

 Metro | Agenda

Meeting: Transfer System Task Force – Meeting 3

Date: Thursday April 2, 2015

Time: 9 to 11:30 a.m.

Place: Room 501

← Note different room

- Outcomes
1. Draft problem statement
  2. Organizing framework for policies, information and options
- 

- 9:00 1. Welcome.....Faust
- > • Review summary of Meeting 2
  - > • Information requests (“self haul” and “waste leakage”)
  - Roadmap update: Foundational Work (Project 3) Sherman
- 9:20 2. Toward a problem statement.....Anderson
- This agenda item is a continuation of the discussion from the last meeting. We will combine findings from the Situation Assessment, the six public benefits for the Solid Waste Roadmap, other background, and the consequences of inaction to draft a preliminary problem statement. The problem statement will serve as a guide to the development of options that meet the charge of the project: “what model of the transfer system best serves the public interest.”*
- 10:15 3. Discussion: critical issues and constructing options.....Anderson
- This agenda item responds to the Task Force’s request that the project manager propose a framework for organizing policies and information, and for constructing options. In doing this, the project manager will also address the Task Force’s questions about where he thinks this project should go with recommendations and deliverables.*
- 11:15 4. Comments from the public
- 11:25 5. Wrap up.....Faust
- Recap outcomes, confirm information requests and assignments, adjourn

Key to symbols

- > Material included with this agenda
- Copies of all background materials will be available at the meeting

## Transfer System Configuration Project

This project focuses on the region's system of solid waste facilities. The Metro Council has charged the project staff with determining *what management model for the system best serves the public interest*. The project scope includes delivery of services, implementation of public policies, public and private roles, and the economics and governance of the system. The policies and actions that emerge from this project will help shape the future of the regional transfer and recovery system. Options are scheduled to go before the Metro Council in Winter 2015.

### Project Manager

Douglas Anderson, Metro  
Policy Advisor

### Project Steering Committee

---

Tim Collier, Metro Finance and Regulatory Services Director	Scott Robinson, Metro Deputy Chief Operating Officer	Roy Brower, Metro Compliance and Cleanup Manager
---	---	--

### Project Team

---

Steve Faust Cogan Owens Greene	Jim Owens Cogan Owens Greene	Jan O'Dell Jan O'Dell Communications
-----------------------------------	---------------------------------	---

## Transfer System Task Force

The Transfer System Task Force is comprised of stakeholders that Metro has asked to advise on this project. The Task Force meets on an as-needed basis, and occasionally will host presentations by outside specialists or interested parties. Task Force meetings are open to the public.\*

Organization	Representative	Alternate
City of Roses Disposal and Recycling	Alando Simpson	—
Environmentally Conscious Recycling	Vince Gilbert	Vern Brown
Greenway Recycling	Terrell Garrett	Eric Wentland
Gresham Sanitary	Matt Miller	Larry Head
Kahut Waste Services	Andy Kahut	—
Metro Solid Waste Operations	Paul Ehinger	—
Pride Recycling	Mike Leichner	—
Recology	Greg Moore	Carl Peters
Republic Services	Brian May	Ray Phelps
Waste Connections	Jason Hudson	Dean Large
Waste Management	Dean Kampfer	Bill Carr

---

\* To be added to the mailing list contact Steve Faust of the project team (steve.faust@coganowens.com) and include "Transfer system project" in the subject line.

# Metro | Meeting Summary

Meeting: Transfer System Task Force – Meeting 2  
Date/time: Friday March 13, 2015 / 9 to 11:30 am  
Place: Room 370 A&B

---

## Attendees

Members Vern Brown, Paul Ehinger, Terrell Garrett, Andy Kahut, Dean Kampfer, Dean Large, Mike Leichner, Brian May, Matt Miller, Greg Moore, Alando Simpson  
Alternates Ray Phelps, Eric Wentland  
Staff Doug Anderson, Joel Sherman, Metro; Steve Faust, Jim Owens, Cogan Owens Greene  
Guests Dan Blue, Gresham; Theresa Koppang, Washington County; Roy Brower, Tim Collier, Ken Ray, Metro

## Outcomes identified for this meeting

- First draft statement of the problem
- Discussion of critical issues leading to prioritization

## Introductions and Housekeeping Matters

Following introductions, Steve Faust, Facilitator, asked for corrections or additions to the February 20 meeting summary. There were none.

Doug Anderson, Metro Project Manager, announced that the project website is up but no content has yet been posted. He will advise the group as soon as materials have been posted.

## Task Force Program and Schedule

Mr. Anderson led the group through an overview of the Task Force process and schedule, including points in the process at which Metro Council will be engaged. The next critical milestone is a May 26 Council work session.

