

MPAC Worksheet

Agenda Item Title: Regional Solid Waste Discussion

Presenters: Roy Brower, Metro Waste Prevention and Environmental Services (WPES) Director; Brian Kennedy, Metro Chief Financial Officer; Shane Abma, Senior Metro Attorney; and Pam Peck, WPES Policy and Compliance Program Director

Purpose/Objective

The purpose of this agenda item is to provide background information on the region's garbage and recycling system and share updates on issues of interest to MPAC members, including:

- how the garbage and recycling system is governed, and the roles of the state, Metro and local governments in the system;
- how Metro sets solid waste fees and rates and upcoming opportunities to engage in the development of the WPES budget and learn more about the fee setting process;
- how and why Metro allocates wet waste to private transfer stations (a.k.a. tonnage allocation);
- how the recycling system is expected to change after Oregon's recently adopted Plastics Pollution and Recycling Modernization Act (SB 582) is implemented and related impacts on current "hard to recycle" materials; and
- updates on Metro's work to license recycling facilities, including Ridwell and other businesses involved in recycling.

Outcome

Expected outcomes include shared understanding of how the regional waste system is structured and governed and of the roles of Metro and local governments in the system, as well as understanding of how those roles will change when the state of Oregon's Recycling Modernization Act (SB 582) is implemented. Additional outcomes include increased transparency and shared understanding about how Metro sets solid waste fees, allocates wet waste to private transfer stations, and regulates private recycling facilities. MPAC members will be updated on upcoming opportunities to engage in the development of the WPES budget and Metro's solid waste fee setting process.

What has changed since MPAC last considered this issue/item?

Metro Waste Prevention and Environmental Services (WPES) staff previously engaged with MPAC around the development of the 2030 Regional Waste Plan, the regional business food scraps separation requirement, and Regional Service Standard updates aimed at improving garbage and recycling services for people who live in multifamily homes. Significant changes impacting Metro's garbage and recycling work since these engagements include: COVID-19 pandemic impacts on the Metro's solid waste fee setting process, completion of a regional work plan to implement the 2030 Regional Waste Plan, the Oregon legislature's adoption of the Recycling Modernization Act (SB 582), and the emergence of Recycling collection subscription services and other new business models. Each change is described in more detail below.

COVID-19 pandemic impacts on annual fee setting process

Metro delayed adoption of solid waste fees increases in 2020 due to the COVID-19 pandemic and concerns about impacts on waste volumes. As a result of this delay Metro needed to account for two years of expenses in the 2021 fee setting process which resulted in significant fee increases to both the Regional System Fee which is collected on every ton of garbage disposed in the region and the disposal fees at Metro transfer stations. The increased disposal costs at both Metro and private transfer stations necessitated increases in the garbage and recycling rates local governments set for their communities. Local governments expressed concerns about how Metro's fees impact the

affordability of rates for their residents and asked Metro to be more transparent and to provide opportunities for feedback on the WPES budget that Metro's fees support. WPES staff will share information with MPAC about upcoming opportunities to engage in the development of the WPES FY 23 budget and learn more about Metro's fee setting process.

Work plan to implement 2030 Regional Waste Plan completed in July 2021

The Metro Council adopted the Regional Waste Plan in 2019 after extensive engagement with communities, cities and counties. The plan sets policy direction and fulfills Oregon Statutory requirements for the tri-county area. The plan focuses on achieving outcomes to advance racial equity, protect our health and the environment and improve our garbage and recycling system. Responsibility for implementing the plan is shared by Metro and city and county governments. The development of shared multi-year work plans serves as the mechanism for coordinating this work. Metro collaborated with cities and counties to develop the first multi-year work plan in 2020 and 2021. The work plan outlines the activities Metro will carry out individually and in partnership with local governments and will inform the WPES budget development process.

New state law will bring changes to the recycling system

The Plastic Pollution and Recycling Modernization Act (SB 582) updates Oregon's recycling system by building on local community programs and leveraging the resources of producers to create an innovative system that works for everyone. The law requires producers of packaging, paper products and food serveware to share responsibility for effective management of their products after use. These producers will finance improvements to the recycling system and perform specific functions to make Oregon's recycling programs convenient, accessible and responsible. Local governments will maintain their role overseeing collection and education in their communities. The law will result in one statewide list of what can be recycled. The uniform collection list will provide clarity to households and businesses about what can be recycled, and create efficiencies in recycling operations across the state. The new law goes into effect January 1, 2022 and program changes will start in July 2025.

Emergence of new garbage and recycling business models

Recycling collection subscription services, such as Ridwell and James Recycling, and other new business models are emerging in the region that collect materials and waste directly from residents for recycling or reuse. Local governments have been examining whether these new business models fit within the franchised hauling framework of their respective jurisdictions. As the regional solid waste authority, Metro has the responsibility to ensure that all solid waste, including recyclable materials, generated in the region is managed in a manner that protects public health and safety, and safeguards the environment. Part of Metro's responsibility is to provide oversight of recycling facilities to ensure that materials that are intended for recycling are ultimately recycled. Metro has evaluated the waste-related activities performed by Ridwell and determined that the waste activities that it performs at its consolidation facility are subject to Metro's regulatory oversight/inspections and licensing requirements. Metro is currently reviewing Ridwell's license application and will hold a public comment process on the draft license. WPES will update MPAC on license review process. Metro is also reviewing license requirements and standards for the Material Recovery Facilities (MRFs) that sort recycled materials.

What packet material do you plan to include?

- Staff report from the FY 22 fee/rate setting presentation to Metro Council which provides background information on current Metro fees and how those were set
- DEQ factsheet on the Plastics Pollution and Recycling Modernization Act (SB 582)