

# Garbage and Recycling in the Metro region

MPAC

October 27, 2021



# Tonight's presentation

Overview and discussion of regional garbage and recycling issues

System overview, governance and structure

Metro solid waste fees and rates, and upcoming budget and fee engagements

Wet waste tonnage allocation to private transfer stations

Updates on Metro's Ridwell facility licensing process and Oregon's new Recycling Modernization law

# Authority

Metro derives its solid waste authority from three primary sources



The Oregon Constitution



Metro's home rule charter



State statutes (ORS chapters 268, 459, and 459A)

# Authority

In 1991 voters amended the Oregon Constitution

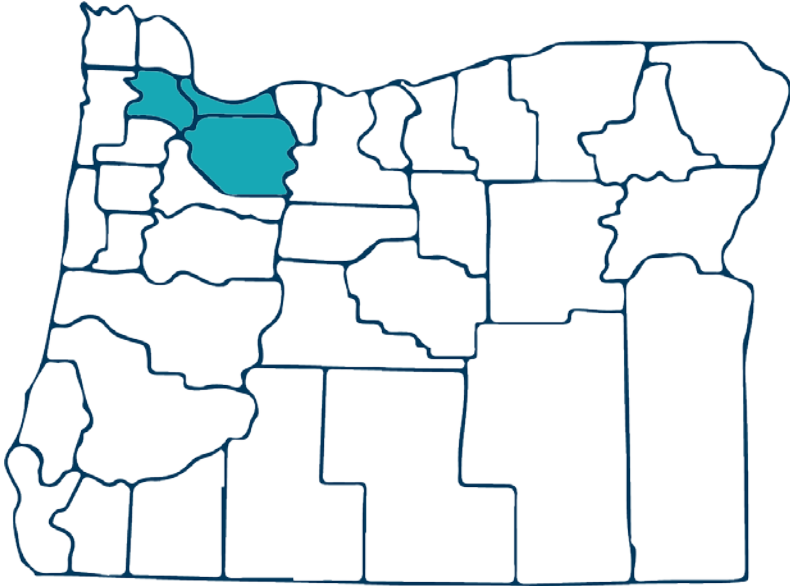
- Authorized Metro to have a home rule charter
- Gave Metro authority over:

*“matters of metropolitan concern as set forth in the charter of the district”*

*(Article XI, Section 14)*



# Authority



In 1992 voters from Clackamas, Multnomah, and Washington Counties adopted a home rule charter for Metro

Before this action, Metro's regulatory authority was only in state statute

# Home Rule Charter



- General authority to “dispose” of solid and liquid wastes
- Specific authority to acquire, develop, maintain and operate facilities for solid waste disposal
- Jurisdiction over any other matter of “metropolitan concern”

# Statutory Authority



- ORS Chapter 268 – governs metropolitan service districts generally
- **ORS 268.317** – Metro’s solid waste “powers”

# Statutory Authority



**For the purposes of solid and liquid waste disposal, a district may:**

- (1) Build, construct, acquire, lease, improve, operate and maintain landfills, transfer facilities, resource recovery facilities and other improvements, facilities or equipment necessary or desirable for the solid and liquid waste disposal system of the district. Leases authorized by this section include lease purchase agreements whereunder the district may acquire ownership of the leased property at a nominal price. Such leases and lease purchase agreements may be for a term of up to 30 years.
- (2) Sell, enter into short or long-term contracts, solicit bids, enter into direct negotiations, deal with brokers or use other methods of sale or disposal for the products or by-products of the district's facilities.
- (3) Require any person or class of persons who generate solid or liquid wastes to make use of the disposal, transfer or resource recovery sites or facilities of the district or disposal, transfer or resource recovery sites or facilities designated by the district.
- (4) Require any person or class of persons who generate, collect or transport solid or liquid wastes to make use of the disposal, transfer or resource recovery sites or facilities of the district or disposal, transfer or resource recovery sites or facilities designated by the district.
- (5) Regulate, license, franchise and certify disposal, transfer and resource recovery sites or facilities; establish, maintain and amend rates charged by disposal, transfer and resource recovery sites or facilities; establish and collect license or franchise fees; and otherwise control and regulate the establishment and operation of all public or private disposal, transfer and resource recovery sites or facilities located within the district. Licenses or franchises granted by the district may be for existing landfills authorized to accept food wastes which, on March 1, 1979, are either franchised by a county or owned by a city are exempt from the district's franchising and rate regulation.
- (6) Prescribe and modify the issuance, administration, renewal or denial of contracts, licenses or franchises granted under subsection (5) of this section.
- (7) Regulate the service or services provided by contract, license or franchise and order modifications, additions or extensions to the equipment, facilities, plan or services as shall be in the public interest.
- (8) Receive, accept, process, recycle, reuse and transport solid and liquid wastes.

