

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ESTABLISHING)	ORDINANCE NO. 80-100
DISPOSAL CHARGES TO BE COLLECTED)	
AT THE ST. JOHNS LANDFILL;)	Introduced by the
ESTABLISHING USER FEES; AND)	Regional Services Committee
AMENDING SECTIONS 4.03.030 AND)	
4.06.030)	

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

Section 1:

The purpose of this ordinance is to establish new base disposal rates and charges for the St. Johns Landfill, as stated in Section 2 below, and to establish new user fees as stated in Section 5 below; and to amend Code Sections 4.03.030 and Section 4.06.030.

Section 2:

Code Section 4.06.010 Disposal Charges; St. Johns Landfill, is hereby amended to read:

A base disposal rate of \$8.40 per ton of solid waste delivered is established for disposal at the St. Johns Landfill. Said rate is in addition to user fees collected at the St. Johns Landfill pursuant to Code Section 4.03.020. The following disposal charges shall be collected by the Metropolitan Service District from all persons disposing of solid waste at the St. Johns Landfill:

<u>VEHICLE CATEGORY</u>	BASE RATE		METRO FEE		TOTAL RATE	
	\$/TON	\$/CY	\$/TON	\$/CY	\$/TON	\$/CY
COMMERCIAL						
Compacted	\$8.40	\$2.48	\$1.33	\$0.34	\$9.73	\$2.82
Uncompacted	8.40	1.05	1.33	0.20	9.73	1.25
<u>Special</u>						
Sewage Sludge	8.40	6.55	1.33	0.20	9.73	6.75

VEHICLE CATEGORY (cont)	BASE RATE		METRO FEE		TOTAL RATE	
	\$/TON	\$/CY	\$/TON	\$/CY	\$/TON	\$/CY
PRIVATE						
Cars ¹		\$3.15		\$0.45		\$3.60
Station Wagons ¹		3.15		0.45		3.60
Vans ²		4.05		0.45		4.50
Pick-ups ²		4.05		0.45		4.50
Trailers		4.05		0.45		4.50
TIRES**						
Passenger (up to 10 ply)	\$0.55				\$0.55	
<u>Passenger Tire</u> (tire on rim)	1.25				1.25	
Tire Tubes	0.55				0.55	
Truck Tires (20" diameter to 48" diameter or greater than 10 ply)	1.75				1.75	
Small Solids	1.75				1.75	
<u>Truck Tire</u> (tire on rim)	7.00				7.00	
Dual	7.00				7.00	
Tractor	7.00				7.00	
Grader	7.00				7.00	
Duplex	7.00				7.00	
Large Solids	7.00				7.00	

Section 3:

Said rate shall be collected on the basis of cubic yardage delivered, commencing on October 1, 1980. The Metro Council intends that the rates stated in Section 2 above, shall be levied on a volume basis until April 1, 1981, after which time, the rates charged at the St. Johns Landfill shall be converted to a weight basis. Provided, however, that said change to a weight basis be contingent upon Metro reaching an agreement with Clackamas County

¹Based on minimum load of two cubic yards.

²For the first two and a half cubic yards, each additional cubic yard is \$1.76.

**Cost per tire listed

by January 1, 1981, for conversion of rates charged at Rossman's Landfill to a weight basis.

Section 4:

Section 4.06.030 of the Code of the Metropolitan Service District is amended to read as follows:

A waiver of charges may be made by the operator of the landfill for (inert) material including but not limited to the following: earth, sand, stone, crushed concrete and broken asphaltic concrete and wood chips, if, at the discretion of the operator of the landfill, such material is needed for cover, road base or other internal use.

