

City of Milwaukie  
Solid Waste Task Force  
February 24, 1983  
7:00 P.M.

---

Present: Bill McDonald, Dwight Long, John Phillips, Jean Baker,  
Fred Kabut, Bill Bree, Mike Borg, Jerry Herman, Mel Dienes,  
Bonnie Mishler, Richard Hutchens, Ron Kinsella, Lorna Olson

Others present: John Lamb

1. Approval of Minutes: There was an error on the first page of the minutes of the February 10th meeting. Item 2)b -the second sentence should read: "With curbside collection it is up to 170 tons per month." Otherwise, the minutes were adopted as written.
2. Progress Report: A one page progress report over the signature of the Chairman was reviewed and adopted for submission to the City Council.
3. Metro Participation: There was discussion of Metro's appropriate role in the city planning process and in support of the city program which will be adopted. There was frustration expressed at Metro's lack of participation. Some task force members felt that Metro is in a constant identity crisis and cannot be depended on for tangible aid or assistance.  
The grant program for recycling publicity was discussed briefly and viewed as potentially helpful but so unpredictable that it should not be included as a resource in our program. We will keep Metro apprised of our planning process and will continue to encourage their participation and assistance. A letter will be writtent~~o~~ Metro inviting their involvement.
4. Reports: Goal Coordinator reports for goals 3 & 4 were presented. Because of the length of the last meeting the the goal coordinators were not able to present their reports in detail and to facilitate discussion.

A. Goal 3: Incentives for Public Participation in Recycling:  
Coordinator: Dwight Long

Discussion of the report attached to the minutes of February 10th meeting resulted in the following comments:

- 1.) Recyclers operating without the "benefit" of revenues from basic garbage collection service may not be able to effectively compete.
- 2.) It may be beneficial to include a recycling element in the basic garbage rate to provide a subsidy for recycling program(s).
- 3.) The existance of six separate franchises operating in Milwaukie does cause some concern regarding potential recycling volume for any one hauler. There must be sufficient geographic involvement and therefore potential

## A.3.) Cont.

- materials volume to make recycling cost effective.
- 4.) The existing city ordinance allows a separate contract for recycling. Bill McDonald will ask the City Attorney if this means the City could now and in the future exclude freelance recycling efforts.
  - 5.) Dwight Long indicated that in other cities independent social service oriented recycling efforts (such as Lions, Boy Scouts, etc.) were grandfathered into the contract as a specific exclusion. If they terminated activities they forfeited any subsequent right to recycle.
  - 6.) Recycling saves the garbage hauler \$14 per ton for those tons which can be diverted to a secondary market. These savings are related to tipping fees at the landfill.
  - 7.) There will have to be a strong effort to encourage recycling participation because a casual approach (i.e. we've got it if you really want it) will not produce profitable materials volumes. As an example, 10% recycling in Milwaukie would not warrant the effort.
  - 8.) There is a need to coordinate the Milwaukie program with efforts in areas contiguous to the City boundaries. Some city haulers also operate in the unincorporated areas of the county. Economies of scale and materials volumes should include some consideration for the "bigger picture" i.e. Milwaukie's recycling as it related to the rest of the county.
  - 9.) Frequent pick-up - there is more participation but there is also high cost to the hauler.
  - 10.) Drop-off centers - some people are in the habit. However, there is more overhead and a dropoff center must have a high volume of materials to be justified.
  - 11.) Rate structure - recycling might actually have a positive impact on the profitability of basic collection because it diverts materials that are otherwise placed in the landfill.
  - 12.) Roller carts, recycling containers - roller carts are easier to use however, they are very costly. Experience shows that cardboard boxes and sacks are probably very satisfactory.
  - 13.) Some special effort should be made to assist elderly and handicapped with recycling.
  - 14.) Ultimately, methods of rewarding residents for reducing the waste-stream should be the overall goal.
  - 15.) Buy-back centers do provide direct monetary rewards for recycling to the resident.

B. Goal 4: Incentives for investment in necessary promotion, facilities, equipment.

Coordinator: Jean Baker

A written report was presented by Jean and is attached to the minutes.

Incentives for investment

Any incentives for investment must consider the following basic elements.

- 1.) Profitability: Success of the recycling program depends on, a) good secondary markets for materials, b) recognizing the diversion benefits which accrue to basic haulers as a result of recyclers, c) operating recycling at the proper scale (not over-investing), d) making sure costs are recovered locally thru materials sales and the rate structure rather than depending on outside subsidy.  
Summary: Good business economics and thoughtful regulation can encourage recycling profitability.
  - 2.) Tax Credits: State and federal tax credits are in place now which aid with excellerated capital cost depreciation.
  - 3.) State and Federal Law/Policy: Resource Conservation and Recovery Act sets 20% reduction in wastestream as goal. HB2244 sponsored by D.E.Q. require development of city recycling plan.  
Summary: City needs to phase recycling, do basics well, then build momentum.
  - 4.) Economic Development: It would be very beneficial for the city to form its own local development corporation to provide low interest loans to a recycling program. Recyclers should use wage-subsidy programs like JOBS and CETA.
  - 5.) Public Interest, Education and Participation: In the long run the program must be able to create a sense of conviction in the general public that "recycling" is "right" (stewardship of resources).
  - 6.) Cooperative Effort with County: The Milwaukie piece of the overall equation must be placed in a compatible position with other efforts.
5. Discussion of Final Products: There was some concern expressed regarding the content of the Task Force final report. In particular the need for an R.F.P. was questioned. McDonald stated: "The Task Force must set the parameters for a reasonable and workable recycling program. The program should be optimal for this point in time with a vision or plan for the future. The implementation of such a program requires the city to operate in an open and equitable manner. An R.F.P. is an established method of establishing specific parameters, reasonable review criteria, and open and fair competition". McDonald will determine specifically what the City Council is legally required to do to select a recycler(s).
6. Presentation by Jerry Herman: Jerry made a side presentation which featured the recycling depot, Environmental Learning Center, and the 10 day composting system which the "Center" uses to produce high quality mulch.
7. Next Meeting: March 10, 1983 at 7:00 p.m. Council Chambers.

