Wet Waste Tonnage Allocations Goals and Criteria

Council Work Session

September 24, 2020

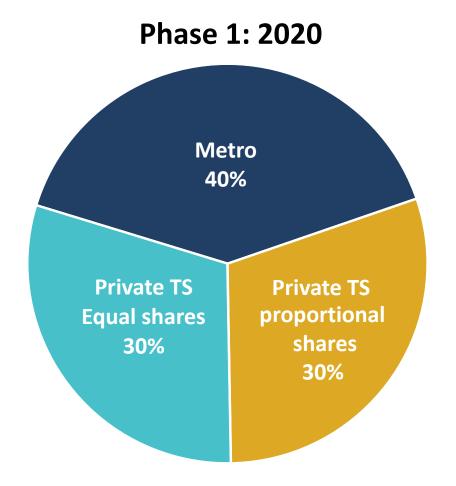




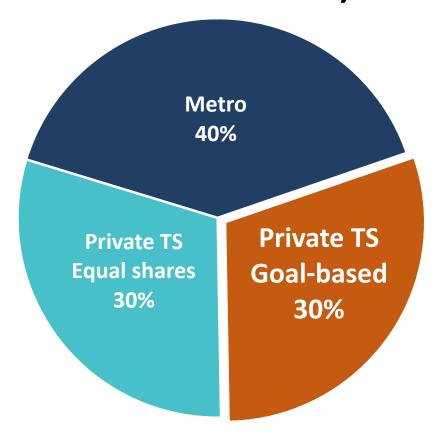
Why do we need an allocation method?

- Garbage is a limited public resource, managed by Metro to serve the public good, so we want to be strategic with benefits.
- Metro oversees this system and sets facility requirements.
- To ensure that Metro receives that 40% per code, Metro allocates up to 60% of the region's forecasted waste to private facilities.
- In 2016 Council directed staff to design a system for allocating wet waste to private transfer stations and in early 2020 endorsed a goals-based approach.

Original phased plan



Phase 2: 2021 and beyond



2020 Engagement

- March: Council meeting, 2 stakeholder listening forums
- July: Review of January-July data, updated forecast
- Sept 3 & 9: Stakeholder meetings
- September 17: Regional Waste Advisory Committee
- September 24: Council work session
- Early October: Stakeholder meetings (being scheduled)

Policy questions

- Does Council agree with the proposed goals-based criteria for allocating wet waste tonnage to private transfer stations in 2021?
- Does Council support doing additional analytical work and stakeholder engagement in 2021 to refine the criteria for 2022 and beyond?

7 proposed goals to explore



Provide living wages and good benefits



Increase diversity in workforce



Minimize environmental impacts



Invest in communities



Affordable and consistent rates





Proposed Criteria Goal 3.0: Living Wages and Good Benefits

Ensure that all jobs in the garbage and recycling industry pay living wages and include good benefits.

 Wages must be no less than the lowest wage paid at Metro transfer stations for entry level positions like spotter and traffic control (with load inspection)

Proposed Criteria Goal 4.0: Increase Diversity in Workforce

Increase the diversity of the workforce in all occupations where people of color, women and other historically marginalized communities are underrepresented.

 Established contract or partnership with organization that specializes in increasing workforce diversity

AND

Provide workforce data to Metro

Proposed Criteria Goal 12.0: Minimize Environmental Impacts

Manage all garbage and recycling operations to reduce their nuisance, safety and environmental impacts on workers and the public.

 Rolling stock (on-site equipment) uses low particulate and low GHG emission fuel

OR

Long-haul disposal transport uses R99 renewable diesel

Proposed Criteria Goal 13: Invest in Communities

Invest in communities that receive garbage and recyclables from the Metro region so that those communities regard solid waste facilities as assets.

