

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

AN ORDINANCE RELATING TO SOLID) ORDINANCE NO. 83-163
WASTE DISPOSAL CHARGES AND USER)
FEES; AMENDING METRO CODE SECTIONS)
5.02.020, 5.02.025 AND 5.02.050;)
AND DECLARING AN EMERGENCY)

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

Section 1. Metro Code Section 5.02.020 is Amended to Read as

Follows:

"(a) A base disposal rate of [\$10.33] \$9.80 per ton of solid waste delivered is established for disposal at the St. Johns Landfill. Said rate shall be in addition to fees, charges and surcharges established pursuant to Sections 8, 9 and 10 of this ordinance. [The minimum charge for commercial vehicles shall be for one ton of solid waste.]

"(b) The minimum charge for commercial vehicles shall be for one ton of solid waste. The minimum charge for private trips shall be two and one-half cubic yards for pickup trucks, vans and trailers and two cubic yards for cars. The minimum charge for private trips shall be waived for any person delivering one-half cubic yard or more of acceptable recyclable materials. Such persons shall be charged for the actual amount of waste delivered at the extra yardage rate.

[(b)] (c) The following disposal charges shall be collected by the Metropolitan Service District from all persons disposing of solid waste at the St. Johns Landfill:

Section 2. Metro Code Section 5.02.025 is Amended to Read as

Follows:

"(a) A base disposal rate of [~~\$10.33~~] \$9.80 per ton of solid waste delivered is established for solid waste disposal at the Clackamas Transfer & Recycling Center.

(b) A convenience charge of [~~\$1.49~~] \$2.25 per ton of solid waste delivered is established to be added to the base disposal rate at Clackamas Transfer & Recycling Center.

(c) The base disposal rate and convenience charge established by this section shall be in addition to fees, charges and surcharges established pursuant to Sections 8, 9 and 10 of this ordinance. [The minimum charge for commercial vehicles shall be for one ton of solid waste.]

"(d) The minimum charge for commercial vehicles shall be for one ton of solid waste. The minimum charge for private trips shall be two and one-half cubic yards for pickup trucks, vans and trailers and two cubic yards for cars. The minimum charge for private trips shall be waived for any person delivering one-half cubic yard or more of acceptable recyclable materials. Such persons shall be charged for the actual amount of waste delivered at the extra yardage rate.

[(d)] (e) The following disposal charges shall be collected by the Metropolitan Service District from all persons disposing of solid waste at the Clackamas Transfer & Recycling Center:

Section 3. Metro Code Section 5.02.050 is Amended to Read as

Follows:

"(a) There is hereby established a regional transfer charge which shall be a charge to the operators of solid waste disposal facilities for services rendered by Metro in administering and operating solid waste transfer facilities owned, operated or franchised by Metro. Such charge shall be collected and paid in the form of an add-on to user fees established by Section 8 of this ordinance.

"(b) The following regional transfer charges shall be collected and paid to Metro by the operators of solid waste disposal facilities, whether within or without the boundaries of Metro, for the disposal of solid waste generated, originating or collected within Metro boundaries:

- (1) For noncompacted solid waste, [\$0.22] \$0.30 per cubic yard delivered; [\$1.47] \$2.00 per ton delivered.
- (2) For compacted solid waste, [\$0.38] \$0.52 per cubic yard delivered; [\$1.47] \$2.00 per ton delivered.
- (3) For all material delivered in private cars, station wagons, vans, single and two wheel trailers, trucks with rated capacities of less than one (1) ton, [\$0.80] \$0.68 per cubic yard with a minimum charge of [\$1.60] \$1.34 per load."

Section 4: The Council finds that, in order to recoup sufficient revenue to operate disposal facilities and programs for FY 1984, it is necessary that the rates established herein be effective by January of 1984. Therefore, an emergency is hereby declared to exist pursuant to ORS 268.515(7), and the rates, fees and charges established by this ordinance shall be effective on and after January 1, 1984.

ADOPTED by the Council of the Metropolitan Service District
this 1st day of December, 1983.


Deputy Presiding Officer

ATTEST:


Clerk of the Council

AJ/gl
0014C/353

ST. JOHNS LANDFILL

<u>Vehicle Category</u>	<u>Base Rate</u>		<u>Metro User Fee</u>		<u>Regional Transfer Charge</u>		<u>Total Rate</u>	
	<u>\$/ton</u>	<u>\$/cy</u>	<u>\$/ton</u>	<u>\$/cy</u>	<u>\$/ton</u>	<u>\$/cy</u>	<u>\$/ton</u>	<u>\$/cy</u>
<u>COMMERCIAL</u>								
Compacted	\$9.80	\$2.90	\$1.68	\$0.43	\$2.00	\$0.52	\$13.48	\$3.85
Uncompacted	9.80	1.23	1.68	0.25	2.00	0.30	13.48	1.78

<u>Vehicle Category</u>	<u>Base Rate</u>	<u>Metro User Fee</u>	<u>Regional Transfer Charge</u>	<u>Total Rate</u>
	<u>Per Trip</u>	<u>Per Trip</u>	<u>Per Trip</u>	<u>Per Trip</u>
<u>PRIVATE</u>				
Cars ¹	\$4.62	\$0.54	\$1.34	\$6.50
Station Wagons ¹	4.62	0.54	1.34	6.50
Vans ²	5.37	0.54	1.34	7.25
Pickups ²	5.37	0.54	1.34	7.25
Trailers ²	5.37	0.54	1.34	7.25
Extra Yards	2.30	0.27	0.68	3.25

<u>Vehicle Category</u>	<u>Base Rate</u>	<u>Metro Fee</u>	<u>Regional Transfer Charge</u>	<u>Total Rate</u>
<u>TIRES³</u>				
Passenger (up to 10 ply)	\$0.25			\$0.25
Passenger Tire (on rim)	1.00			1.00
Tire Tubes	0.25			0.25
Truck Tires (20" diameter to 48" diameter on greater than 10 ply)	2.75			2.75
Small Solids	2.75			2.75
Truck Tire (on rim)	7.75			7.75
Dual	7.75			7.75
Tractor	7.75			7.75
Grader	7.75			7.75
Duplex	7.75			7.75
Large Solids	7.75			7.75

¹Based on a minimum load of two cubic yards.

²Based on a minimum load of two and one-half cubic yards.

³Cost per tire is listed.