Steve indicated that an established meeting schedule is desired and queried the group on most favorable meeting dates and times. Tuesdays and Thursdays were identified as preferred meeting days; the 9:00-11:30 am meeting time works well. The next meeting was set for April 2 at 9 am.

## Tonnage and Forecast Data

Joel Sherman, Metro, responded to data requests from the Task Force at their first meeting. He provided a handout and gave a PowerPoint presentation on historical and projected tonnage levels.

There was a question about what is counted when a contractor demolishes a house. Mr. Sherman indicated that what gets pulled out at the jobsite counts as source separation; what the transfer facility pulls out counts as post-collection diversion. It was commented that the value of the material received at the transfer station is reduced by earlier source separation.

**Follow-up data requests:**

- Tonnage collected for disposal in the Metro area but delivered to facilities outside the area.
- Tons and loads of self-haul.

On the latter request, Mr. Sherman said that only the data for Metro transfer stations is available for release. Task Force members indicated okay – that’s a good place to start.

**Toward a Problem Statement**

Mr. Anderson indicated he would address this, the main agenda item, in three related parts:

1. Review high points of our Situation Assessment.  
A situation assessment identifies critical issues and feeds into the problem statement.
2. Use findings from the assessment, together with background and consequences of inaction, to begin drafting a preliminary Problem Statement
3. Discuss critical and high-priority issues that need to be addressed.  
This step feeds into our next main planning step: constructing options that answer the charge, “*what model of the transfer system best meets serves the public interest?*”

Mr. Anderson then proceeded to walk through the Situation Assessment, with open discussion among members of the Task Force. *[In the following, readers may wish to reference the presentation slides, available on the Task Force website, [www.oregonmetro.gov/transfersystem](http://www.oregonmetro.gov/transfersystem).]*

**General Issues.** There was significant discussion about the comment that the cost to dispose of a ton of waste should be the same everywhere. Mr. Anderson noted that Metro once had a “universal tip fee” policy and that some stakeholders expressed a desire to return to that policy. Discussion:

- The statement that costs should be the same may be more true for vertically-integrated facilities but not for all facilities.
- If a facility is more efficient, it should have the right to drop its price.
- It’s unfair to have a specific facility absorb freight costs.  
*[Note: this referred to different distances to various landfills used by in-region facilities.]*
- Everyone has different business programs and thus different costs.
- The old policy is questionable when the waste stream is as diverse as it is now.
- Should be restated as “tip fee” not “cost to dispose.”
- Cost of disposal affected by tonnage caps.

The meaning of the comment that the region is lagging in technologies was questioned:

- Were the comments expressing dissatisfaction with the current situation?
- The focus should be on energy conversion.

In reviewing these issues, members raised questions about the origin of a number of comments, and which were fact and which were opinion. Mr. Anderson pointed out there is an explanation and disclaimer in the written materials in the agenda packet, and that he would add this disclaimer to the presentation slides before they are posted on the web site.

**Tonnage Caps.** Initially there was little discussion about the pro and con points presented on tonnage caps. However, a couple of questions triggered an extended discussion about transfer capacity in general. Noting that the “General” issues slide had references to excess capacity, and the “Tonnage Caps” slide noted that caps prevent economic utilization of capacity, members asked Mr. Anderson how transfer capacity was determined.

Mr. Anderson responded (with supplementary comments from Mr. Ehinger) that the main source was a 2004 study by Metro of the six transfer stations in the region. The study was limited specifically to capacity for transferring wet waste to a landfill. As noted by the second bullet on the “General” issues slide, capacity for other activities (such as material recovery and self haul) has not been studied.

The 2004 study followed a standard engineering approach. It analyzed load-in, load-out, and throughput capacity (including surge, sorting and storage space needs). The overall capacity of a facility is determined by the chokepoint among these three areas. Mr. Ehinger commented that the most common chokepoint was load-out capacity. Mr. Anderson went on to note that a number of assumptions have to be made for such studies. For example, in the 2004 study all facilities were assumed to operate a single shift. But adding a shift is one way to increase capacity in certain cases without major capital investment.

Mr. Anderson was then asked to explain stakeholders’ comments that tonnage caps “prevent economic utilization of capacity.” Mr. Anderson stated that, while physical capacity is not a factor in setting the size of the caps, it turns out that the caps are set at about one-third of the capacity established in the 2004 study. Mr. Anderson added that the 2004 analysis was based on using the entire facility for wet waste transfer, but in fact all but one transfer station perform other activities such as material recovery. So the underutilization ratio is exaggerated – but instructive, as we can view any idle capacity as an opportunity to convert to other uses such as food scraps transfer.