Collect Enhancement fee for other materials besides wet waste

OR

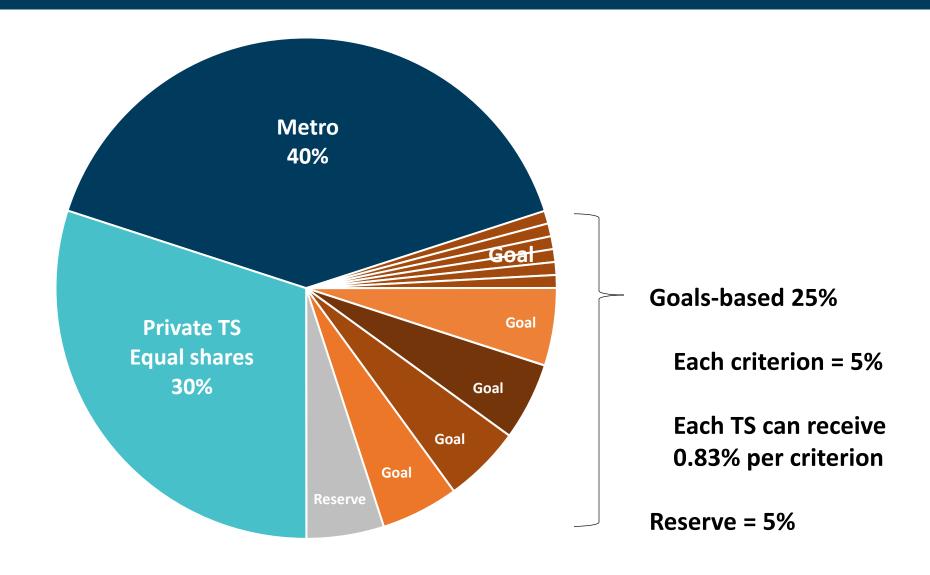
Collect additional Enhancement fee for wet waste

Proposed Criteria Goal 14: Affordable and Consistent Rates

Adopt rates for all services that are reasonable, responsive to user economic needs, regionally consistent and well understood.

 Total charge per ton (inclusive of fees) must not exceed Metro's Solid Waste fee for covered loads

Allocations



Feedback received: Industry & Local governments

CRITERIA

- Wages & Benefits: Use total compensation instead. Temporary agencies may increase the cost burden of achieving this criterion.
- Diversity: Language should specify agency expertise (now amended).
- Environment: On-site equipment is a major expense, requires more time.
- Communities: One transfer station receives only wet waste and cannot meet the criterion (now amended).
- Rates: Economic/financial review needed of the feasibility for private transfer stations to meet Metro's rates. Knowledge of allocation amount is needed to set rates.

Feedback received: Industry & Local governments

GOALS-BASED APPROACH & ENGAGEMENT

- Goals-based approach adds costs and is less efficient.
- May result in more GHG and higher costs to rate payers.
- Not enough time to engage in process or take action to meet criteria.
- Include more local governments.

Feedback received: Regional Waste Advisory Committee

Questions posed

• What are your thoughts on the proposed tonnage allocations criteria to support progress toward the Regional Waste Plan goals in 2021? How does this proposal advance racial equity? How does it hinder racial equity?

Feedback

- Consider other RWP goals and actions such as reducing waste, resiliency, equity in community enhancement grants program
- Consider feasibility of criteria for small vs large transfer stations
- Are Metro rates appropriate as a goal for TS that provider fewer services?
- Can Metro offer support in meeting criteria?
- Costs will increase. What are the costs? Will the benefits be equitable?

Next steps for goals-based approach

- Mid-to-late October: Adoption of a methodology by COO
- Late October-November: Review applications, finalize allocation percentages
- Early November: Publish forecast, announce allocations

Policy questions

- Does Council agree with the proposed goals-based criteria for allocating wet waste tonnage to private transfer stations in 2021?
- Does Council support doing additional analytical work and stakeholder engagement in 2021 to refine the criteria for 2022 and beyond?

