



Date: June 29, 2016

To: Shirley Craddick, Metro Councilor

From: Steve Fancher, Department of Environmental Services Director

Subject: Metro Region Waste Transfer System Configuration Recommendations

The City of Gresham would like to offer a letter of support for Metro Council to consider new options for improving the transparency and regulation of tip fees at private wet waste transfer stations. Improving rate transparency and engaging in rate regulation would help support a level playing field for residential and commercial rates in the City of Gresham.

Regulating transfer tip fees at private facilities would help Gresham promote efficient off-route travel which supports a reduction in fuel use, costs, greenhouse gas emissions, and other public benefits. Most Gresham licensed haulers currently minimize off-route time by taking materials to the Troutdale Transfer Station and pay higher fees. Starting July 1st, 2016, the tip fee at the Troutdale Transfer Station will be \$104.00/ton with a \$20 transaction fee. Gresham residents and businesses are paying \$7.75 more per ton and \$18.00 more per transaction fee compared to Metro Transfer Stations and other private facilities.

Due to this higher tip fee that the City cannot currently control, we are more susceptible to customer rate increases. Licensed haulers are willing to pay the fee given they have a set rate of return and the increased costs may be passed through to the customer. Diverting Gresham solid waste from Troutdale to Metro or Columbia Resource in West Vancouver increases miles traveled, greenhouse gas emissions, truck labor and traffic congestion. The current pricing scheme at Troutdale provides one hauler the economic incentive to drive to West Vancouver for disposal. If the tip fee was comparable to Metro, this hauler would save on average \$35,000 per year for the rate payers by delivering to Troutdale instead of West Vancouver.

It is our understanding that Metro staff have identified three options for Council consideration that could help to address this issue. The City supports all of them to help protect the financial health of our citizens and businesses.

Thank you for your consideration.

A handwritten signature in black ink, appearing to read "S. Fancher", written over a horizontal line.

Steve Fancher
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