CTRC

<u>Vehicle Category</u>	<u>Base Rate</u>		<u>Metro User Fee</u>		<u>Regional Transfer Charge</u>		<u>Convenience Charge</u>		<u>Total Rate</u>	
	<u>\$/ton</u>	<u>\$/cy</u>	<u>\$/ton</u>	<u>\$/cy</u>	<u>\$/ton</u>	<u>\$/cy</u>	<u>\$/ton</u>	<u>\$/cy</u>	<u>\$/ton</u>	<u>\$/cy</u>
<u>COMMERCIAL</u>										
Compacted	\$9.80	\$2.90	\$1.68	0.43	\$2.00	\$0.52	\$2.25	\$0.57	\$15.73	\$4.42
Uncompacted	9.80	1.23	1.68	0.25	2.00	0.30	2.25	0.33	15.73	2.11
<u>PRIVATE</u>										
	<u>Base Rate</u>		<u>Metro User Fee</u>		<u>Regional Transfer Charge</u>		<u>Convenience Charge</u>		<u>Total Rate</u>	
	<u>Per Trip</u>	<u>Per Trip</u>	<u>Per Trip</u>	<u>Per Trip</u>	<u>Per Trip</u>	<u>Per Trip</u>	<u>Per Trip</u>	<u>Per Trip</u>	<u>Per Trip</u>	<u>Per Trip</u>
Cars ¹	\$4.62		\$0.54		\$1.34		\$0.75		\$7.25	
Station Wagons ¹	4.62		0.54		1.34		0.75		7.25	
Vans ²	5.37		0.54		1.34		0.75		8.00	
Pickups ²	5.37		0.54		1.34		0.75		8.00	
Trailers ²	5.37		0.54		1.34		0.75		8.00	
Extra Yards	2.31		0.27		0.68		0.35		3.60	
<u>TIRES³</u>										
Passenger (up to 10 ply)	\$0.50						\$0.50			
Passenger Tire (on rim)	1.25						1.25			
Tire Tubes	0.25						0.25			
Truck Tires (20" diameter to 48" diameter on greater than 10 ply)	3.75						3.75			
Small Solids	3.75						3.75			
Truck Tire (on rim)	8.75						8.75			
Dual	8.75						8.75			
Tractor	8.75						8.75			
Grader	8.75						8.75			
Duplex	8.75						8.75			
Large Solids	8.75						8.75			

¹Based on a minimum load of two cubic yards.²Based on a minimum load of two and one-half cubic yards.³Cost per tire is listed.

CONSIDERATION AND RECOMMENDATION OF THE DISPOSAL RATE
STRUCTURE TO BE CHARGED AT THE ST. JOHNS LANDFILL AND
THE CLACKAMAS TRANSFER AND RECYCLING CENTER

Date: September 1, 1983

Presented by: Ed Stuhr

FACTUAL BACKGROUND AND ANALYSIS

The 1984 rate study for solid waste transfer and disposal has examined the cost of operating the St. Johns Landfill and the Clackamas Transfer and Recycling Center (CTRC). A rate schedule was calculated in accordance with Metro rate policy set last year. Under that policy, base rates are the same at both facilities. The cost of operating CTRC is borne by all users in the region by means of a regional transfer charge, and by CTRC users by means of a convenience charge which is added to CTRC base rates. In addition to the new rate schedule, the study recommended that the convenience charge be changed as needed to accomplish flow control, independent of the yearly rate revision process.

The study and schedule were presented to the Rate Review Committee for a recommendation. The committee recommended that the rate study be accepted with the provision that the convenience charge not be allowed to increase during the year.

The rate study and the recommended rate schedule were presented to the Metro Solid Waste Policy Alternatives Committee. Upon consideration of the rate schedule, some members of the committee expressed dissatisfaction with the regional transfer charge approach to funding CTRC. Upon this basis, a motion was made to reject the 1984 rate study. The motion was defeated on a tie vote, and the committee adjourned without making either a formal recommendation or specific plans for further consideration of the matter.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends that the rate structure be adopted as proposed in the 1984 Rate Study. Additionally, it is recommended that RSC authorize the executive officer to analyze the rates for considering adjusting the convenience charge to monitor flow.

COMMITTEE CONSIDERATION AND RECOMMENDATION

The Regional Services Committee made no formal recommendation on the proposal. Staff was directed to develop alternatives to the proposal:

- (1) Effects on rates if commercial regional transfer charge was not changed.
- (2) Effects on rates if commercial convenience charge was not changed.
- (3) Effect on CTRC revenue requirements at tonnage rates from 650 to 800 tons per day, in 50 ton steps.

STAFF REPORT

The Regional Services Committee met again on October 11 to consider proposed language in the rate ordinance which would waive minimum charges for those bringing in recyclables to CTRC and St. Johns. The committee recommended to the council that the waiver be included for the public in the 1984 rate ordinance, provided that one-half cubic yard of acceptable material is recycled. As recommended, the paragraph would read:

The minimum charge for commercial vehicles shall be for one ton of solid waste. The minimum charge for private trips shall be two and one-half cubic yards for pickup trucks, vans and trailers and two cubic yards for cars. The minimum charge for private trips shall be waived for any person delivering one-half cubic yard or more of acceptable recyclable materials. Such persons shall be charged for the actual amount of waste delivered at the extra yardage rate.

1984 RATE STUDY

For Solid Waste Transfer and Disposal
August, 1983

Prepared by the
DEPARTMENT OF SOLID WASTE

Project Manager: Ed Stuhr

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Section: 1

INTRODUCTION

PURPOSE

This study has been conducted to determine the solid waste disposal rates which will yield sufficient 1984 revenue to operate the St. Johns Landfill and the Clackamas Transfer & Recycling Center (CTRC). These facilities are operated by the Metropolitan Service District (Metro). The disposal rates are reviewed and adjusted annually to reflect changes in operating costs in accordance with established budgeting principles.

METHODOLOGY

Rate adjustments are determined by the following process:

1. Determine historic solid waste quantities for the period from July 1982 through June 1983.
2. Project solid waste quantities for calendar year 1984.
3. Estimate costs related to each facility.
4. Allocate costs to commercial and public users of the solid waste system.
5. Calculate disposal rates for commercial wastes, public wastes and vehicle tires.

The balance of this study is arranged in this order.