Regulate

License

Operate

Franchise

Authorize



# Statutory Authority



ORS Chapters 459 and 459A govern solid waste management and recycling generally but are not specific to Metro

However, they do include statutes describing Metro's authority in certain circumstances

The most important statute for purposes of Metro's authority with respect to local governments is ORS 459.095

# Statutory Authority



## **ORS 459.095**

*“(1) No ordinance, order, regulation or contract affecting solid waste management shall be adopted by a local government unit if such ordinance, order, regulation or contract conflicts with ... a solid waste management plan or program adopted by a metropolitan service district and approved by the Department of Environmental Quality or any ordinances or regulations adopted under such plan or program.”*

# Roles in regional garbage and recycling system

## **State** *sets legal framework, planning and oversight*

State level planning and oversight – 2050 Vision for Materials Management, recycling service and education requirements, private solid waste facility regulation and permits, and sets and collects landfill fee

## **Metro** *planning, oversight and regional services for tri-county “wasteshed”*

Regional level planning, coordination and oversight – 2030 Regional Waste Plan, standards for local government garbage, recycling and food scraps collection services, disaster debris planning, and private facility authorizations and wet waste tonnage allocations, non-system hauler and generator licenses

Regional services - household hazardous waste and self-haul collection, operates two transfer stations for garbage, recycling, yard debris and food waste, regional clean up services and grant programs, regional education programs

Sets and collects excise tax, regional system fee and fees for transfer station services

## **Counties and cities** *local planning, oversight, education and collection services*

Local level planning, oversight and code enforcement

Residential and business collection services for garbage, recycling, yard debris and food waste

Oversee and manage agreements with franchised haulers

Provide local recycling and waste reduction education programs and technical assistance to businesses (services provided by County cooperatives in some areas)

Set rates and franchise fees for local collection services, collect franchise fees