Thank you

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Additional materials

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Approach

GOALS

- 1. Wages & Benefits
- 2. Diversity
- 3. Environment
- 4. Community Investment
- 5. Rates

CRITERIA

- 1. Meet Metro's lowest wage
- Work with a diversity organization & send Metro data
- Use alternative fuel
- 4. Expand enhancement fee
- Meet Metro's rate

IMPLEMENTATION

TBD, pending Council direction on CRITERIA

This will include adjustments, exceptions, verification procedure, etc.

Guiding principles

- Criteria that are measurable and will ensure progress toward regional waste plan goals with equitable outcomes.
- Incentive and feasibility for each transfer station to meet these criteria (to produce desired change).
- Final allocations that are aligned with the geographic distribution of waste generation and facilities in the regional public-private hybrid system.

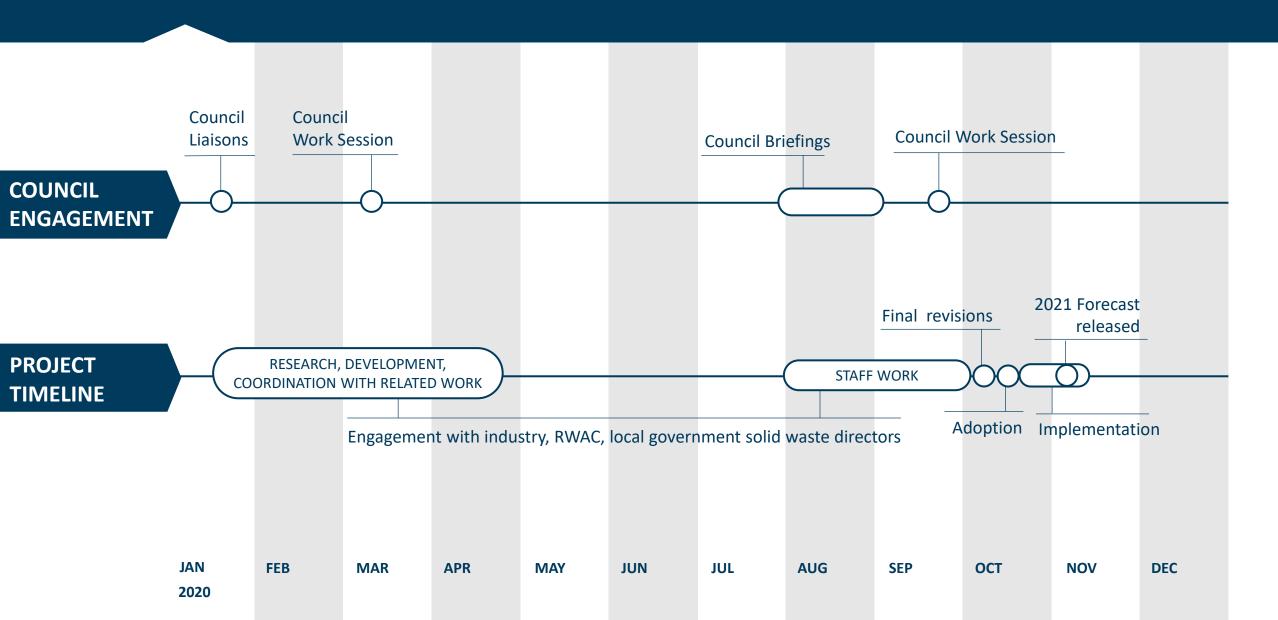
Other considerations for 2021 methodology

- Facility operators must submit application with evidence for each criterion
- Amount of tonnage to be awarded per criterion: 5%
- If a transfer station does not meet the criterion, the tonnage is not allocated
- Tonnage to hold in reserve: 5%
- Mid-year tonnage trends may trigger allocation increases or decreases