Section: 2

QUANTITIES OF SOLID WASTE

Metro assumed operation of the St. Johns Landfill in North Portland from the City of Portland in June 1980. Since the closure of Rossman's Landfill in Oregon City in June 1983, St. Johns is the only general purpose landfill in the Portland Metropolitan area. About 72 percent of the solid waste generated in the Metro area is disposed of at the St. Johns Landfill.

The CTRC was opened by Metro in April 1983 to make up part of the loss of disposal capacity resulting from the closure of Rossman's Landfill. The CTRC receives solid waste from the southern portion of the region. Waste is loaded into large trailers for transport to the St. Johns Landfill. The CTRC's operating capacity has been limited by the Oregon City Planning Commission to 800 tons per day.

HISTORIC QUANTITIES

St. Johns Landfill

The monthly quantities of solid waste delivered to St. Johns Landfill from July 1982 through June 1983 are shown in Table 2-1 (p. 5). The total amount of solid waste landfilled during that period was 356,619 tons, which includes 49,317 tons of sludge. These tonnage figures were determined from actual net weights of commercial vehicles and public transfer station drop boxes, as calculated and recorded by an automated computer-weighing system. For convenience, the public is charged on a volume basis, rather than their vehicles being weighed in and out as are commercial vehicles. The public dumps into drop boxes at a transfer station. Filled boxes are hauled to the working area via the scale, which records the weight for the purpose of the operations contract payment. This allows for an accurate conversion from volume to weight. The sludge quantities were entirely comprised of treated wastewater sludge from the City of Portland's Columbia Boulevard Sewage Treatment Plant. The last sludge deliveries were in April 1983.

Clackamas Transfer & Recycling Center and Rossman's Landfill

Rossman's Landfill, which disposed of about 50 percent of the region's waste, closed on June 10, 1983. During the period after CTRC opened on April 11 until June 10, waste that normally went to Rossman's was divided between the two facilities. Local commercial haulers and the public used CTRC and haulers from other parts of the region continued to use Rossman's. This enabled the landfill to be completed according to approved plans. Waste delivered to CTRC was transferred to the St. Johns Landfill. The amount of waste going to these two sites during the last 12 months is presented in Table 2-2 (p. 6).

This data will assist in projecting future waste flows, expected to be delivered to the CTRC. The quantities of waste delivered to Rossman's by the public are estimated from the number of trips based on an average load of 500 lbs./trip. The public quantities at CTRC during the three months operation are based on the difference between tonnage transferred and measured commercial tonnage.

TABLE 2-1

ST. JOHNS LANDFILL

HISTORIC SOLID WASTE QUANTITIES

	<u>Commercial Tons</u>	<u>Transfer Tons from CTRC</u>	<u>Public Tons</u>	<u>Sludge Tons</u>	<u>Total Tons</u>
July 1982	20,655	0	1,717	3,925	26,297
August	25,349	0	1,620	4,463	31,432
September	22,250	0	1,671	4,753	28,674
October	20,774	0	1,434	4,939	27,147
November	20,381	0	1,079	5,120	26,580
December	25,874	0	1,091	7,304	34,269
January 1983	18,602	0	1,505	5,916	26,023
February	17,206	0	1,439	5,170	23,815
March	20,279	0	2,100	5,790	28,169
April	18,923	7,389	2,177	1,937	30,426
May	19,518	9,234	2,544	0	31,296
June 1983	<u>23,076</u>	<u>17,165</u>	<u>2,250</u>	<u>0</u>	<u>42,491</u>
Total Tons	252,887	33,788	20,627	49,317	356,619
Total Trips	61,753		49,744		

TABLE 2-2

CLACKAMAS TRANSFER & RECYCLING CENTER¹
AND
ROSSMAN'S LANDFILL²

HISTORIC SOLID WASTE QUANTITIES

	COMMERCIAL			Rossman's	PUBLIC		
	Rossman's	CTRC	Trips ³		CTRC	Trips ³	
July	20,531	0	4,303	3,414	0	12,715	
August	21,121	0	4,282	3,182	0	12,000	
September	21,128	0	4,086	2,701	0	10,037	
October	18,917	0	3,809	2,353	0	8,908	
November	19,393	0	3,860	1,848	0	6,991	
December	20,214	0	4,070	1,834	0	6,866	
January	18,586	0	3,779	2,129	0	7,607	
February	17,344	0	3,571	1,922	0	6,922	
March	21,269	0	4,177	2,665	0	9,518	
April	15,318	5,274	4,030	860	2,115	8,282	
May	15,404	6,501	4,220	0	2,733	7,174	
June	<u>4,999</u>	<u>14,357</u>	<u>3,914</u>	<u>0</u>	<u>2,808</u>	<u>7,824</u>	
Total	214,224 (tons)	26,132 (tons)	48,101	22,908 (tons)	7,656 (tons)	104,844	

¹ CTRC began operating on April 11, 1983.

² Rossman's Landfill closed on June 10, 1983. Total waste landfilled during the previous 12 months was 237,132.

³ Total trips at both sites.

PROJECTED QUANTITIES

The total amount of waste generated in the Metro region during FY 1982-83 was about 745,000 tons. Based on an analysis of recent regional flows, it is reasonable to expect that the improving economy will increase the waste flow to 755,000 tons. It is estimated, based on historic records, that of the total waste to be disposed of at landfills, 86% or 649,300 tons will be delivered by commercial haulers. The remaining 14% or 105,700 tons will be brought in by the public.

The amount of waste disposed of at St. Johns Landfill will increase substantially because of the Rossman's closure. Projected quantities are shown in Table 2-3 (p. 8). Of importance is the amount of waste that is directly hauled to St. Johns by haulers rather than by transfer trailers via CTRC. Direct haul is assumed to increase by almost 52,000 tons. This waste was previously going to Rossman's.

Projected quantities for CTRC are presented in Table 2-4 (p. 9). A total of 216,600 tons are projected to be delivered and processed at CTRC. The amount brought in by commercial haulers is 182,400 which is less than went to Rossman's and CTRC last year. (See Table 2-2, p. 6.) The public quantities are based on the actual weight data at CTRC, projected for one year.

