

Date: December 3, 2015

To: Solid Waste Alternatives Advisory Committee (SWAAC) members From: Matt Korot, Chair, Solid Waste Alternatives Advisory Committee

Subject: Commissioning of SWAAC subcommittees to consider regulation of material recovery

and conversion technology facilities, and fee and tax exemptions

Background: At its Oct. 22, 2015 work session meeting, the Metro Council directed staff to establish two SWAAC subcommittees to: (1) consider Metro regulation of material recovery and conversion technology facilities; and (2) evaluate existing solid waste fee and tax exemptions. The Council is seeking ways to provide a more robust, disciplined and prescribed "rulemaking" process for solid waste code changes in Title V that have been previously discussed with you. Please review the attached Oct. 22 Council work session worksheet for more detailed information.

At the Dec. 9, 2015 SWAAC meeting, staff will discuss a proposal to form the two subcommittees. Metro code grants SWAAC the ability to establish subcommittees of a limited and defined duration. Subcommittee membership is determined by SWAAC and may include individuals who are not members of the larger advisory committee. The charge of the committees would be as follows:

- 1. **Material recovery facility (MRF) and conversion technology (CT) regulation.** Consider whether MRFs that process source-separated recyclable materials and facilities that convert waste to energy or fuel should be subject to licensing and inspection requirements similar to other solid waste facilities. If so, which requirements are appropriate for such facilities?
- 2. **Fee and tax exemptions.** Evaluate the current fee and tax exemptions for solid wastes that are disposed of or used at a landfill. As a first step, Metro intends to update a 2006 report conducted by the URS consulting firm to evaluate and provide recommendations on Metro's solid waste fee and tax determinations.

Staff recommends that the proposed MRF and CT Subcommittee be established and begin meeting in January 2016, with meetings continuing as necessary through spring 2016. Staff recommends that the proposed subcommittee to review fee and tax exemptions be established once the independent re-evaluation of the current exemptions has been completed (summer 2016).

MRF and CT Subcommittee Membership: Metro staff proposes that the membership include representatives from:

- 1. Metro staff (Chair)
- 2. Local city government
- 3. Local county government
- 4. Local Washington city or county government
- 5. Washington County Solid Waste Advisory Committee member
- 6. Source-separated recyclable processing facility operator

- 7. Mixed dry waste facility operator
- 8. Fiber recovery company
- 9. Conversion technology company
- 10. Oregon Department of Environmental Quality (DEQ)
- 11. Association of Oregon Recyclers
- 12. Independent industry expert

Fee and Tax Exemption Subcommittee Membership: Metro staff proposes that the membership include representatives from:

- 1. Metro staff (Chair)
- 2. Material recovery facility operator
- 3. Landfill operator
- 4. Local city government
- 5. Local county government
- 6. DEQ landfill permit engineer
- 7. Metal recycling facility operator
- 8. Utility ratemaking expert

Questions for SWAAC members:

- 1. Do you have comments on the proposed subcommittee approach, generally?
- 2. Do you have any suggestions on the scope, coverage or approach of the MRF/CT subcommittee? Do you have any suggestions on the membership categories for the MRF/CT subcommittee?
- 3. Do you have any general advice on the Fee/Tax Exemption subcommittee scope, coverage or approach? Do you have any suggestions on the membership categories for the Fee/Tax subcommittee?