These comments triggered a wide-ranging discussion:

- What is the capacity ratio at the Metro stations?
- Agree, that the ratio is affected by **all** the functions provided at a facility
- In looking at capacity, need to consider the challenge of incentivizing trucks to operate at night – to achieve greater capacity, there are costs to consider.
- At transfer/recycling facilities, capacity cannot be measured based on a 24/7 standard.
- We do not necessarily have excess capacity.
- In the end, capacity to take waste is secondary to travel time to stations; location is more critical.
- In considering capacity, the volume of wet tons is the driver.
- Facilities are located where they can be; there are no huge holes in system.
- The system should be somewhat under capacity to provide a cushion in the market, including in case of natural disaster.
- ...but how much “under” is an economic question.

There was no objection to the comment that the capacity question needs to move into the priority list of critical issues. Mr. Anderson stated that he would post the 2004 study on the website as a starting point for the discussion.

**Vertical Integration.** Mr. Anderson noted that stakeholder opinions on vertical integration were sharply divided between independent and vertically integrated companies. These feelings were reflected in members’ comments, both questioning and supporting vertical integration:

- At one time, Metro prohibited vertical integration. It’s good Metro changed its position.
- The marketplace trend is vertical integration, everywhere, not just solid waste. That should tell us something.
- The system benefits from vertical integration through investment in R&D.
- There is a strong argument to be made against continuing to allow integration, especially in the context of keeping money in the state.

**Self Haul.** Mr. Anderson noted that several groups of stakeholders – including some Metro councilors – have expressed concern over under-served areas in the region. One relationship between self haul and this project is that self haul would compete for space at solid waste facilities. Several members asked, what does “under-served” mean? Mr. Anderson replied that the usual metric is access time – but added that this is an issue for us to define and address.

There was general concurrence that the self-haul topic should be integrated into the capacity conversation.

**Looking Forward: Food Scraps.** Observations and comments:

- We need to be flexible in responding to market demand factors.
- Regional standards are needed.
- The current contamination rate for organics needs to be loosened.
- Finding places to take this waste for processing is the big problem.
- If it's true there is only 100,000 tons of food waste in the region, there would be a need for only 2 transfer facilities; collection is the challenge.
- *[In response to the bullet above]* A while ago we said the location of capacity is more important than total capacity. So why would we make disposal convenient but provide only two transfer points for food scraps, if we really want to support the program?
- There's plenty capacity, it's an issue of “convenient” capacity and “economic” capacity; what do I want to use my floor space for?
- These programs are going to have to be paid for through the tipping fee.
- Removal of food scraps from the waste stream will change the waste reduction equation.

**Looking Forward.** Members questioned what stakeholders meant by “big” in the bullet point expressing “caution against big long-term disposal commitments.” The reference is usually to tying up 90 percent of the region's waste for over 20 years [that is, Metro's contractual tonnage guarantee].

- We need to be realistic: we won't get a good price without a long-term commitment.
- This raises a policy question: what percent of the region's waste is appropriate to dedicate to investing in technology?

**Features to Retain.** Members added “industry” to the “local government-Metro-DEQ cooperation” bullet; we need better public-private coordination.

**Features to Improve or Add.** Members indicated we will have to be very clear on the meaning of “incentives for doing the right thing.”

At this point Mr. Faust announced they had come to the end of the allotted time. He complimented the group on a good discussion, and indicated next time we would pick up where we left off today.

Several members commented that all of these discussions are interesting, but it's a lot of material to get one's arms around. The Task Force requested for the next meeting that Mr. Anderson propose how we can begin to organize these issues, and describe his thinking on where the project could or should go on options and deliverables.

**Public Comments**

No members of the public asked to speak.

Mr. Faust adjourned the meeting at 11:23 am.

At its March 13 meeting, the Task Force held an extended discussion of Critical Issues as expressed in various Situation Assessments that Metro commissioned between 2006 and 2014. The summary report in the agenda packet contained a disclosure about the sources and nature of statements quoted in these reports. The Task Force requested that a similar disclosure be added to the PowerPoint file before it is posted on the Task Force website.

Accordingly, the following disclaimer has been added to the on line version of the file.

## DISCLAIMER

The issues on the following slides are extracted from three major stakeholder assessments of the disposal system that Metro conducted between 2006 and 2014, together with a number of smaller, more focused studies.

Comments came from a wide range of stakeholders who work within the local disposal system, and are acknowledged experts in solid waste.