TABLE 2-3

ST. JOHNS LANDFILL

PROJECTED SOLID WASTE QUANTITIES

<u>1984</u>	<u>Commercial Tons</u>	<u>Transfer Tons from CTRC</u>	<u>Public Tons</u>	<u>Total Tons</u>
January	23,870	16,940	1,520	42,330
February	23,430	16,630	1,500	41,560
March	26,360	18,700	1,680	46,740
April	25,430	18,050	1,620	45,100
May	25,760	18,280	1,640	45,680
June	26,410	18,740	1,690	46,840
July	27,420	19,450	1,750	48,620
August	26,250	18,640	1,680	46,570
September	26,530	18,840	1,690	47,060
October	25,320	17,970	1,620	44,910
November	23,270	16,520	1,490	41,280
December	<u>25,140</u>	<u>17,840</u>	<u>1,600</u>	<u>44,580</u>
Total Tons	305,190	216,600	19,480	541,270
Total Trips	61,340		54,290	

TABLE 2-4

CLACKAMAS TRANSFER & RECYCLING CENTER

PROJECTED SOLID WASTE QUANTITIES

<u>1984</u>	<u>Commercial Tons</u>	<u>Public Tons</u>	<u>Total Transfer Tons</u>
January	14,260	2,680	16,940
February	14,000	2,630	16,630
March	15,750	2,950	18,700
April	15,200	2,850	18,050
May	15,400	2,880	18,280
June	15,780	2,960	18,740
July	16,390	3,060	19,450
August	15,700	2,940	18,640
September	15,860	2,980	18,840
October	15,130	2,840	17,970
November	13,910	2,610	16,520
December	<u>15,020</u>	<u>2,820</u>	<u>17,840</u>
Total Tons	182,400	34,200	216,600
Total Trips	36,660	95,316	131,976
Total Transfer Trips (at 24 tons per trip)			9,025

Section 3

EXPENDITURES AND OTHER COST FACTORS

ST. JOHNS LANDFILL EXPENDITURES

The expenditures relating to the St. Johns Landfill are summarized in Table 3-3 (p. 15). The following paragraphs discuss each type of expenditure.

1. Operation Contract

Disposal Expense

Genstar Conservation Systems, Inc., through a bid process, was awarded a five-year contract to operate the St. Johns Landfill by Metro in June 1980. Genstar performs most of the refuse handling tasks, including the operation of the public transfer station and the commercial dumping area. The determination of payment to Genstar is based on a variable scale of per ton disposal rates. As the volume of waste handled increases, the cost per ton generally decreases. Conversely, lower disposal volumes entail higher disposal rates.

The Genstar Conservation Systems, Inc. operations contract disposal cost for 1984 is projected to be \$3,457,320 (see Table 3-1, p. 11). The operations contract is adjusted annually on October 1 to reflect inflationary effects. Based on trends of the index used, adjustments of 8% in October 1983 and 8% in October 1984 have been projected.

TABLE 3-1

ST. JOHNS LANDFILL

OPERATIONS CONTRACT

PROJECTED DISPOSAL COSTS

<u>1984</u>	<u>Total Tons Disposal</u>	<u>Disposal Rate Per Ton</u>	<u>Disposal Cost</u>
January	42,330	6.47	273,875
February	41,560	6.56	272,634
March	46,740	6.16	287,918
April	45,100	6.23	280,973
May	45,680	6.23	284,586
June	46,840	6.16	288,534
July	48,620	6.03	293,178
August	46,570	6.16	286,871
September	47,060	6.10	287,066
October	44,910	6.81*	305,835
November	41,280	7.08	292,262
December	<u>44,580</u>	<u>6.81*</u>	<u>303,590</u>
	541,270		3,457,320

* Includes projected 8% increase in operations contract.

Final Improvements

It is expected that by January 1, 1984, the final cover will be completed in subarea 2 and approximately 14 acres of subarea 3. During the period covered by this rate study, the balance of subarea 3, representing 40 acres will receive final cover, seeding and final road improvements. Based on the contract prices to perform this work the total expenditures will be \$1,050,000. The fund balance at end of 1983 is estimated to be \$530,000 which includes \$190,000 obtained from the City of Portland. Therefore, the balance of \$520,500 needs to be recovered through rates in 1984.

Total Expenditures (1984)	\$1,050,500
Final Cover Fund Balance	<u>530,000</u>
Total Revenue Requirements	\$ 520,500

2. Other Expenses

a. Land Lease

Metro leases the land for the St. Johns Landfill from the City of Portland. Currently Metro and the City are revising the lease payment as per our agreement. For the purpose of establishing the rates the lease payments for 1984 are estimated to total \$227,400. This represents an increase of 15%.

b. Environmental Control Sinking Funds

Two sinking funds have been established to accumulate reserve funds during the remaining operating life of the landfill. Their purpose is to finance post-closure expenditures at the landfill site. The Annual Maintenance fund will be used for grading, compacting and reseeding portions of the landfill after its anticipated closure in 1988. The Perpetual Maintenance fund will be used for the operation and maintenance of leachate pretreatment equipment and for the transportation of leachate effluent to the City of Portland wastewater treatment plant.

The sinking fund contributions are calculated to provide sufficient resources over the period that the maintenance will be required, and are unchanged from last year. The Annual Maintenance fund payment of \$51,800 will ensure that enough will be available to meet costs over the life of the activity (1987-1992). The costs are expected to rise from \$51,000 in 1987 to \$81,000 in 1992. The Perpetual Maintenance fund payment of \$120,000 will provide enough resources to support expenditures rising from \$32,000 in 1989 to \$163,000 in the year 2004.

c. Debt Service

Metro has a long-term loan/grant agreement with the State of Oregon Department of Environmental Quality for St. Johns capital improvements. The terms of the loan contract require two payments in 1984, one on April 1 and one on October 1. The total 1984 payment is \$209,940. The proceeds from this loan were used to offset the cost of constructing the landfill expansion area, gatehouse, public vehicle transfer station, and related engineering fees. Until the expansion area comes into use in approximately May 1984, its portion of the debt service will be paid by user fees. The amount to be recovered by rates, therefore, is \$198,480.

d. General Fund Transfer

This expenditure is to cover Metro and Solid Waste Department expenses which support operations at the St. Johns Landfill. Overhead services include personnel time and materials provided by other divisions or departments, including accounting, personnel, printing, word processing and general administration. The cost of these services in 1984 is estimated to be \$97,520.

f. Contractual Services

Professional services are expected to require \$42,400 in 1984. These include such services as site life update, periodic landfill inspection reports, perimeter design study, engineering services, land appraisals, legal services, bridge inspections and other miscellaneous consulting services.

g. Metro Operating Costs

The St. Johns Landfill gatehouse is operated by Metro employees 24 hours a day. They issue commercial and public transaction receipts and perform commercial accounts receivable billing. In addition to gatehouse operations, some staff activities can be assigned directly to St. Johns. These include administration of the operations contract and the land lease contract with the City of Portland, water quality monitoring and operation of the recycling center.

