Skagit County Solid Waste Advisory Committee (SWAC) Meeting Minutes Wednesday, December 19, 2018

Members Present	t Representing
WICHIDEIS I ICSCH	<u>Representing</u>

Andy Hanson	City of Mount Vernon
Brian Dempsey	City of Burlington
Britt Pfaff-Dunton	Skagit County Health Department, ex-officio
Leo Jacobs	City of Sedro-Woolley, SWAC Vice-Chair
Margo Gillaspy	Skagit County Public Works/Solid Waste Division, ex-officio
Matt Koegel	City of Anacortes, SWAC Chair
Scott Thomas	Town of La Conner
Tamara Thomas	District 2 Citizens
Todd Reynolds	Skagit Steel & Recycling, Recyclers
Torrey Lautenbach	Lautenbach Recycling, District 1 Citizen

Members Absent Representing

Not Represented Not Represented Not Represented District 3 Citizens Haulers

Not RepresentedAgriculture RepresentativeVisitorsRepresentingDiana WadleyDepartment of Ecology, ex-officio, present by phone conferenceDavid BaderLautenbach Recycling

Introductions

Mr. Matt Koegel, City of Anacortes, Chair, requested introductions of all in attendance. Names and business title introductions were offered by each attendee prior to addressing agenda items.

Call to Order

Mr. Koegel, Chair, called the meeting to order at 4:35 p.m. at the Continental Building Crane Room at 1800 Continental Place, Mount Vernon, Washington.

Public Comments

Mr. Koegel, Chair, opened the floor for public comments.

There were no Public Comments.

Review and Approve Minutes

Mr. Koegel, Chair, opened the floor to discuss the September 12, 2018 minutes.

Mr. Koegel, Chair, requested a Motion to Approve the September 12, 2018 minutes as written.

A Motion to Approve was made by Mr. Jacobs, City of Sedro-Woolley to approve the minutes as written. The Motion to Approve was seconded by Mr. Lautenbach. By a vote of the Membership, the Motion was unanimously passed. Mr. Koegel, declared the minutes of September 12, 2018 to be approved as written.

<u>Agenda Items</u>

Mr. Koegel, Chair, moved forward to begin discussion of agenda item(s):

a. Rate Increase Public Hearing, 1/15/19

Ms. Gillaspy

The Rate Increase proposal was discussed and approved at the last SWAC meeting. The proposal was presented and approved at the Governance Board on October 17, 2018. The Commissioner's signed a Resolution calling for a Public Hearing, which is scheduled for January 15, 2019, from 10:30a.m. - 11:30a.m. A press release was advertised. The Rate Study with the new proposed rates was uploaded to the County's website. A response is not expected until after the Public Hearing.

The Public Hearing will take place followed by the Resolution, which will be proposed at a later point. The adoption of the proposal will follow.

b. Recycling Survey comments

Ms. Gillaspy sent out a link to the survey in early November. The survey is a result of discussions with county citizens interested in having curbside recycling available countywide. A sample of the results of the survey was passed out. One approach would be through a minimum service level ordinance that the Board of Commissioner's would sign into action. Waste Management would provide curbside recycling services across the county.

The Commissioner's requested feedback on what the residents were interested in. Ms. Gillaspy and the Public Works communications and outreach staff worked together in designing a survey that is available on line. Each question was given multiple response options to select for each question, along with comment opportunities.

The survey reflected a new interest in yard waste pickup as well. The survey link will be open through the end of 2018. So far, there has been approximately 500 responses. Those taking the survey were asked to identify where they live to distinguish between unincorporated County versus City. Garbage collection is not mandatory in unincorporated county, but if requested, it will include recycling as well as an extra charge.

Ms. Thomas

Given that this will expand recycling, do we know how much of Waste Management's collection going into the single stream is actually getting recycled?

Mr. Lautenbach

It is his understanding from discussions with Waste Management, they are proud of the fact that they have not had to landfill. They anticipated the current market and started early on in getting many domestic markets in place and have been quite successful.

Mr. Dempsey

He offered to send out the Burlington waste stream summary to everyone that shows monthly what is specifically going on in Burlington. He does not have a real clear message from Waste Management on what they are doing.

Ms. Wadley

It seems accurate that Waste Management does have about a 25% contamination rate. Ecology did publish a suggested list, similar to the one published by the WRRA, of the suggested items to take curbside. She highly encourages Skagit County, if considering expanding, to take a hard look at that list and the WRRA list. Look hard at the markets. Some haulers like to say that they can take all. We don't know exactly what Waste Management is doing, especially considering the highly restricted markets. They haven't been caught doing some things that some other competition has. We still don't know exactly how they have been moving things, if at all. I would encourage you to really consider slimming down your list at this time if you do expand.

Mr. Reynolds

Does the list that you are referring to exclude glass and 3-7's? Regarding the 75% that Waste Management is reporting, is that comparable to 2017?

Ms. Wadley

Yes, I believe so.