# Questions



# Where does the money go?



## PUBLIC OPERATIONS

Staff & major contracts

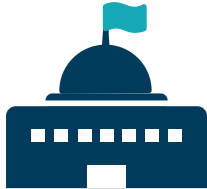
**\$45M**



## REGIONAL PROGRAMS

Programs, grants, partnerships & projects

**\$36M**



## GENERAL GOVERNMENT

Excise tax

**\$18M**

# What fees does Metro charge and who pays?

1

## Metro customers



- Transaction charges
- Tonnage charges

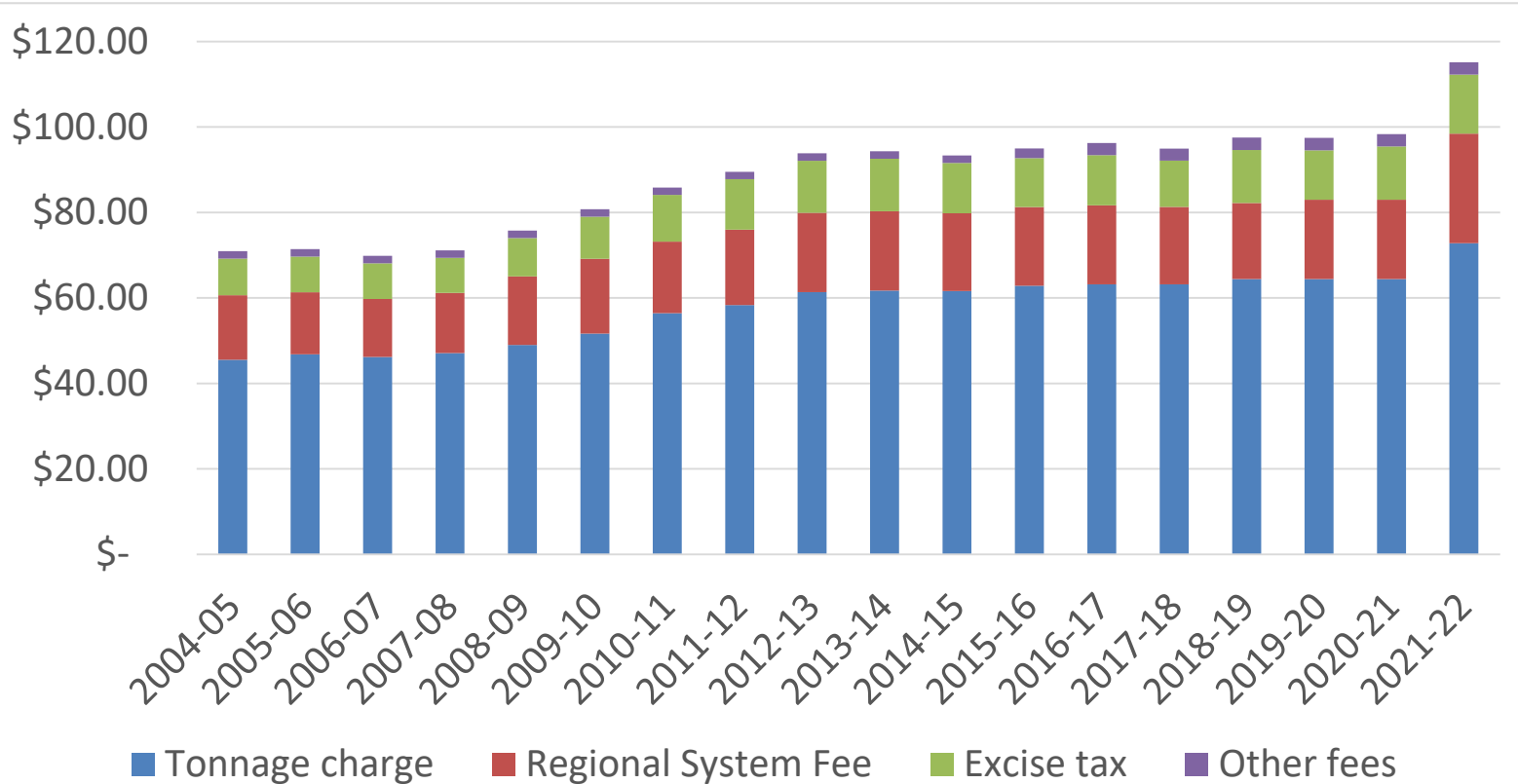
2

## All ratepayers

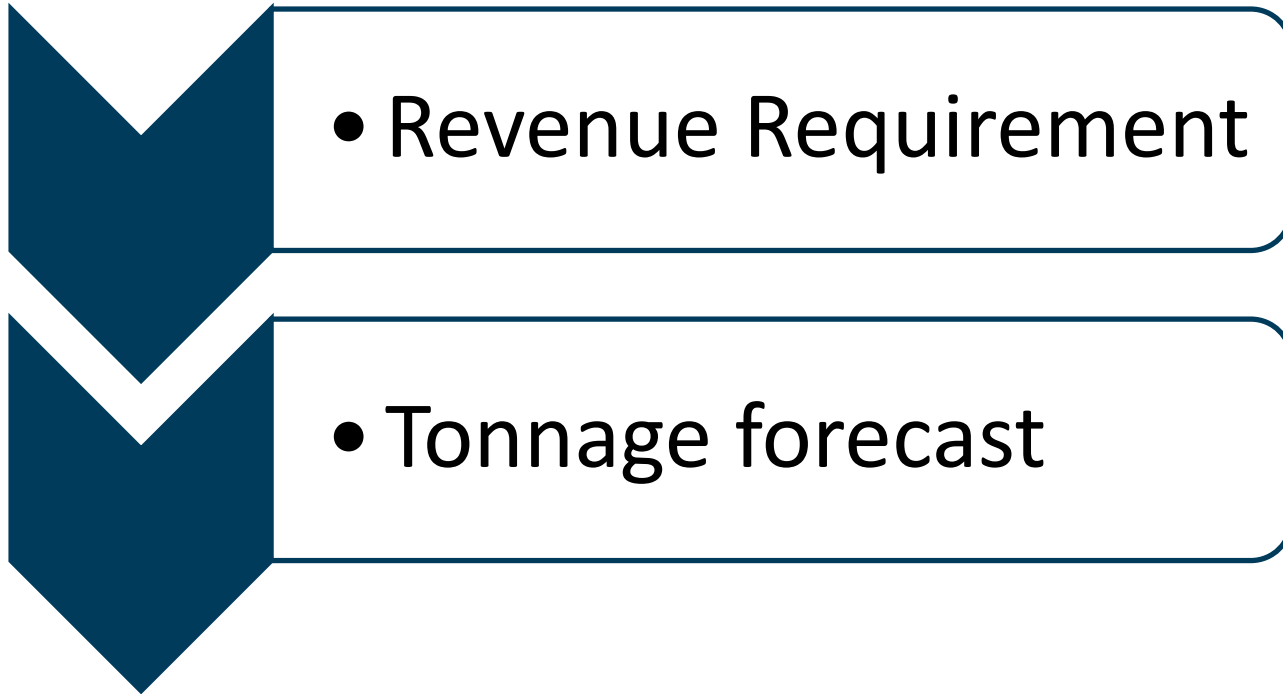


- Regional system fee
- *Excise tax*
- DEQ fees
- Enhancement fees

# Rate history



# Rate setting process





# Cost factors

- Investments in green fuel, improved wages, less-polluting equipment and additional staff to improve safety at Metro South
- Nearly 10% increase in facility customers
- Costs DO NOT include investments in new public facilities

# Metro's approach

- Reduce solid waste budget \$15 million in FY20-21
- Use up to 50% of Metro's rate stabilization reserve (\$7.5 million)
- Increase transaction fees, tonnage charges and Regional System Fee

# July 1, 2021 increase

	Previous	Increase	New
Tonnage fee	\$64.41	\$8.40	\$72.81
Regional system fee	\$18.58	\$7.07	\$25.65
Excise tax	\$12.47	\$1.33	\$13.80
DEQ fee	\$1.89	NA	\$1.89
Enhancement (host) fee	\$1.00	NA	\$1.00
<b>TOTAL TIP FEE</b>	<b>\$98.35</b>	<b>\$16.80</b>	<b>\$115.15</b>

# Rate increase impacts

- Maintains current operations (open hours/days)
- Reduces some regional programs and services
- Fully funds Metro's solid waste operating reserve, uses at least 50% of rate stabilization reserve
- Residential customer (35 gallon cart) impact up to \$0.90/month

# Upcoming engagement opportunities



- ***Budget and fee engagement series*** to learn about and provide feedback on 2022-23 budget and fee change recommendations to the Metro Council – planned for Winter 2021 and Spring 2022
- ***Solid waste and recycling system facility plan*** – planning and engagement process - 2022 to 2023

# Why do we allocate wet waste?

Garbage is a limited public resource, managed by Metro to serve the public good.

2030 Regional Waste Plan calls for Metro to *“Locate garbage transfer stations and allocate material tonnage to them in a way that benefits the public, emphasizing geographic equity, access to service and a reduction in environmental and human health impacts.”* (Action 16.1)

Metro allocates wet waste to support system stability, ensure provision of public services, support small and local businesses, and advance diversity and equity in the system.