Metro operating costs assigned to St. Johns include \$220,000 for personnel expenses, \$27,000 for equipment maintenance and repair, \$87,100 for materials and services and \$7,500 for capital acquisition. The personnel expenses include funds for three full-time and three part-time gatehouse attendants, and partial funding of the facilities supervisor, operations manager and other engineering, technical and administrative support. The

maintenance and repair funds will be applied to the landfill access bridge, the weighing system, water monitoring boat, the expansion area, janitorial services and gatehouse equipment. Materials and services expenses include printing of transaction invoices, automobile expenses, permits, utilities, telephone costs, office supplies, data processing and insurance. The capital funds will be applied to weighing and billing system improvements.

In addition, DEQ will be establishing a fee to be paid by St. Johns as a result of this past legislative session. The fees will cover monitoring and inspection cost. Fees are estimated to be \$5,000 for six months. This fee schedule will not be levied until July 1, 1984.

h. Contingency

In order to protect the level of service at the St. Johns Landfill from unforeseeable changes in its operating environment, an amount equal to 6% of revenue needs is set aside. Risks which this is intended to protect against include possible changes in compliance regulations that would require substantial improvements or modifications to the site, damage to the site or facilities or a reduction in waste volumes which would increase the unit cost of the solid waste disposal contract.

TABLE 3-3

ST. JOHNS LANDFILL

PROJECTED 1984 EXPENDITURES

Operations Contract

Disposal Expense	\$3,457,320	
Final Improvements	<u>520,500</u>	

Subtotal		\$3,977,820
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Land Lease		227,400
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Environmental Control
Sinking Funds

Annual Maintenance	\$51,800	
Perpetual Maintenance	<u>120,000</u>	

Subtotal		171,800
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Debt Service		198,480
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General Fund Transfer (S.W. Overhead)		97,520
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Recycling		3,730
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Contractual Services		42,400
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Metro Operating Cost

Personnel	220,000	
Maintenance & Repair	27,000	
Materials & Services	87,100	
DEQ Fees	5,000	
Capital Outlay	<u>7,500</u>	

Subtotal		<u>346,600</u>
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Contingency		300,000
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Total Expenditures		\$5,365,750
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CLACKAMAS TRANSFER & RECYCLING CENTER EXPENDITURES

The expenditures relating to the CTRC are summarized in Table 3-5, p. 20. The following paragraphs discuss each type of expenditure.

1. Operating Contract

Genstar Conservation Systems, Inc. was awarded the CTRC operations contract by Metro in July 1982. Genstar operates the transfer station and transfers the collected waste to the St. Johns Landfill, and operates the CTRC. The determination of payment to Genstar is based on a variable scale of per ton transfer rates. As the volume of waste increases, the cost per ton decreases. Conversely, lower transfer volumes entail higher transfer rates.

The Genstar Conservation Systems, Inc. operations contract cost for CTRC is projected to be \$1,671,850 in 1984 (see Table 3-4, p. 17). The operations contract is adjusted annually on April 1 to reflect inflationary effects. Based on trends of the index used, an adjustment of 8% in 1984 has been projected.

TABLE 3-4

Clackamas Transfer & Recycling Center

Operating Contract

Transfer costs

<u>1984</u>	<u>Total Transfer Tons</u>	<u>Transfer Rate Per Ton</u>	<u>Transfer Cost</u>
January	16,940	7.96	134,842
February	16,630	7.96	132,375
March	18,700	7.56	141,372
April	18,050	7.56	136,457
May	18,280	7.56	138,196
June	18,740	7.56	141,674
July	19,450	7.56	147,042
August	18,640	7.56	140,917
September	18,840	7.56	142,430
October	17,970	7.96	143,041
November	16,520	7.96	131,498
December	<u>17,840</u>	<u>7.96</u>	<u>142,006</u>
	216,600		\$1,671,850

2. Other Expenses

a. Debt Service

Metro has a long-term loan/grant agreement with the State of Oregon Department of Environmental Quality for preparation of the CTRC and Energy Recovery Facility site, and for construction of the CTRC facility. The terms of the loan contract require two payments in 1984, one on February 1 and one on August 1. The total 1984 payment is \$403,139. The portion related to CTRC site development and construction (\$258,000) will be recovered by rates. The remainder will be recovered through user fees. Site development costs were assessed on a per-acre basis: CTRC is developed on 3.2 acres of the 10.12-acre site.

b. General Fund Transfer

This expenditure is to cover Metro and Solid Waste Department expenses which support operations at CTRC. Overhead services include personnel time and materials provided by other divisions or departments, including accounting, personnel, printing, word processing and general administration. The cost of these services in 1984 is estimated to be \$97,560.

c. Metro Operating Costs

The CTRC gatehouse is operated by Metro employees 12 hours a day. In addition to gatehouse operations, some staff activities can be assigned directly to CTRC. These include administration of the operations contract, and operation of the recycling center.

Metro operating costs assigned to CTRC include \$112,580 for personnel expenses, \$25,140 for equipment maintenance and repair, \$41,070 for materials and services and \$4,000 for capital acquisition. The personnel expenses include funds for one full-time and two part-time gatehouse attendants, and partial funding of the facilities supervisor, operations manager, and other engineering, technical and administrative support.

DEQ fees will also be levied against the CTRC operation. However, because it is not a landfill, the fees are expected to be substantially less: \$1,000 for the six-month period.

d. Contingency

In order to protect the level of service at CTRC from unforeseeable changes in its operating environment, an amount equal to 4.5% of revenue needs is set aside. Risks which this is intended to protect against include possible

changes in compliance regulations that would require substantial improvements or modifications to the facility, damage to the facility or an increase in waste flow that would result in higher cost to transport to St. Johns.