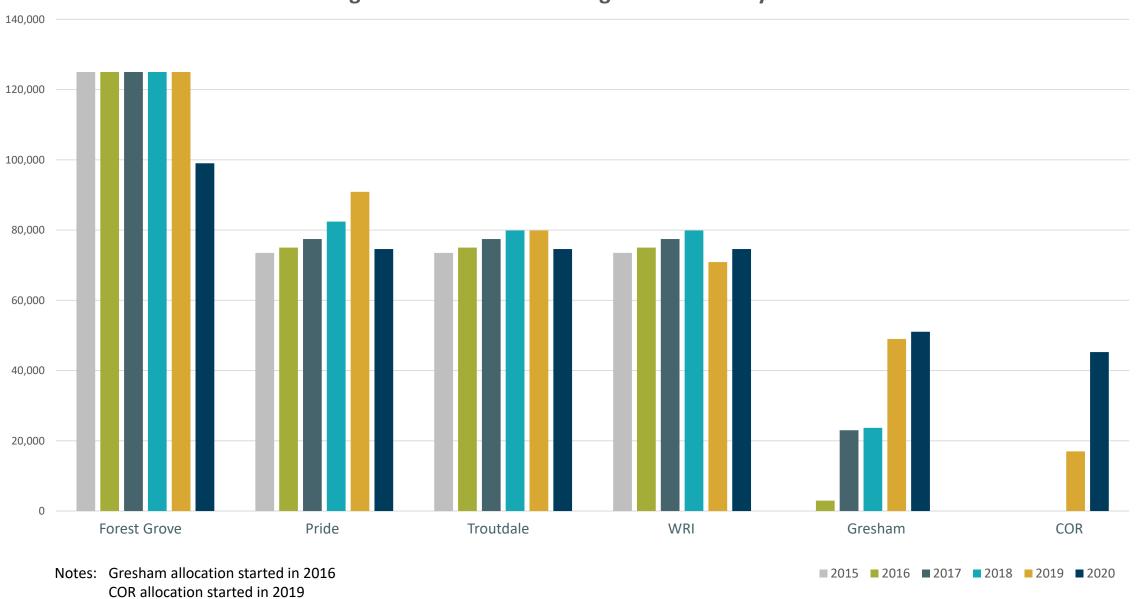
Major developments in allocation work

- 2016: Council directed staff to design a system for allocating wet waste to private transfer stations (Resolution 16-4716)
 - Predictable and transparent
- 2018: Staff drafted proposal based on minimizing truck travel to transfer stations
- 2019: Regional Waste Plan adopted by Council
- 2020: Council directed staff to explore 7 goals as potential criteria for allocations

