**Deschutes County Department of Solid Waste**

**Solid Waste Advisory Committee (SWAC)**

**January 22, 2019**

**1:30 p.m. – 3:30 p.m.**

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|  | **Committee Members:** |  |  |  |  |
|  | Jerry Andres  Citizen at Large | 🗸 | Paul Bertagna  City of Sisters | 🗸 | Mike Riley  The Environmental Center |
|  | Brad Bailey  Bend Garbage and Recycling |  | Catherine Morrow  Citizen at Large | 🗸 | Erwin Swetnam  Cascade Disposal |
| 🗸 | Jared Black  Citizen at Large |  | Jake Obrist  City of La Pine |  | Rick Williams  Citizen at Large |
|  | Bill Duerden  City of Redmond |  | Gillian Ockner  City of Bend |  |  |
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|  | **Consultant(s):** |  |  |  |  |
| 🗸**C** | Doug Drennen  JRMA | **C** | Jennifer Porter  GBB |  |  |
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|  | **Dept. of Solid Waste Staff:** |  |  |  |  |
| **S** | Chad Centola  Operations Manager | 🗸**S** | Sue Monette  Management Analyst | 🗸**S** | Timm Schimke  Director |
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|  | **Elected Official(s):** |  |  |  |  |
| **E** |  |  |  |  |  |
|  |  |  |  |  |  |
| 🗸**G** | **Guest(s): 12** |  |  |  |  |
|  |  |  |  |  |  |
| *🗸* | *Present at meeting* | *\** | *Teleconference* | ***C*** | *Consultant* |
| ***E*** | *Elected Official* | ***G*** | *Guest* | ***S*** | *Staff* |

Decisions/Actions Taken by the Committee in Blue

Items Requiring Follow-up in Red

**Call to Order**: The meeting was called to order by Timm Schimke, Deschutes County Department of Solid Waste Director, at 1:34 p.m. It was noted there was not a quorum of the SWAC in attendance.

1. **Welcome & Introductions**:

Timm Schimke opened the meeting, acknowledged the guests, and indicated there was time on the agenda for public comments. As there were several new people in the room, Timm asked that everyone introduce themselves.

A guest posed a question on whether the plan considers means of extracting energy from waste, similar to Marion County. Timm responded that it was considered, but, unfortunately, is not feasible at this time. The plan recommends continuing to monitor over the years to see if it becomes more cost effective. Doug referenced and directed attendees to Chapter 6 which focuses on Alternative Technologies.

**Review/Approve Minutes:** Timm Schimke

The October and November 2018 minutes of the meeting will be submitted to the SWAC next month for approval once a quorum is met.

1. **Review of Actions:** Doug Drennen

Doug displayed slides that showed changes to the Landfill Evaluation Table presented in Chapter 7. Both the System Flexibility and Reliability sections were updated based on comments from SWAC.

Action: Mike Riley recommends updating section 7 Environmental Considerations wording to reflect emissions being the same or neutral for an in-county landfill.

1. **Presentation Chapter 8 – Administration and Financial Management:**

Doug mentioned Chapter 8 was recently distributed and if SWAC members did not have time to review, comments can be received at the February meeting. He presented the existing Department of Solid Waste (DSW) organization, responsibilities of cities, and the role of the franchise collection companies. Considering the current operations, there are no deficiencies in the overall solid waste management structure.

The chapter discusses the current financial management of the solid waste transfer and disposal system. DSW operates as an enterprise fund under the County organizational structure. Over the past 25 years, DSW has established a well-managed financial and equitable rate structure that has provided the necessary resources for delivery of services. This includes producing an annual budget and using established dedicated reserve funds for making routine capital investments such as building new landfill cells and closing areas as required in compliance with regulations. The use of these reserve funds has resulted in maintaining a stable rate system for customers.

Doug reviewed different approaches employed by local governments in various states for managing regional or countywide solid waste systems. These include a Joint Powers Boards and special districts that establish a multi-jurisdictional authority to oversee management of the regional solid waste system. These different structures are established through interlocal agreements that stipulate the decision making authority and responsibilities of each member jurisdictions.

The County and cities (Bend and Redmond only) have executed interlocal agreements that commit to supporting the County as the lead agency for managing solid waste and also commits the waste collected to be disposed by the County. These agreements serve as a good foundation for moving forward, but possibly should be reviewed to reaffirm each party’s commitment and participation in implementing the recommendations of the SWMP. Doug emphasized the importance of establishing an ongoing committee and/or task force made up of representatives of the cities and stakeholders to participate in developing strategies recommended in the SWMP.