# Incentivized Regional Waste Plan goals



Living  
wages and  
good benefits



Increase  
workforce  
diversity



Reduce  
environmental  
impacts



Invest in  
communities



Reasonable,  
responsive,  
consistent  
rates

# Questions





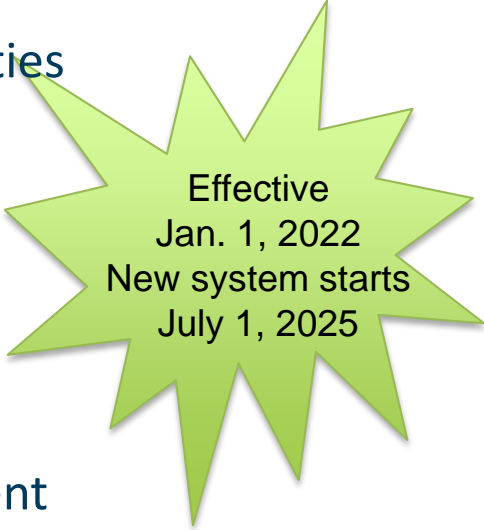
# Ridwell facility license update

- Metro ensures that solid waste (including recyclable materials) generated in the region is managed in a manner that protects public health, safety and the environment
- Ridwell must obtain a Metro facility license
- Public comment period and information session Nov. 2021
- Metro decision after OR DEQ permit decision likely early 2022
- Will continue to coordinate and share info with cities and counties and review other new recycling business/service models

# Plastics Pollution and Recycling Modernization Act (SB 582)

## Adopted in 2021 Oregon Legislative session

- More public education and one statewide collection list
- Meets needs of underserved and unserved communities
- Producers obligated to share responsibility with governments and ratepayers
- Recycling increases as it becomes easier and more accessible
- Oversight of producers and processors to ensure responsible recycling (applications for local government seats on state oversight board due Nov 19, 2021)



Effective  
Jan. 1, 2022  
New system starts  
July 1, 2025

# SB 582 and currently hard to recycle items

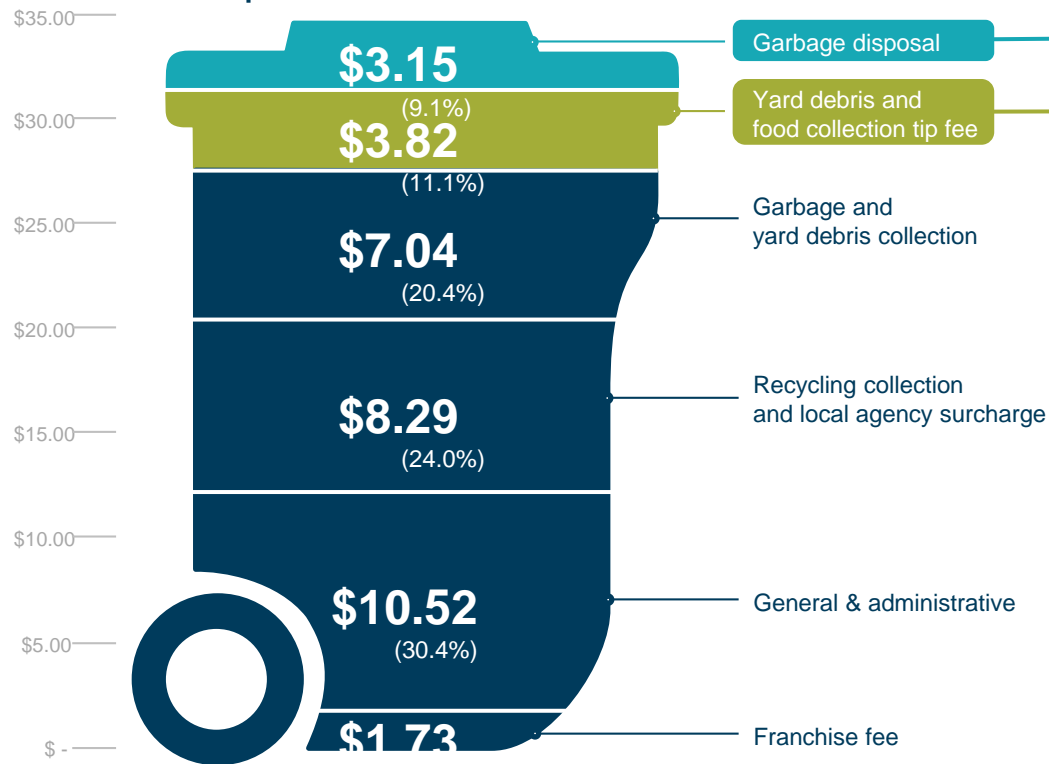
- Statewide recycling list determines what should be collected for recycling and how best to collect (“on route”, depot or other)
- Statewide recycling rate goals for plastic packaging and food service items
- Opportunity to collect more volume and a broader array of packaging
- Producers are required to fund and/or operate depots, offset processing cost increases and ensure responsible end markets.