Section 5:

Code Section 4.03.020 User Fees is hereby amended to read:

(During Phase I of the Metro program,) The following user fees shall be collected and paid by the operators of solid waste disposal sites in accordance with Chapter 4.02 and 4.04 of the Metro Code:

- | | | |
|-----|---|---|
| (a) | Noncompacted solid waste | 20¢ per cubic yard delivered |
| (b) | Compacted solid waste | 34¢ per cubic yard delivered |
| (c) | All material delivered in private cars, station-wagons, vans, single and two-wheel trailers, trucks with rated capacities of less than one (1) ton will be computed at a rate of | 20¢ per cubic yard with a minimum charge of 45¢ per load. |
| (d) | User fees for solid waste delivered in units of less than a whole cubic yard shall be determined and collected on a basis proportional to the fractional yardage delivered. (For example, 4½ cubic yards of non-compacted solid waste would require a user fee of 72¢.) | |

Section 6:

Section 4.03.030, Exception, of the Code of the Metropolitan Service District is amended to read:

Inert material, including but not limited to earth, sand, stone, crushed stone, crushed concrete, broken asphaltic concrete and wood chips used at a landfill for cover, diking or road base, or other internal use and for which no dumping charge is made shall be exempt from the user fees.

ADOPTED by the Council of the Metropolitan Service District this 4th day of September, 1980.

Marjorie Mardon Kopyev

Presiding Officer

Attest:

Cynthia M. Wickmann

Clerk of the Council

MI:gl
9403/33

Underlined language is new, language in parenthesis is to be deleted.

A G E N D A M A N A G E M E N T S U M M A R Y

TO: Metro Council
 FROM: Executive Officer
 SUBJECT: Converting St. Johns Landfill to a Weight Structure

I. RECOMMENDATIONS:

- A. **ACTION REQUESTED:** Adopt Ordinance to amend Ordinance No. 80-100 for the purpose of extending the date for reaching an agreement with Clackamas County to convert Rossman's Landfill to a weight basis rate structure, apply a one ton minimum charge to commercial haulers, and to assess a penalty for overweight vehicles crossing the Incinerator Road Bridge.
- B. **POLICY IMPACT:** Adoption of this Ordinance is in agreement with Metro's policy to convert general purpose landfills to a weight basis rate structure. The penalty for overload vehicles is in response to Metro's contract with the City of Portland to operate the St. Johns Landfill.
- C. **BUDGET IMPACT:** Adoption of this Ordinance will assure that the revenues at the St. Johns Landfill are directly related to the operations contract expenses. By contract, our operations expenses are based on weight rather than volume. December and January records indicate that the conversion figures developed at Rossman's and used to determine volume rates at the St. Johns Landfill do not reflect the actual conditions for the St. Johns Landfill. As a result, we are paying more to dispose of many loads than we are collecting at the gate.
- D. Adoption of this Ordinance is in conformance with Metro's Five Year Operational Plan.
- II. A. **BACKGROUND:** In September 1980, the Metro Council enacted Ordinance No. 80-100 to convert the St. Johns Landfill to a weight basis rate structure on April 1, 1981. At that time there was concern that Rossman's Landfill would fill too rapidly if they were on a volume basis and the St. Johns Landfill on a weight structure. The Council directed the staff to attempt to obtain an agreement with Clackamas County to convert Rossman's to weight by January 1, 1981. Several problems developed, and that date could not be met.

On January 29, 1981, the Clackamas County Solid Waste Advisory Committee voted to recommend to the County Commission that Rossman's Landfill convert to weight, their action is pending.

Metro's agreement with the City of Portland for the operation of the St. Johns Landfill states that Metro will not allow overloaded vehicles to cross the Incinerator Road Bridge.

- B. ALTERNATIVES: Several alternatives were considered for converting the St. Johns Landfill to weight. One alternative is to not charge by weight, which could have a serious negative impact on the St. Johns Landfill budget. Another alternative would be to convert to weight on April 1, 1981, regardless of Clackamas County's decision.

The alternatives considered for overweight trucks included prohibiting all overweight vehicles from crossing the bridge, unloading part of their load at the public transfer station, or Metro accepting total liability for the bridge by taking no action.

- D. CONCLUSION: The rates for the St. Johns Landfill and the operating contract were both based on charging by weight. Any further delays in converting to weight may necessitate a rate increase. The one ton minimum charge will minimize the number of small loads that are difficult to collect and are expensive to process. The one ton minimum will have a very minor impact on regular haulers. Imposing a penalty for overloaded trucks will assist in enforcing load limits placed on the Incinerator Bridge.

