, outbound material, as well as the residual coming from those facilities. These quality standards are all intended to be required for all MRF's receiving curbside recyclables. These regional quality standards will help ensure that recycling is sorted correctly, which is important because when recycling is improperly sorted it can make it challenging for materials to be recycled into new products. And these lower quality materials can also end up being shipped to places that may not have the equipment to responsibly recycle or dispose of the materials.

Ms. Gogol concluded by sharing the project timeline and opened up the discussion to questions.

Mr. Egleston asked if SB 582 would significantly impact this work. He also noted that the timeline seems very ambitious. How are staff anticipating reacting to that?

Ms. Greene responded that staff are very hopeful that SB 582 will pass. But in the case and the unfortunate circumstance that it doesn't, Metro wants to ensure that this work continues to move forward. Whether or not 582 passes, Metro wants to move it forward, and is doing it in coordination with DEQ. DEQ is on the project team so it's not an isolation, and Metro does not want to duplicate regulatory efforts.

Ms. Slepian asked about the impact to private/boutique recycling operations that are starting to emerge in the state, that don't necessarily want to be licensed but should be. She wondered about

the transparency of those businesses, which is a big concern. Will they be held to the same reporting and standards?

Ms. Greene replied that the MRF Standards Project will inform how Metro works with other businesses and other aspects of the system. This is just one step right now within the span of Metro's control, but staff are talking about responsible recycling in all facets. Whether it is landfill waste or recyclables, it's going to be a huge theme for us moving forward.

Ms. Gogol noted that one of the benefits of the timeline is that staff will be able to develop a stakeholder engagement plan and stakeholder input while knowing that there's intentions around bringing those additional facilities on board to the Metro authorizations process.

Ms. Greene added that racial equity is central to this work, and Metro sees this work as being critical to achieving equity goals. She is excited to be focusing on this and making improvements. Metro focused a lot on the environment in the past, and that is still important, but responsible recycling and not exporting waste to other countries is so central to the equity strategy.

6. CONSIDERATION AND APPROVAL OF ITEMS

Committee meeting minutes for April 15, 2021 were approved by the committee.

7. SCHEDULE OF TOPICS

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

MEETING AJOURNED at 10:22 a.m.