Stakeholders were not chosen by scientific sampling. Therefore the comments are not necessarily representative of the full universe of stakeholders. They do, however, represent issues expressed by more than one stakeholder in more than one setting over time.

Metro's consultants have advised that:

- ❑ Many opinions are strongly held, with stakeholders relying on differing versions of history and Metro policy decisions.
- ❑ Perspectives on the current system differ based on the type of firm represented (vertically integrated, partially integrated, independent) and between private and public sector stakeholders.
- ❑ While having similar opinions on some issues, vertically integrated and non-vertically integrated companies hold sharply different viewpoints on a number of key aspects of the transfer system.

For these reasons, the following comments reflect a mix of fact, perception, and opinion – but nonetheless provide an important source of information for identifying critical issues that the Transfer System Project should address.



**Data Request**  
**Waste Exports: Total and by Company**

**Total Waste Exports  
 By Year, Last Decade**

Calendar Year	Total Core Delivery Tons	<i>of which: Exported</i>		Non-Core Exports	
		Wet	% Total	Industrial	Contam. Soils
2005	1,326,679	40,423	3.0%	84,236	270,160
2006	1,403,100	54,538	3.9%	88,630	304,492
2007	1,406,758	57,828	4.1%	99,721	154,891
2008	1,254,800	53,706	4.3%	112,004	167,547
2009	1,138,972	48,301	4.2%	112,050	134,201
2010	1,114,899	48,759	4.4%	118,635	142,716
2011	1,089,092	47,932	4.4%	89,725	205,572
2012	1,082,972	45,168	4.2%	93,439	151,705
2013	1,114,866	40,317	3.6%	97,768	308,953
2014	1,176,370	41,954	3.6%	142,173	235,030
<b>Avg. Annual</b>	<b>1,210,851</b>	<b>47,893</b>	<b>4.0%</b>	<b>103,838</b>	<b>207,527</b>

Terms in this table

"Core" = Wet and dry waste generated inside the Metro district

"Export" = Waste that Metro authorizes to leave the district without going through an in-district facility. Prior to EDWRP (Enhanced Dry Waste Recovery Program, 2009) unprocessed dry waste could also be exported. These numbers are included in the "Total Core" column.

**Wet Waste Exports by Company**  
**Average Annual Tonnage**

*Licenseed/Franchised Haulers*

Crown Point Refuse & Recycling	257
Kahut	12,349
Waste Connections	34,066

*Individual Generators*

American Honda	8
Boeing Company	114
Epson of Portland	78

## Data Request “Self Haul”

The Transfer System Task Force requested statistics on “self haul.” This paper is a response.

Numbers are available for public release only from the Metro stations. The tables on this page are the annual averages for deliveries of mixed solid waste to Metro Central and South from 2000 – 2014. The annual detail is shown on the next page to facilitate the study of trends.

**Comments.** “Self haul” is not a measured quantity; it is not recorded on scalehouse tickets. Accordingly, a number of proxies have been used over time, usually based on vehicle type and payment method. In this paper, we provide exact quantities from our data base, together with concepts and definitions, so you can interpret the data to suit your needs.

- “Cash” customers pay at the point of sale; therefore the customer is not identified. This category has historically served as a **proxy for residential self haul**, but it also contains a significant number of business self-haulers, and even a few licensed or franchised haulers.
- Account customers charge to a Metro account; therefore the customer is identifiable.
  - Non-hauler accounts are held by businesses, mainly contractors and property managers; these customers are by definition **business self-haulers**.
  - Hauler accounts are held by companies that are licensed or franchised to collect waste; these customers are by definition **not** self-haulers.
- Light vehicles include pickups, vans and other small vehicles *without tipping capability*.
- Commercial vehicles include packers, roll off and compacted drop boxes *with tipping capability*.

**Hauler perspective.** For the regulated collection community a useful statistic is the traffic in households and businesses hauling for themselves, *versus* licensed and franchised haulers. The numbers:

	Tons	%total	Loads	%total	Payload
<b>“Self Haul”</b>					
“Cash” customers	79,576	15%	215,905	67%	0.37
Non-hauler account	41,636	8%	27,329	8%	1.52
<b>Total “self haul”</b>	<b>121,212</b>	<b>23%</b>	<b>243,235</b>	<b>75%</b>	<b>0.50</b>
<b>Commercial haulers</b>	<b>408,304</b>	<b>76%</b>	<b>78,110</b>	<b>24%</b>	<b>5.23</b>
Other NEC	4,870	1%	1,273	0%	3.83
<b>Average annual total</b>	<b>534,385</b>	<b>100%</b>	<b>322,617</b>	<b>100%</b>	<b>1.66</b>