TABLE 3-5

CLACKAMAS TRANSFER & RECYCLING CENTER

PROJECTED 1984 EXPENDITURES

Operations Contract		\$1,671,850
Debt Service		258,000
General Fund Transfer (S.W. Overhead)		97,560
Recycling		3,500
Metro Operating Costs		
Personnel	\$112,580	
Maintenance & Repairs	25,140	
Materials & Services	41,070	
DEQ Fees	1,000	
Capital Outlay	<u>4,000</u>	
Subtotal		183,790
Contingency		<u>100,000</u>
Total Expenditures		\$2,314,660

OTHER COST FACTORS

The preceding sections described the expenditures which are covered by disposal fees. In addition to these fees, Metro imposes a region-wide user fee. A region-wide Regional Transfer Charge is also collected to pay most of the cost of the CTRC. Users of the CTRC pay an additional "convenience charge", and out-of-state users of Metro solid waste facilities pay a surcharge.

User Fee

The user fee is collected at all solid waste facilities in the Metro region. Proceeds from the user fee are applied to debt service and to fund solid waste programs at Metro. No new debt has been incurred this year.

Out-of-State Surcharge

The State of Oregon has provided support for Metro's solid waste activities through the State Pollution Control Fund. The State generates revenue for the Pollution Control Fund through the sale of general obligation bonds. The money from this fund has been distributed to Metro in the form of a 70% loan/30% grant package. The loan portions are repaid, with interest, to the State. The grant money, of which Metro has received \$2,506,530 to date, is not repaid to the State. Therefore, the State funds the grant portions. It does this through income tax collections.

Metro received \$583,230 in grant money from the fund for expansion at St. Johns, for the development of the Energy Recovery Facility and CTRC site and for the construction of CTRC. If the State had not granted these funds Metro would need to pay \$280,000 every year through 1987 to generate an equivalent amount of capital. From 1988 to 2001, the annual amount would drop to about \$190,000. These estimates assume the same retirement schedules and interest rates as the two loan agreements. When the \$280,000 annual amount is allocated to the total volume to be received at Metro facilities during 1984, it can be determined that the State subsidizes each ton by \$0.54. This means that Oregon residents are actually paying less through rates at Metro facilities than what it actually costs to dispose of the solid waste. The State's grant money is subsidizing them. Therefore, users who transport out-of-state waste to Metro facilities are charged \$.54 per ton as an out-of-state surcharge.

Section 4

COST ALLOCATIONS

In order to calculate solid waste disposal rates, it is necessary to allocate the costs incurred by Metro to specific user classes (commercial and public), in a manner by which each user pays for as much and only as much as is required to serve that user class.

Costs that are incurred as a function of volume of waste handled (such as the disposal cost at the landfill) are allocated according to the volume contributed by each user class. Other costs are related to the number of vehicles handled. They are allocated according to the number of vehicle trips by each user class. Another group of costs can be identified specifically to a single user and are allocated accordingly.

In the following section, costs to be met by rate revenue are described for each of the Metro facilities. The results are summarized in terms of total dollars in Tables 4-2 and 4-5 (p. 24 and p. 27) and in terms of dollars per ton in Tables 4-3 and 4-6 (p. 25 and p. 28).

ST. JOHNS LANDFILL COST ALLOCATIONS

All of the projected expenses for St. Johns Landfill are allocated on the basis of tons received from each user class, with the exception of a few costs which can be isolated and directly allocated to a single user class. The results are summarized in Table 4-2, p. 24.

Of the 541,270 tons expected at St. Johns Landfill, commercial wastes comprise about 96 percent and public waste about 4 percent. The expenses not directly allocated are apportioned by these percentages.

Metro operates a public receiving area where all waste is dumped into drop boxes and hauled to the working face of the dumping area. This receiving area is necessary both for safety and for efficiency. The cost of the public receiving area is projected to be \$115,590, and is allocated exclusively to public users, as is \$8,285 in debt service for this facility.

The weighing system costs of \$44,840 are allocated entirely to commercial users.

Recycling expenses are allocated directly to the public. Costs related to hauling the glass, tin, newspaper and other paper boxes are recovered by marketing the recycled material. The tire box hauling costs are allocated according to the number and size of tires (see Table 4-1, p. 23). The larger truck and heavy equipment tires displace about the same volume in the tire box as four passenger vehicle tires, so the hauling costs are allocated

accordingly. Rims inside tires do not displace any more volume than a tire off-rim, so hauling costs are not allocated to mounted rims. Disposal costs are allocated according to the tire disposal fees charged by the processing facility.

TABLE 4-1

ST. JOHNS LANDFILL
TIRE COST ALLOCATION

	<u>Car Tires</u>	<u>Car Rims</u>	<u>Truck Tires</u>	<u>Truck Rims</u>	<u>Total</u>
Hauling Costs	\$849	\$0	\$111	\$0	\$960
Disposal Costs	0	375	210	150	735
Amounts to be Recovered by Rates	849	375	321	150	1,695
Quantity	3,670	500	120	30	4,320
Unit Cost	0.24	0.75	2.68	5.00	
Unit Rate	0.25	0.75	2.75	5.00	

TABLE 4-2

ST. JOHNS LANDFILL

COST ALLOCATIONS IN DOLLARS

	<u>Commercial & Transfer</u>	<u>Public</u>	<u>Total</u>	<u>Basis</u>
Operations Contract	\$3,707,741	\$270,079	\$3,977,820	3
Land Lease	218,304	9,096	227,400	1
Sinking Funds	164,928	6,872	171,800	1
Debt Service	182,587	15,893	198,480	4
Genl. Fund Transfer	93,619	3,901	97,520	1
Recycling	-	3,730	3,730	2
Contract. Services	40,704	1,696	42,400	1
Metro Operating Costs	334,532	12,068	346,600	5
Contingency	<u>288,000</u>	<u>12,000</u>	<u>300,000</u>	1
Total	\$5,030,415	\$335,335	\$5,365,750	
Projected Tonnage	521,790	19,480	541,270	

Bases:

1. Tonnage: 96% Commercial & Transfer, 4% Public
2. Identified to a single user all related to cost to public
3. \$115,590 to public for transfer station expenses, remainder by tonnage
4. \$8,285 to public for transfer station debt service, remainder by tonnage
5. \$44,890 to commercial & transfer for weighing system costs, remainder by tonnage

TABLE 4-3

ST. JOHNS LANDFILL

COST ALLOCATION IN DOLLARS PER TON

	<u>Commercial & Transfer</u>	<u>Public</u>
Operations Contract	\$7.10	\$13.86
Land Lease	0.42	0.47
Sinking Funds	0.32	0.35
Debt Service	0.35	0.82
Genl. Fund Transfer	0.18	0.20
Recycling	-	0.19
Contract Service	0.08	0.09
Metro Operating Costs	0.64	0.62
Contingency	<u>0.55</u>	<u>0.62</u>
Total Cost per Ton	\$9.64	\$17.21 ¹

¹ The cost of service fee for the public is converted to a rate per trip.