Timeline: 2021 temporary administrative rule



Regional West Waste Tonnage Allocations by Year



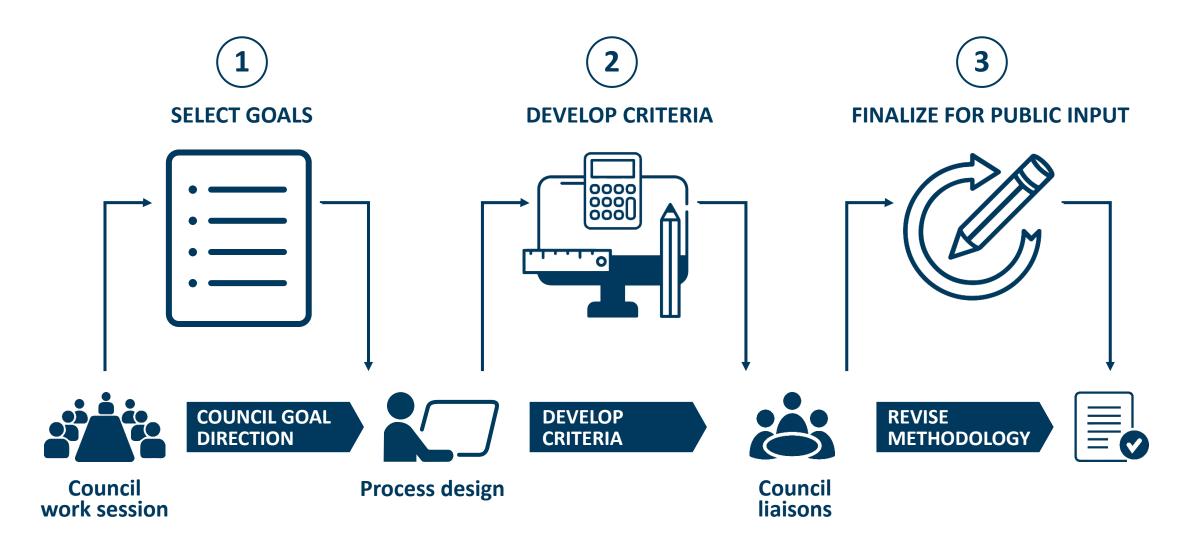
2020 Allocations

City of Roses	45,264
 Forest Grove Transfer Station 	99,020
 Gresham Transfer Station 	51,048
Pride Recycling	74,606
 Troutdale Transfer Station 	74,606
 WRI Transfer Station 	74,606

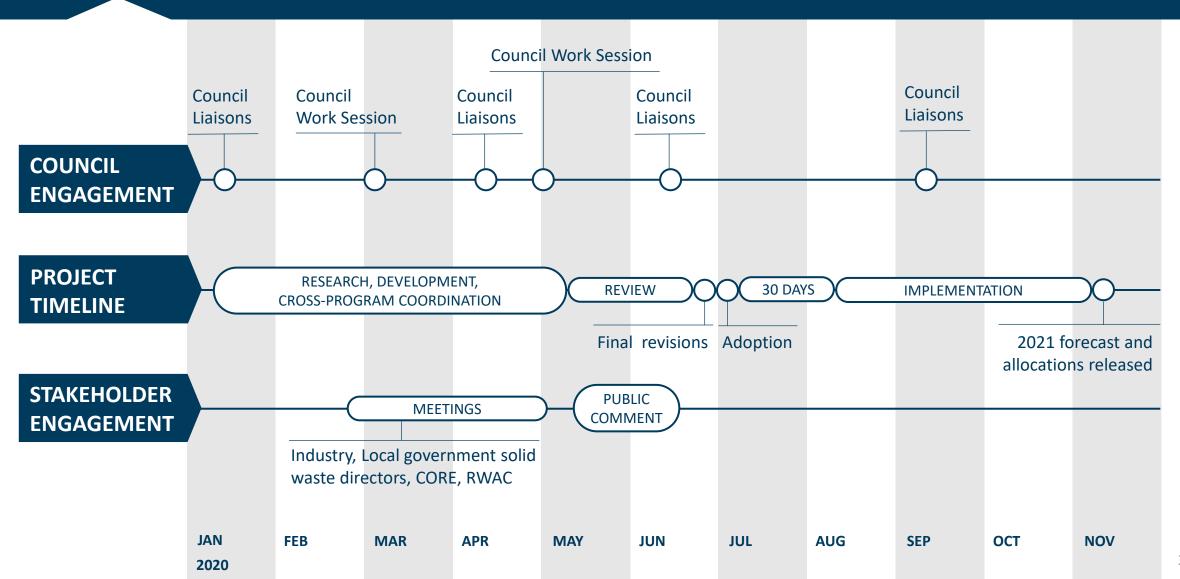
Why do we allocate wet waste?

- Garbage is a limited public resource, managed by Metro to serve the public good, so we want to be strategic with benefits
- Historically: construction bond repayment for transfer station construction, contract compliance
- 2016 transfer system configuration task force: Metro should receive no less than 40% of the region's wet waste
- Metro Council adopted 40% into Code
- To ensure that Metro receives that 40%, Metro allocates up to 60% of the region's forecasted waste to private facilities.

Developing the goals-based approach



Original timeline



Timeline: Temporary administrative rule