That 75% is not from me. What I was saying is that we hear about a 25% of what goes in the blue bin, does not actually make it somewhere. We heard that, possibly in the Ecology's Northwest recent co-mingles report. I did hear about that Brad Lovaas (Executive Director for the WA Refuse & Recycling Association) had said it at a meeting a few months back.

Mr. Reynolds

The reason for the question; is that our understanding from recycling and the recycling industry, is that the 3-7"s have no home right now. Waste Management's system does not segregate the 3-7's. If they are collecting the 3-7's and there is no home for them, their rates should be increasing as far as what they are landfilling versus recycling.

Ms. Wadley

The State Wide Recycling Coordinator's Meeting was recently held on November 29, 2018. The UTC (The Utilities and Transportation Commission) did a presentation. We

have seen many entities who would receive a commodity credit that appears on their bill, is now called a commodity adjustment, and a lot of those are now negative. Customers, instead of getting paid for doing a nice job recycling, are now having to pay.

Ms. Gillaspy

Skagit County has been talking with Waste Management about accepting the Transfer Stations plastics. They are very specific and will only accept 1 & 2's. I wondered that same thing, where are the 3-7's going and what's happening with them because there is no discussion about that. We are still working our way through it. It is not really plastic, it is contract related. If we continue not to get anywhere with Waste Management, I think that's our other option. It would be a lot of customer education. We don't have anyone staffed up there.

Mr. Reynolds

I would like to brief everyone on numbers he received from the County that has gone through his system. Tonnages are comparable. In 2017, we did 2100 tons. We are just over 2000 tons now excluding December. The County is continuing to pull large volumes out of the waste stream, but the revenue is just really killing them. Revenue, overall, is down 45% from 2017. Your steel, which you get paid for, that revenue is up 35% because of the markets. Your average price for steel in 2018 is \$65/ton compared to 2017, which was only \$45/ton. It is largely due to having to pay so much for the mixed paper. All tonnages are very comparable. Last year you were paid for your mixed paper almost \$5,000. To date, you've paid \$26,000. That's going through our system were we are lucky enough to be able to move mixed paper because we have a very clean product. There is nothing really positive on the horizon, especially for papers and plastic. We are seeing the fairest prices that did really well for 2018 are really starting to sell off. Seasonally, January is an up market. We are already getting indication that it's going to be down heavy for January. It is not so much to do with China, there is just not as much demand right now for the raw goods so the mills are pushing pricing down. Maybe not so much to do with China, but what wasn't going into China and into southeast Asia, they are finally at capacity. So that is starting to drive pricing down. I don't see it as being as strong as 2018.

We are seeing a little bit of optimism in some plastics. We are hearing of a potential domestic process of film coming on board. It would not help the 3-7's.

Ms. Wadley

Merlin Plastics in Canada were taking some 3-7's about 6 to 9 months ago. They were really sorting for the 5's.

Mr. Reynolds

We heard the same when we toured the plant at the WSRA. They discussed the possibility of Merlin taking some of the 3-7's and even the 1-7's. They sounded receptive, but we so far have not received a return phone call. They could just be inundated. I don't believe that they can handle the stream that is actually out there. The mixed paper that we generate, that is not through a MRF, we do have interest with domestic mills now, which was never the case before. All he mixed paper went export.

It has to be a very very clean product. We've been able to meet that. It must be a dry product. If we see some of the domestic mills change some of their technology in their screening processes and are they able to get to a point where the mixed is actually a value to them rather than just a filler like it is right now, it could start to drive the markets and turn the mixed paper values around. That's more a system like we have so it's not going to help with the co-mingled products but it could help with the County's products. We could possibly look at doing an analysis on some of your loads to see what percentage is cardboard.

Mr. Lautenbach

Our biggest commodity is wood and it's in the same situation. The construction industry is so busy that there is supply and demand, and supply is hugh. We found other markets and our pile is going down rapidly again, but it is difficult. We are focusing now on trying to figure out better-end products.

Ms. Gillaspy

In the Cities, have you been asked to increase for recycling, or does Waste Mangement run that all on their own when they pick up?

Mr. Dempsey

Yes, they requested a rate increase for all cities. It hasn't been approved yet, but it's very close.

Mr. Koegel

The Council wants to talk about it and not jump on it just yet and made a counter offer. The new public sector manager made a presentation two weeks ago to the Council. Their response was that we are three years into a ten-year contract; let's talk about what we have to do as opposed to what you want us to do.

Mr. Hanson

We passed an increase in April with a contract extension. We are now at a per/cart rate. We requested a cart analysis from Waste Management by the end of January on how many carts are in the City. He requested that the carts be changed out to the largest container that they have. They are dragging their feet a little bit. The analysis will determine how many carts are out in the City and what size cart each resident has. In the past, there was unlimited recycling in Mount Vernon and residents could have multiple carts and not be billed for that. The new rate is a per/cart rate. Waste Management has been asked to switch over to one cart per resident and increase the size of the cart.