# Thank you

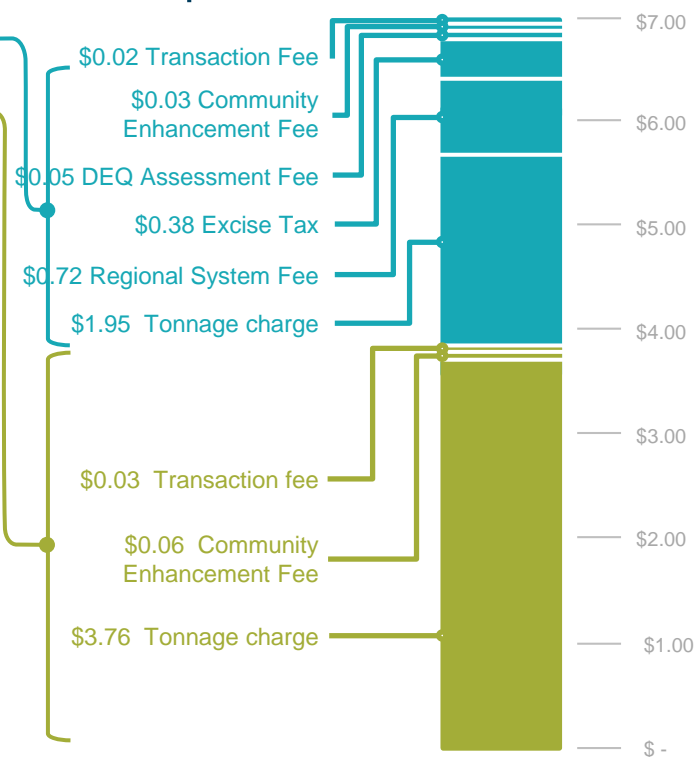
[oregonmetro.gov](http://oregonmetro.gov)