Doug proceeded to present the financial management needs discussed in Chapter 8. To implement the improvements identified in the Draft SWMP, the County and cities will need to invest between $20M and $30M in facilities over the next 10 years. These investments include expansion to transfer stations that have reached capacity, and the investments needed to implement a long-term disposal solution when Knott Landfill closes. The difference in the amount will depend on which disposal option is selected. A new in-County landfill will require a larger capital investment, but is projected to cost less in annual operation expenses.

In the past, the County has used its’ bonding authority to provide financing for major improvements. However, ongoing capital improvements required at the landfill are financed through the funds placed in reserves. As an enterprise fund, DSW can issue revenue bonds to finance capital improvements, but the cost to prepare and meet the requirements of a revenue bond are expensive when compared to using the County’s bonding authority.

Another approach is to raise rates in anticipation of these investments. This approach may not be desirable as current rate payers may not support paying for future disposal needs. Doug pointed out the County has several options for financing future capital needs. Also, some of the bonds that were issued to finance improvements at Knott Landfill in 2005 would be retired in 2026, which may provide resources for capital investments. DSW could complete a schedule for when these improvements are needed and a financial study to determine the best approach for providing the funds.

Doug turned the meeting over for SWAC discussion with posed questions on what changes should be made to oversee implementation of the SWMP, how to increase participation, and financing/funding changes.

* Mike Riley asked for Timm’s input on the posed questions. *Timm believes we should continue either stakeholder or ad-hoc committee sessions. There is a question on interlocal participation, especially around Redmond as the city may consider Crook County and this could impact Negus Transfer Station remodel considerations. The Board may consider a $5/ton rate increase now if it meets the future requirements. This could be a temporary increase.*
* Guest – Highly recommends getting an agreement with the City of Redmond prior to making the decision to remodel and spend $7M.
* Guest – Recommends adding variance or historical change notes to the Actual and Projected Revenue & Expenditures tables (i.e. Personnel includes the PERS increase, bond refinancing, etc.).
* Guest – What was in the calculation for the long-haul and in-county landfill? *Doug – It uses the current budget plus a marginal increase.*  Are there any assumptions or changes in FTEs for the long-haul scenario? *Timm – We could see some change, but it would most likely be marginal as different roles would be needed (i.e. transfer station compactor operator versus landfill operator).*
* Paul Bertagna – If the Board approves an in-County landfill, where will the money come from? *Timm – The assumption is a bond for the infrastructure and potential rate increases to cover increased debt financing and operations.* The City of Sisters prefers rate increases to be more often and smaller dollar amounts (versus infrequent large increases). *Timm – We could consider incremental percentage increases each year for the franchise haulers with a different flat amount for private self-haulers. This would allow for even dollar increments and avoid using change (coins).*
* Jared Black – Does the SWMP factor privatizing the landfill operations? *No*
* Mike Riley – There is a need to tighten up interlocal agreements, especially around financial commitments for revenue streams. The SWMP will require coordinated efforts amongst the cities, County, and organizations for tourism recycling, etc.
* Paul Bertagna – When will the Board review the SWMP and make the decision on the options such as a new in-County landfill? *Timm – The Board will review for adoption in March or April 2019.*

Chapters 7 and 8 recommendations will be drafted and presented at the February meeting.

1. **Draft Executive Summary:**

The Draft SWMP Summary is now available and Doug encourages SWAC members to go online to review it for comment in February.

1. **Overview and Agenda for Public Meeting – January 31, 2019:**

Doug presented an overview of the schedule and agenda for the disposal options public meeting to be held on January 31, 2019. Timm highlighted the format will be of an open house style. A short presentation of the options will be made, but the intent of the meeting is to solicit input. He mentioned there has been a wide range of publicity for the meeting, including interviews with local TV stations. Based on the feedback to date, it is expected to have more participation than the recycling public meeting.

1. **Schedule & Next Meeting:**

Thepublic meeting for the disposal options will be held on January 31, 2019. In February, we will bring draft recommendations for Chapter 7–Disposal Options and Chapter 8–Administration and Financial Management for review by the SWAC. Once these recommendations are made, we will issue a complete draft of the SWMP and present the implementation plan to SWAC in March. The goal is to send the SWMP to the Board of County Commissioners in April.

Timm mentioned the need for committee member’s input and recommendations (endorsement or objections on the SWMP with feedback) at the February meeting. We can follow up electronically for those unable to attend. The intent is to have the committee members’ decision supported by the community being represented. Tom and Timm will be meeting with the committee members and city administrators in the near future.

SWAC Advisory Group meetings will be held the 4th Tuesday of each month at the Deschutes Services Building (1300 NW Wall St., Bend, OR 97703) from 1:30 p.m. – 3:30 p.m. Public meetings will be held in the evening. The next Solid Waste Advisory Committee meeting is **February 26, 2019 at** **1:30 p.m. – 3:30 p.m.**

**Meeting Adjourned**: 3:37 p.m.