CTRC COST ALLOCATIONS

The projected expenses at CTRC are allocated in a variety of ways. The results are summarized in Table 4-5, p. 27. The operations contract and General fund transfer expenses are allocated according to the relative tonnage of commercial and public wastes. The operations contract was bid on a per-ton basis, and it is allocated accordingly.

The recycling expenses include hauling and disposal of vehicle tires, and are recovered by tire disposal rates (see Table 4-4).

TABLE 4-4

CLACKAMAS TRANSFER & RECYCLING CENTER TIRE COST ALLOCATION

	<u>Car Tires</u>	<u>Car Rims</u>	<u>Truck Tires</u>	<u>Truck Rims</u>	<u>Total</u>
Hauling Costs	\$5,412	\$0	\$708	\$0	\$6,120
Disposal Costs	0	1,125	630	450	2,205
Amounts to be Recovered by Rates	5,412	1,125	1,338	450	8,325
Quantity	11,010	1,500	360	90	12,960
Unit Cost	0.50	0.75	3.72	5.00	
Unit Rate	0.50	0.75	3.75	5.00	

Since this facility is designed to accommodate a large number of vehicles at 21 dumping stalls, the Debt Service for construction is allocated based on the number of trips by each user class. The Metro operating costs are also allocated by number of trips because the cost of the service provided (e.g., the gatehouse operation) is more closely related to transactions than to tons. Because the public is expected to make 95,316 of the 131,976 trips (Table 2-4, p. 9) made in 1984, they are allocated a higher share of the costs.

The commercial weighing system cost of \$18,760 is directly allocated to commercial users.

TABLE 4-5

CLACKAMAS TRANSFER & RECYCLING CENTER

COST ALLOCATION IN DOLLARS

	<u>Commercial</u>	<u>Public</u>	<u>Total</u> ¹	<u>Basis</u>
Operations Contract	\$1,404,354	\$267,496	\$1,671,850	1
Debt Service	72,240	185,760 *	258,000	2
Genl. Fund Transfer	81,917	15,603	97,520	1
Recycling	-	3,500	3,500	3
Metro Operating Costs	64,968	118,822	183,790	4
Contingency	<u>84,000</u>	<u>16,000</u>	<u>100,000</u>	
Total	<u>\$1,707,479</u>	<u>\$607,181</u>	<u>\$2,314,660</u>	
Projected Tonnage	182,400	34,200	216,600	
Projected Trips	36,660	95,316	131,976	

Bases:

1. Tonnage: 84% commercial, 16% public
2. Trips: 28% commercial, 72% public
3. Identified to a single user
4. \$18,760 to commercial for weighing system costs, remainder by trips

* this number will be used in CTRC public rate calculation only - not in regional transfer charge calculation.

TABLE 4-6

CLACKAMAS TRANSFER & RECYCLING CENTER

COST ALLOCATION IN DOLLARS PER TON

	<u>Commercial</u>	<u>Public</u>
Operations Contract	\$7.69	7.82
Debt Service	0.40	5.43
Genl. Fund Transfer	0.45	0.45
Recycling	-	0.10
Metro Operating Costs	0.36	3.47
Contingency	<u>0.46</u>	<u>0.47</u>
Total Cost per Ton	\$9.36	\$17.75

These are the cost of service rates at CTRC.

Section 5

RATE COMPUTATIONS

Solid waste disposal rates for Metro facilities are determined in a series of steps designed to charge users in as equitable a manner as possible. The calculations which follow express the Metro policy that base rates at Metro facilities should be uniform, and that the operational cost of CTRC should be paid by all users in the region. Discussions will be presented in the following order for each rate element: commercial rates, convenience charge, Regional Transfer Charge and public rates.

1. Commercial Rates

The commercial rate at both facilities is calculated by dividing the costs allocated to commercial users of the St. Johns facility (Table 4-2, p. 24) by the projected commercial and transfer tonnage (Table 2-3, p. 8, first two columns):

	<u>Commercial</u>
Net Revenue Requirement	\$5,030,415
Projected Waste Flow (tons)	521,790
Uniform Rate	<u>\$9.64</u>

It has been recommended that the construction and operation of the truck wash rack at CTRC be charged to all Metro facility commercial users. These costs, estimated at \$15,000 for operation and \$15,000 for debt service (for each of five years), would result in an increase to the commercial rate of \$0.06 per ton (\$9.70 per ton total).

2. Convenience Charge

Users of the CTRC facility are charged an extra fee in recognition of the cost savings they realize by not being required to transport their waste to St. Johns. For the initial year of operation at CTRC, the convenience charge was \$1.49 per ton. In spite of the cost difference that was created between CTRC and St. Johns, commercial flows to CTRC have been substantially higher than predicted. This has increased the overall cost of disposing of the area's solid waste and so has placed upward pressure on disposal rates and on the Regional Transfer Charge for commercial users. It is recommended that the convenience charge at CTRC be raised to \$2.25 per ton to adjust the flow patterns between the Metro facilities to a more efficient balance. It is also recommended that it be made possible to raise or lower the convenience charge at times independent of the yearly rate adjustment so that it can be effectively used as a flow control device as needed to provide the lowest cost overall service.

3. Regional Transfer Charge (see Table 5-1, p. 32)

The Regional Transfer Charge is the means by which all waste disposal facility users in the Metro region are charged to pay equally for the operation of the CTRC. The debt service for the public portion of the CTRC is not included in the costs to be recovered through the Regional Transfer Charge, nor is the convenience charge (described on the preceding page).

Net CTRC expenses identified to commercial and public users are divided by the expected tonnage of waste to be generated by each user class.

Because of flow restrictions anticipated last year, commercial flow was limited in the rate study. These restrictions have been lifted, and an additional 80,000 tons of commercial waste is expected at CTRC as a result. Therefore, the Regional Transfer Charge for commercial users is higher than last year, and the Regional Transfer Charge for public users is lower than last year.

4. Public Rates

The public base rate at both Metro facilities is equal to the net expenses assigned to the public at both Metro facilities, divided by the number of public trips made to those facilities.