## Household Garbage Bill \$34.55/month

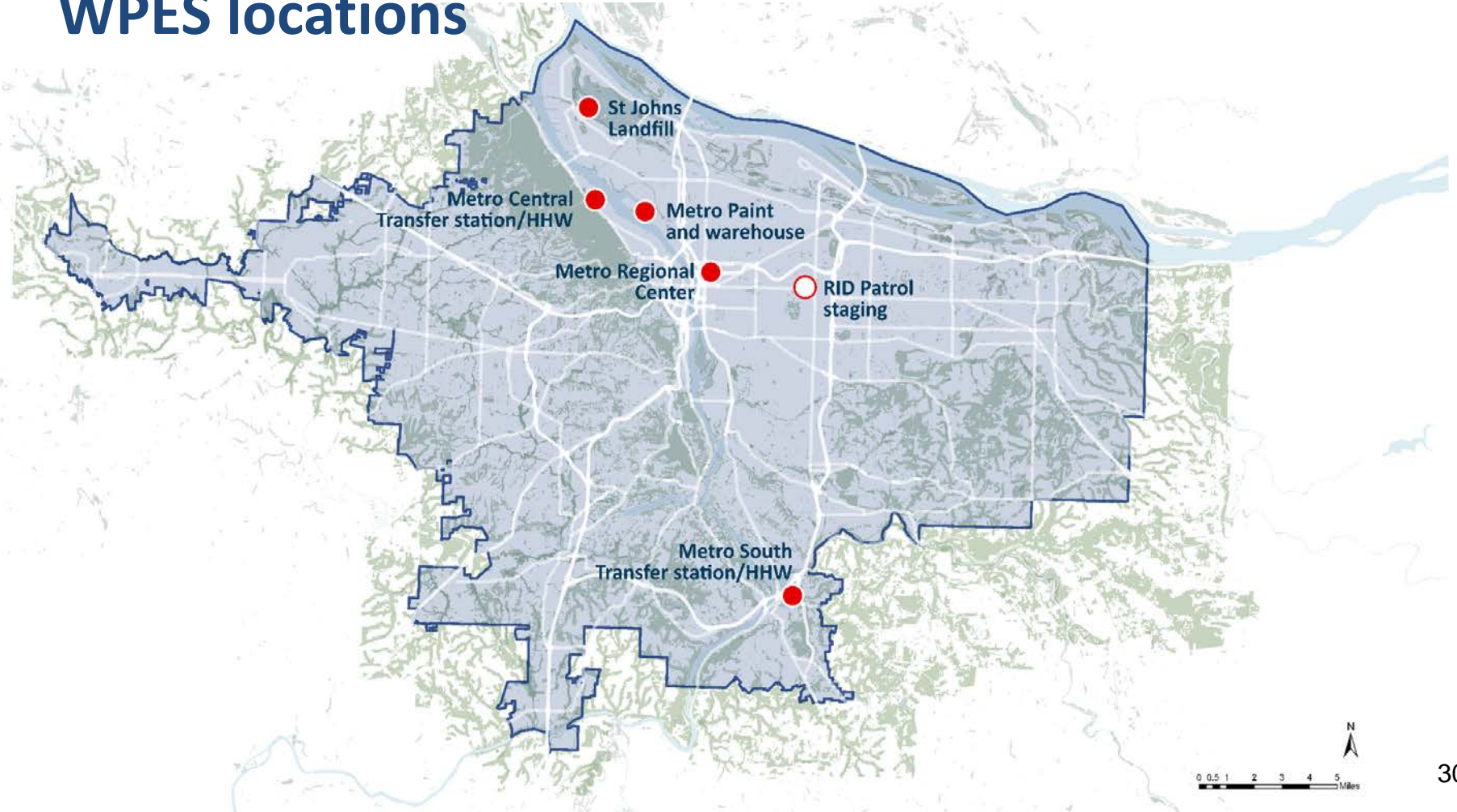


## Metro Portion \$6.97/month



**NOTE:** All costs and fees shown here are associated with current City of Portland rates as of July 2021 for FY20-21.

# WPES locations





## PUBLIC OPERATIONS

Staff & major contracts

- Transfer station operations \$17.1m
- Disposal fees \$10.2m
- Waste transport \$13.5m