Meeting adjourned at 10:15 p.m.

## Task Force on Garbage and Recycling

February 24, 1983

### Goal 4, Incentives for Investment: Promotion, Facilities and Equipment Jean Baker

It must be said that the incentives for investment in promotion, facilities and equipment are, in fact, the incentives to begin and sustain the entire recycling program. It is a broad issue and all-inclusive.

The basic elements of any program that we will develop must include:

#### 1. Profitability

##### A. Sale of recycled materials

Dependant upon current and future market conditions and development of a steady local source as well as industries that can use it. Each of these factors must relate to the overhead needed to run a basic recycling program.

##### B. Reduction of Overhead of garbage haulers (should they be awarded the franchise)

A substantial reduction will accrue to haulers from lowered dumping fees as recyclables are pulled out of the waste stream. Lessened weight of cans (residential service) will assist in lowering injuries and lost time of employees). There could be a reduction in the amount and capacity requirements of haulers rolling stock (garbage trucks) as more materials are separated and recycled prior to pick up.

##### C. Scale of program to meet community requirements without over-investing in equipment.

The program should be tailored to growing participation by the community. Consideration should be given to the lowest cost, yet servicable and flexible program. As participation increases, the recycler should be able to increase his (or her) response so that the program will remain high quality and dependable.

There should be a stipulated list of materials that will be recycled by the program and other materials added when the supervising authority and industry representatives agree that is economically and practically feasible.

##### D. Cost to customers must be that which covers most of the program, reducing reliance on uncertain market conditions, grants and other outside sources that may or may not be dependable in the long run.

#### 2. Tax Credits:

##### A. State of Oregon: Energy Tax Credit Programs 35% credit: 10/10/5% for 3 years.

##### 1. Renewable Energy Resource Equipment (ie. solar, wind, geothermal, biomass)

Purpose: Reduce dependance upon existing electricity or fossil fuel - to encourage generation of electricity and conservation.

##### 2. Energy Conservation Technologies (timer clocks to thermostats, retail store freezer covers & pass-throughs, heat recovery, etc.)

Purpose: Reduce fossil fuel energy conservation of a building or process.



3. Recycling: (capitol equipment used exclusively for recycling)  
Purpose: To comply with the federal Resource Conservation and Recovery Act.  
To reduce the amount of waste now disposed of in landfills.

B. Federal: Renewable Energy Resource Equipment, 10%, one year and Business Investment Tax Credit, 10% one year.

1. Renewable Energy Resource Equipment is the same as Oregon's.
2. Investment Tax Credit, applies to any business to use for purchases of capitol equipment.

3. State and Federal Law and Policy:

- A. RCRA (Resource Conservation and Recovery Act) through EPA. Goal is 20% reduction.  
B. Current and proposed Oregon law:

A bill is now being considered that would make it mandatory for communities to develop and implement recycling plans through their existing source of management or to develop new programs that will comply with state law. (see HB 2244, sponsored by DE) Other bills will soon be out of the writing stage and in final bill form.

DE currently has strong goals and week implementation. Metro has no practical use in the current considerations at state or local level, save perhaps, for some small grants at this time.

4. Economic Development

- A. Economic Development Agency can be created in Milwaukie that can use it's power of low-interest loans and bonding to build facilities for private industry.

There is a strong benefit to Milwaukie to create it's own EDA, for the one in Clackamas County will be looking at the total size of the county- 1,500 square miles, 10 incorporated cities, and 225,000 people. This, then, cannot address the immediate and long-range needs of Milwaukie.

- B. Wage Subsidy Programs are now in place to assist a recycler in hiring employees. Two such programs are CETA and JOBS. They will pay one-half of an employees wages for six months. This will be a benefit to the unemployed of the city.

5. Public Interest, Education and Participation

It is known that the best way in which to encourage any particular activity is to reward those whom you wish to participate. The best results come from public recognition and monetary return. Altruistic motives, unfortunately, yield less dramatic results, yet, are the most reliable in that those so motivated will continue out of strong conviction and personal principal.

- A. Competitions for best ideas to advertise recycling: posters, runs, fliers, displays, recycling fairs, and publicity/media events.
- B. Cash awards along with public recognition.
- C. Public education of benefits of recycling and problems of not doing so.
- D. Volunteers to coordinate some activities involving public events.

6. Grants

- A. BE?
- B. MSD
- C. City of Milwaukie, through franchise fees from garbage haulers

7. COOPERATIVE EFFORT WITH COUNTY

Because the possibility exists that the recycling will be done by current garbage haulers, problems surface as to the ultimate profitability of our program because the haulers have districts within the city that are small and may also have a large portion of their customers outside the city.

For those haulers, it would be a difficult program to undertake if there is not an agreement with the county to assure haulers that their investment is going to pay. The question that arises is: if a hauler has only 5% of a route within Milwaukie and 95% outside, how can the investment be best justified and yield results. Cooperative agreements by the county appear to be the sole means of making such a program work and a hauler willing to invest in the Milwaukie recycling plan.

There seems to be adequate incentives for each of the requirements necessary to develop a program. Full commitment and utilization are the determinant factors of how well it will work, improve and reach government goals.