NW/ga
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A G E N D A M A N A G E M E N T S U M M A R Y

TO: Regional Services Committee
FROM: Executive Officer
SUBJECT: Establishing Disposal Charges to be Collected
at the St. Johns Landfill

I. RECOMMENDATIONS:

- A. ACTION REQUESTED: Adopt Ordinance No. 80-106 for the purpose of establishing disposal charges to be collected at the St. Johns Landfill. The proposed rates will increase from \$7.80 per ton to \$10.22 per ton. The \$10.22 rate includes the Metro User Fee.
- B. POLICY IMPACT: Adoption of this ordinance will establish new disposal rates at the St. Johns Landfill, beginning October 1, 1980, concurrent with the Long Term Operational Contract. The new disposal rates reflect all cost associated with operating the St. Johns Landfill.
- C. BUDGET IMPACT: Adoption of this ordinance will provide sufficient monies to operate the St. Johns Landfill and is consistent with the adopted 1980-81 budget. The subsidy from the Solid Waste Operating Fund, previously provided during the June 1, to October 1, 1980 Interim Contract, will be repaid over a two year period.

II. ANALYSIS:

- A. BACKGROUND: Earlier this year, Metro was presented the option to maintain and operate the St. John's Landfill. A rate analysis performed at that time, indicated that if Metro expanded and operated the landfill the rate would be \$10.70 per ton.

As a result, Metro assumed operational control of the St. Johns Landfill June 1, 1980. In order to continue operating the landfill and to provide sufficient time to prepare any necessary specifications for obtaining a long term contractor, it was necessary to obtain the services of an Interim Contractor for the period June 1, to October 1, 1980. It is estimated that the cost of operating the landfill during the Interim period, will be \$1.1 million. Based on rates charged at St. Johns, when Metro assumed control, an increase in rates was justified. However, the Metro Council decided to provide a subsidy until a long term contractor was selected, thereby eliminating the necessity of increasing rates twice in the four month period.

A long term contractor has been selected and will commence operation on October 1, 1980. Based on operating costs, debt service, contract obligations, administrative costs, Gatehouse operation and providing the necessary working capital and environmental reserve funds, an increase in disposal rates at the St. Johns Landfill is required.

Metro Solid Waste Management Plan recommends that the method of charging for solid waste disposal be accomplished by weight, instead of volume. As part of the expansion and improvement of St. Johns Landfill, scales are being installed and will be operational by November 1, 1980. The density factors the staff is currently using to develop a conversion factor from weight to volume, has been questioned by the collection industry. The data base was generated at Rossman's Landfill where a certified scale system is available, rather than at St. Johns Landfill.

- B. ALTERNATIVES CONSIDERED: Two alternatives were considered regarding the effective date of the new rates, however, there are a number of variations of each.

The first alternative is to increase rates beginning October 1, 1980, when the long term contract goes into effect. While providing sufficient revenues to operate the site, the method of charging will remain one of volume, since the scales will not be operational until November 1, 1980. The change over could then occur at that time.

The second alternative is to continue subsidizing the operation until the scales are installed and until the collection industry agrees with Metro's conversion factors. The length of subsidy could last from one to six months, and for every month delay for increasing the rates, approximately 10 cents per ton must be added to the new rates. To continue to subsidize the operation could also have an adverse effect on other Solid Waste operating programs.

In addition to the issue of when the new rates should become effective, as discussed in alternatives one and two, another issue was considered: a) Initially adopt a long term rate sufficient to meet the cost of operating the landfill for the next five years (except for normal inflationary factors) or, b) to adopt new rates on a phased

basis. The five year rate would be \$11.83 per ton plus annual inflation increases. With the phased approach, the rate would be \$10.22 per ton for the first year, and will increase over the next four years.

- C. RATE IMPACT: By phasing in the rates, there will be a slight impact on the cost to residential users. Past studies indicate that 10% of the residential collection fee is attributed to the cost of disposal at the landfill. Using a \$5.00/month for a one can service fee, the rate would increase to \$5.30/month or by about 6%, as a result of the new landfill rates for the initial year.