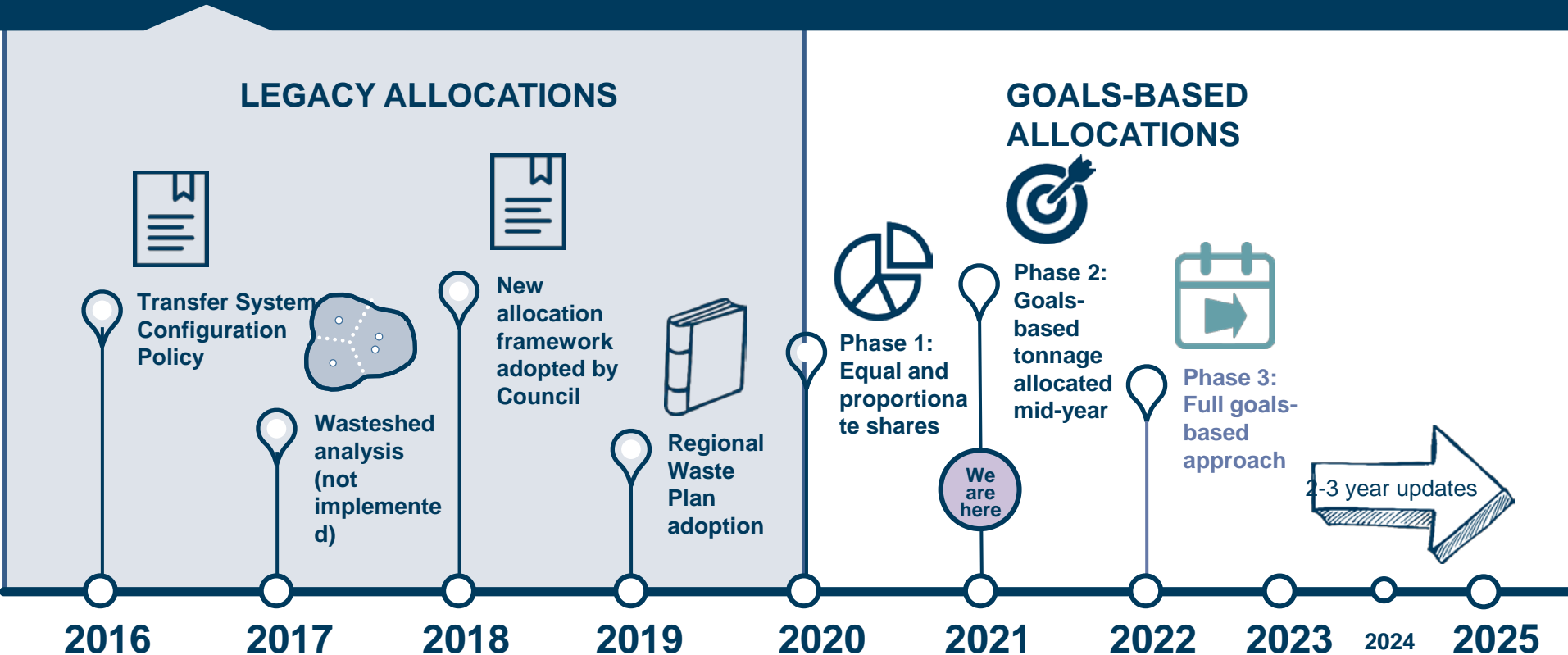
## REGIONAL PROGRAMS

Programs, grants, partnerships & projects

- Household hazardous waste
- Community clean up services to address dumped waste
- Waste reduction and education programs
- System planning and oversight

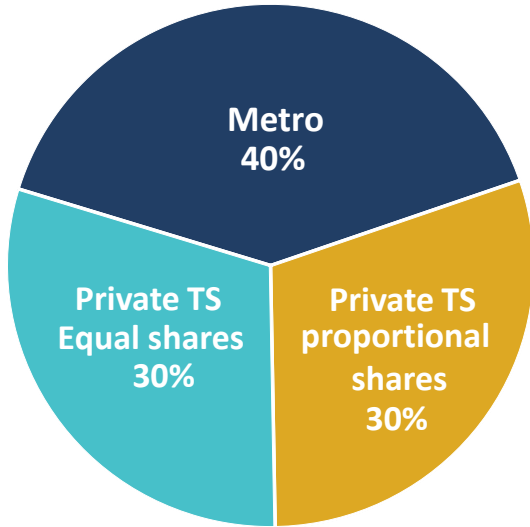


# Major developments in allocation work

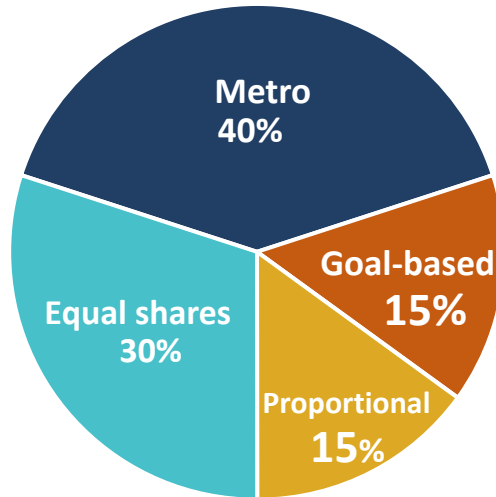


# Phased implementation

**Phase 1: 2020**



**Phase 2: 2021**



**Phase 3: 2022 and beyond**