**Facility perspective.** From a facility (operational) perspective, a useful statistic is the traffic in “light vehicles” (that is, without tipping capacity such as pickups) *versus* commercial vehicles. The numbers:

	Tons	%total	Loads	%total	Payload
<b>Light vehicles</b>					
“Cash” customers	79,576	15%	215,905	67%	0.37
Non-hauler account	25,042	5%	22,382	7%	1.12
<b>Subtotal, light vehicles</b>	<b>104,618</b>	<b>20%</b>	<b>238,287</b>	<b>74%</b>	<b>0.44</b>
<b>Commercial vehicles</b>					
Non-hauler	16,594	3%	4,947	2%	3.35
Hauler	408,304	76%	78,110	24%	5.23
<b>Subtotal, commercial</b>	<b>424,898</b>	<b>80%</b>	<b>83,057</b>	<b>26%</b>	<b>5.12</b>
Other NEC	4,870	1%	1,273	0%	3.83
<b>Average annual total</b>	<b>534,385</b>	<b>100%</b>	<b>322,617</b>	<b>100%</b>	<b>1.66</b>

### Metro Transfer Station Tons, Loads: By Vehicle and Account Type

CY	Light Vehicles			Commercial Vehicles						Other			
	Point of Sale		Non-hauler Account	Non-hauler Account			Hauler Account			NEC*			
	Tons	Loads	Payload	Tons	Loads	Payload	Tons	Loads	Payload	Tons	Loads	Payload	Tons
2000	71,223	199,976	0.36	23,183	20,262	1.14	32,741	8,076	4.05	531,008	98,762	5.38	4,627
2001	72,407	206,690	0.35	27,066	20,413	1.33	30,061	8,058	3.73	488,975	93,130	5.25	5,245
2002	77,836	225,932	0.34	22,933	19,831	1.16	26,455	7,777	3.40	446,852	85,009	5.26	2,595
2003	83,177	233,920	0.36	19,187	17,233	1.11	19,808	7,283	2.72	437,686	84,733	5.17	3,467
2004	87,802	245,246	0.36	21,126	17,370	1.22	17,555	7,575	2.32	443,947	85,758	5.18	7,281
2005	89,373	248,280	0.36	25,277	21,048	1.20	16,534	5,172	3.20	428,160	79,472	5.39	11,172
2006	93,696	256,769	0.36	32,658	27,007	1.21	16,447	4,480	3.67	451,679	83,082	5.44	9,991
2007	97,860	256,437	0.38	33,827	28,613	1.18	16,706	4,826	3.46	453,894	88,539	5.13	8,633
2008	83,830	225,196	0.37	30,883	27,326	1.13	12,570	3,814	3.30	420,147	83,150	5.05	5,697
2009	76,717	201,841	0.38	27,379	24,123	1.13	12,196	3,242	3.76	380,123	75,773	5.02	748
2010	74,023	189,672	0.39	25,210	22,770	1.11	9,909	3,034	3.27	359,431	68,335	5.26	2,071
2011	66,604	176,815	0.38	24,056	22,286	1.08	10,474	3,149	3.33	334,323	66,192	5.05	2,047
2012	67,561	181,653	0.37	19,194	20,984	0.91	8,665	2,538	3.41	305,607	59,731	5.12	2,430
2013	72,205	189,072	0.38	21,148	22,971	0.92	9,071	2,531	3.58	309,818	58,658	5.28	3,052
2014	79,328	201,081	0.39	22,503	23,494	0.96	9,712	2,655	3.66	332,909	61,323	5.43	3,990
<b>Average</b>	<b>79,576</b>	<b>215,905</b>	<b>0.37</b>	<b>25,042</b>	<b>22,382</b>	<b>1.12</b>	<b>16,594</b>	<b>4,947</b>	<b>3.35</b>	<b>408,304</b>	<b>78,110</b>	<b>5.23</b>	<b>4,870</b>

#### Using This Table

o Waste delivered in light vehicles without tipping capability (cars and trucks w/ or w/o trailers, flat beds, utility vehicles, vans, etc.) and:

- Paid at the point of sale is highly correlated with "residential self-haul", but also includes some business self-haulers and some licensed or franchised haulers.
- Paid on a Metro account (either non-hauler or hauler accounts) is highly correlated with "business self-haul"

o Waste delivered in commercial vehicles is almost always paid on a Metro account. Because the customer name is known, we can further divide between non-haulers (i.e. businesses hauling in their own account - mainly contractors) and haulers.

\* Tonnage not elsewhere classified includes unknown, mis-coded or miscellaneous vehicle types and amounts to less than 1 percent of total annual tonnage, on average.