Subsequently, for uncompacted waste the rates will increase slightly be approximately 7%. Therefore, for a drop box of 25 cubic yards, the cost to dispose at the St. Johns Landfill will increase from \$30.00 to \$32.00 for the first year.

For those who deliver waste to the landfill in cars, the rate will be \$3.75 per load up from the existing \$2.60 per load. Rates for pick-ups will increase from \$3.45 to \$4.50 per load.

- D. CONCLUSION: Both alternatives considered would result in changing eventually from a volume to a weight basis. Alternative one provides sufficient revenues to operate the landfill as of October 1, 1980, with no continuing subsidy. It also requires charging by volume until the scales are operational and allows the collection industry time to adjust to weight. It is recommended that the conversion from Metro's new volume rate to weight occur on January 1, 1981. Phasing of disposal rate increases will allow St. Johns Landfill to be more competitive with other landfills in the area. It should be noted that whatever alternative or phasing option is selected the cost of disposal of solid waste will be higher at St. John's Landfill then the Rossman's Landfill.

A N N U A L S U M M A R Y

ST. JOHN'S LANDFILL
PROPOSED RATES
OCTOBER 1, 1980

<u>EXPENSES</u>	<u>AMOUNT</u>
1) Operating Cost:	
Solid Waste Disposal	\$ 2,085,483.
Other Contract Items	1,198,221.
Personnel Services	102,998.
Tire Disposal Cost	18,000.
2) Administrative & Miscellaneous	45,750.
3) Working Capital Reserves	445,077.
4) Debt Service & Contract Obligations	<u>452,458.</u>
TOTAL EXPENSES	\$ 4,347,987.
REVENUES FROM OTHER SOURCES	<u>(1,161,347.)</u>
NET REVENUE REQUIRED	<u>\$ 3,186,640.</u>

ESTIMATED REVENUE FROM RATES

	TONS*		RATE
1) Commercial	324,691	\$ 2,961,182.	\$ 9.12/TON
2) Public	-----	<u>225,458.</u>	per load
TOTAL REVENUE		<u>\$ 3,186,640.</u>	

* Estimated annual solid waste is as bid in the long term contract.

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ST. JOHN'S LANDFILL
PROPOSED DISPOSAL RATES
OCTOBER 1, 1980

VEHICLE CATEGORY	BASE RATE		METRO FEE		TOTAL RATE	
	\$/TON	\$/CY	\$/TON	\$/CY	\$/TON	\$/CY
COMMERCIAL						
Compacted	\$ 9.12	\$ 2.69	\$ 1.10	\$ 0.28	\$10.22	\$ 2.98
Uncompacted	9.12	1.14	1.10	0.16	10.22	1.30
Special	9.12	7.11	1.10	0.86	10.22	7.97
PRIVATE*						
Cars ¹	3.40		0.35		3.75	
Station Wagons ¹	3.40		0.35		3.75	
Vans ²	4.15		0.35		4.50	
Pick-ups ²	4.15		0.35		4.50	
Trucks ²	4.15		0.35		4.50	
TIRES**						
Passenger (up to 10 ply)	0.65				0.65	
Passenger Tire (tire on rim)	1.35				1.35	
Tire Tubes	0.65				0.65	
Truck Tires	2.00				2.00	
Small Solids	2.00				2.00	
Truck Tire (tire on rim)	7.50				7.50	
Dual	7.50				7.50	
Tract	7.50				7.50	
Grader	7.50				7.50	
Duplex	7.50				7.50	
Large Solids	7.50				7.50	

* New rates proposed represent the cost to provide improved public service with the addition of the public transfer station.

¹ Based on minimum load of two cubic yards.

² For the first two and a half cubic yards, each additional cubic yard is \$1.75.