Mr. Dempsey

They are also requesting a contamination policy for the recycling -3 strikes and you're out. They are really trying to enforce no contamination. They give you three warnings and then they treat it as garbage and charge a garbage fee. They advised that they will contact the home owner.

Mr. Hanson

They have been tagging every cart in the City of Mount Vernon with either their new changes that they've made, and how it's working. They presented to me that they would like to add the contamination fee. My response was no; that we need to so some education pieces before we add that. They bill the City of Mount Vernon directly. It's on the utility bill for the residents and then we just pay Waste Management. Any of those extra charges will go to us, so then we won't know which residents have those. That's why we requested the cart analysis throughout the City. We recommend that the contamination be the last resort effort possible. If there is garbage in the container, set it out and tag it as garbage and put it next to the garbage can so that we can bill the customer for extra charges for garbage if it is garbage. It is the same rate no matter what size container you have, and is mandatory recycling in Mount Vernon. They should be able to provide the card analysis by the end of January. Michelle Metzler is the Regional Manager and contact.

Mr. Jacobs

After the initial shock of the new rate increases going into effect in January, us being in control of our recycling has been really beneficial. We have been able to control that contamination level. We take their recycling cart and give another garbage can and bill them for two garbage cans.

The multi-family is the best product right now since everyone has been educated.

Ms. Gillaspy

Are your drivers getting out and inspecting and tagging if they see issues?

Mr. Jacobs

Yes, we have been tagging. Given the automated system, it is hard. Usually what we see is when it goes in, then we get out and tag them. Phone cameras have been fairly decent allowing drivers to get pictures making it easy to spot bags and styrofoam.

Mr. Hanson

The City of Mount Vernon will launch a recycling video on Monday. The recycling education video will include the City Council members on TV10 and YouTube. It will be straight from Waste Management's website as to what materials can be taken. The material that Mount Vernon received from Waste Management last week was added to the video.

c. Recycling update in County

Ms. Gillaspy reviewed the 2017 and 2018 Solid Waste System Wide Revenue Tonnage Distribution reports.

The total tonnage for 2018, so far through November, is 106,000 tons. The figure for 2017 was 110,000 tons. The tonnage has been steadily climbing back up since its low in 2007. Diversion percentages are going down.

d. Informal 2018 numbers

Mr. Lautenbach

The MSW tonnages in the county are going up year after year. Are the recycling tonnages following in line with that and going up, or if we are losing ground due to more stuff going to the Transfer Station?

Ms. Wadley

That data tends to lag quite frankly and so the latest would be 2017 data, and that information is not ready yet. Her data strategy team is taking an internal look at how those numbers are counted for the recycling rate that we traditionally publish. We are re-examining how we categorize things. Please contact her if there is any interest in having discussions regarding what should or should not be counted.

Mr. Reynolds

He would be glad to discuss the different items that are lumped in the categories. When we report, we report by category, so it may just be paper. Are you asking what all commodities are going to be lumped into those categories?

Ms. Wadley

Yes, thinking about the world of MSW and what is the MSW recycling rate. Do you want to count things like gypsum and wood waste, or do you want to count only the things in the blue bin? We are examining that. Do you want to count any type of reuse in the recycling rate or are there any beneficial uses like energy recovery or is it just straight up recycling rates. We are taking a harder look at those things.

Mr. Reynolds

How do you go about not double-dipping? The county reports a tonnage and Skagit River Steel reports a tonnage. The county's tonnage is in Skagit River Steel's tonnage.

Ms. Wadley

She is not sure how that is worked out, but Dan Weston and Gretchen Newman are two top data people who work really hard to try to not double count.

Ms. Thomas

The composting forms ask for how much residual and how much garbage is generated, and also where it goes. Do they ask you on your form where you send your recycling part?

Ms. Gillaspy I don't remember that part.

Mr. Reynolds We have to indicate what county it comes from.

Announcements/New Business

Mr. Koegel, Chair, opened the floor to address any announcements or new business.

There were none.

Public Comments

Mr. Koegel, Chair, opened the floor to address any public comments.

Mr. Bader

There was a sub-committee that was working on flow-control. Has that fallen off the radar?

Ms. Gillaspy We should meet again. That has fallen by the wayside.

Unfinished Business

Mr. Koegel, Chair, opened the floor to address any unfinished business.

Mr. Lautenbach

The Rate Study indicated that there would be an addition of a Recycling Coordinator. Is that still in the works?

Ms. Gillaspy

We still have that included, but I do not have it budgeted for 2019. But, with the rate increase going through in 2019, then that could be more of a possibility in 2020.

Ms. Wadley

She will forward the discussed list to Ms. Gillaspy to share with SWAC. She now has the Washington Refuse and Recycling Association list. It does not specifically address the 3-7's. They have it as the number one item on the suggested list of items to exclude from your co-mingled recycling program. She will forward this report to Ms. Gillaspy as well.

<u>Adjourn</u>

Chair Koegel thanked everyone. The meeting was adjourned at approximately 6:00 p.m.