** Cost per tire listed

8/12/80

COMPARISON OF DISPOSAL RATES

<u>COMMERCIAL</u>	<u>ROSSMAN'S (Proposed)</u>	<u>LaVelle's(82nd) (Proposed)</u>	<u>ST. JOHN'S (Proposed)</u>
Compacted(yd ³)	\$ 2.19	\$ 2.28	\$ 2.98
Uncompacted (yd ³)	1.26	1.41	1.30

PUBLIC

Car(per load)	2.50	2.75	3.75
Pick-up(per load)	4.60	4.50	4.50

8/12/80



METRO

METROPOLITAN SERVICE DISTRICT

527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

M E M O R A N D U M

Date: August 19, 1980

To: Metro Council

From: Executive Officer

Regarding: St. Johns Landfill Rate Alternatives

The Solid Waste Policy Alternatives Committee (SWPAC) has reviewed the rates proposed in the attached Ordinance. As a result, the Committee is recommending to the Regional Services Committee certain modifications in an attempt to keep the rates at the St. Johns Landfill closer to those rates charged at the Rossman's Facility in Oregon City. The Regional Services Committee will consider these recommendations at a special meeting to be held at 7:30 p.m. August 20, 1980. Highlights of these recommendations are described below.

Eliminate Night Dumping

It is a requirement of the City of Portland that the St. Johns Landfill be open 24 hours per day, seven days per week. Metro staff is currently monitoring traffic flow into the site in order to base a request to reduce hours of operation. Preliminary cost estimates for reducing hours of operation are projected to be less than five cents per cubic yard.

Minimum Charge

When conversion from volume to weight as a method of charging for solid waste disposal occurs, SWPAC recommends that a minimum charge be leveled against all loads entering the site. This charge, which would cover administrative and processing of the account, would be based on one ton.

Inert Material

SWPAC recommends that disposal charges be waived for material used at St. Johns for operation, ie. cover, road base. Previous exemptions applied only to inert material; however,

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August 19, 1980

the Committee recommends the policy be extended to include wood chips and other non-inert material used in the operation.

Conversion to Weight

SWPAC recommends that conversion from volume to weight as a method of charging for solid waste disposal occur on October 1, 1981, as opposed to an earlier date recommended by staff. Conversion to weight will provide disposal equity at the St. Johns Landfill. Overloaded or highly compacted trucks do not currently pay their fair share for disposal, since they are charged on the rated capacity of the vehicle rather than on the actual amount of waste delivered.

St. Johns Expansion Cost

The St. Johns Landfill is currently undergoing a 55 acre lateral expansion that will prolong the life of the site until 1986. Without expansion, the site will be at capacity in 1982. Since the Rossman Landfill in Oregon City and the Lavelle Landfill on 82nd will be at capacity within the next two years, the waste generated within the entire Metropolitan area will be deposited in the new expansion area. It is a recommendation of the SWPAC that the cost associated with the lateral expansion not be born by the current users of the St. Johns Landfill, but rather be paid by the entire district. To accomplish this, the Metro User Fee would be increased at all landfills in the amount of six cents per cubic yard of compacted waste (\$.06/yd³), four cents per cubic yard of uncompacted waste (\$.04/yd³) and ten cents (\$.10) per private vehicle. Adopting this concept will increase the average residential bill for weekly service of one can by approximately two cents (\$.02) per month. The revised total rate at St. Johns will be two dollars and eighty-one cents (\$2.81) per cubic yard for compacted loads, and one dollar and twenty-seven cents (\$1.27) per cubic yard for uncompacted loads.

After considering the recommendations of the Solid Waste Policy Alternatives Committee, the Regional Services Committee will present their recommendations to the Council on August 28, 1980.

ORDINANCE NO. 80-100

TITLE FOR THE PURPOSE OF ESTABLISHING DIS-
POSAL CHARGES TO BE COLLECTED AT THE ST.
JOHNS LANDFILL; ESTABLISHING USER FEES; AND
AMENDING SECTIONS 4.03.030 and 4.06.030

DATE INTRODUCED August 28, 1980

FIRST READING August 28, 1980

SECOND READING September 4, 1980

DATE ADOPTED September 4, 1980

DATE EFFECTIVE October 1, 1980

ROLLCALL

	Yes	No	Abst.
Burton	X		
SMY			
Williams	X		
Berkman			X
Kirkpatrick	X		
Deines	X		
Rhodes	X		
Schedeen	X		
KKK Bonner	X		
Banzer	X		
Peterson	X		
Kafoury	X		