Calculation of the public base rate is described as follows. The net expenses assigned to the public are those which remain after the amounts covered by the public Regional Transfer Charge and the public convenience charge are taken out. The public convenience charge is then added to the base rate to arrive at the CTRC public rate. While all rate calculations are done using tonnage as the base units for the sake of consistency, rates for the public are administered in terms of trips. The translation from tons to trips has historically been based on the assumption that it took four average trips for the public to deliver one ton of waste. More recent data indicate a trend toward heavier loads, and so fewer trips per ton. A multiple of three trips per ton is now a more correct measure.

Calculation of the public rates in accordance with the above discussion follows.

The net CTRC operating cost is calculated thus:

Total CTRC Cost	\$607,181
Less: Regional Transfer Charge (1.34 x 261,000 trips)	(349,740)
Less: Convenience Charge (0.75 x 95,316 trips)	<u>(71,487)</u>
Net CTRC Operating Costs	\$185,954

The net CRTC cost is then combined with the cost of disposal and divided by total public trips to derive the Metro public rate:

St. Johns Public Disposal	\$335,335
CTRC Public Disposal	329,688
Net CTRC Operating Costs	<u>185,954</u>
Total Public Cost	\$850,977
Divide by Public Trips	<u>149,606</u>
Metro Public Rate (average)	\$5.68

The last step in the process is to recognize the revenue which will come from charges for extra yards. The result is a recommended public rate of \$4.62 for cars and \$5.37 for trucks.

This is accomplished by reducing the revenue to be generated through public rates by the amount anticipated to come from extra yard charges (\$57,730), and then reducing the average public rate to meet the lower revenue needs. Actual rates to be charged to the public are then set, recognizing that about 90 percent of public trips are by pickup or similar vehicle.

TABLE 5-1

REGIONAL TRANSFER CHARGE

	<u>Commercial</u>	<u>Public</u>
CTRC Expenses	\$1,707,479	\$607,181
Less: Public Debt Service		(185,760)
Less: Convenience Charge @ 2.25/ton	(410,400)	(71,500)
Net CTRC Expenses	1,297,079	349,921
Divide by: Regional Tonnage/Trips	<u>649,300</u>	<u>261,000</u>
Regional Transfer Charge	\$2.00 per ton	\$1.34 per trip

Section: 6

RECOMMENDED RATES (commercial per ton, public per trip)

	<u>Base Rate</u>	<u>User Fee</u>	<u>Regional Transfer Charge</u>	<u>Convenience Charge</u>	<u>Total Rate</u>
<u>St. Johns Landfill</u>					
Commercial	\$9.64	\$1.68	\$2.00	-	\$13.32
Public:					
Cars (2 cu yds)	4.62	0.54	1.34	-	6.50
Trucks, etc. (2-1/2 cu yds)	5.37	0.54	1.34	-	7.25
Extra Yards	2.31	0.27	0.67	-	3.25
<u>CTRC</u>					
Commercial	\$9.64	\$1.68	\$2.00	\$2.25	\$15.57
Public:					
Cars	4.62	0.54	1.34	0.75	7.25
Trucks, etc.	5.37	0.54	1.34	0.75	8.00
Extra Yards	2.31	0.27	0.67	0.35	3.60

User fees in the above recommendation are unchanged from 1983. The following are the recommended tire disposal rates:

	<u>St. Johns</u>	<u>CTRC</u>
Car Tires	\$0.25	\$0.50
Car Rims	0.75	0.75
Truck Tires	2.75	3.75
Truck Rims	5.00	5.00

Section: 7

FINANCIAL ANALYSIS

The purpose of this section is to demonstrate that, given the proposed rate structure and projected solid waste flows, enough revenue will be generated to satisfy the requirements created by Metro facilities. Rate-derived revenues are generated by three major mechanisms: disposal charges, regional transfer charges and convenience charges. Some revenue can also be predicted from charges for additional yards of solid waste brought in by the public. Within each category, waste flows (in tons or trips as appropriate) are multiplied by proposed rates for the category to derive revenues. Total revenues are then compared with total requirements. As can be seen in the following chart, revenues and requirements closely match.

	<u>Units</u>	<u>Rate</u>	<u>Revenue</u>
<u>Disposal</u>			
Commercial (tons)	487,590	\$9.64	\$4,700,368
Public (trips)	149,606		
Cars	14,961	4.62	69,120
Pickups, etc.	134,645	5.37	723,045
<u>Regional Transfer Charge</u>			
Commercial (tons)	649,300	2.00	1,298,600
Public (trips)	261,000	1.34	349,740
<u>Convenience Charge</u>			
Commercial (tons)	182,400	2.25	410,400
Public (trips)	95,316	.75	71,487
<u>Additional Yards</u>			
Public	25,100	2.30	57,730
		Total Revenue	\$7,680,490
		Total Requirements	<u>\$7,680,410</u>
			\$80

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6. Consent Agenda.

The Consent Agenda consisted of the following items:

- 6.1 Minutes of the meetings of May 5, May 26, June 23, and August 25, 1983.
- 6.2 Consideration of Resolution No. 83-430, for the purpose of adopting the FY 1984 to Post-1987 Transportation Improvement Program and the FY 1984 Annual Element.

Motion: Councilor Kirkpatrick moved adoption of the Consent Agenda. Councilor Bonner seconded the motion.

Vote: The vote on the motion resulted in:

Ayes: Councilors Banzer, Bonner, Etlinger, Hansen, Kafoury, Kirkpatrick, Oleson, Van Bergen, and Waker.

Nays: None.

Absent: Councilors Deines, Kelley, and Williamson.

Motion carried.

7.1 Consideration of Ordinance No. 83-163, relating to Solid Waste Disposal Charges and User Fees, amending Metro Code Sections 5.02.020, 5.02.025 and 5.02.050, and declaring an emergency. (First Reading)

Councilor Hansen reported that the Regional Services Committee was bringing the ordinance to the Council with no recommendation. He asked Mr. Durig to discuss the issues raised during the Services Committee consideration.

Dan Durig, Solid Waste Director, distributed a packet of materials regarding the Solid Waste Disposal Rates (a copy of the packet is attached to the agenda of the meeting). He reviewed the background for establishing the rates and the questions raised by the Services Committee. He noted that within the proposed ordinance was language which would allow a waiver of the minimum disposal charge to the public provided that at least 1/2 cubic yard of recyclables was brought in with other material to be disposed.

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Page 3

Absent: Councilors Hansen and Waker.

Motion carried.

Deputy Presiding Officer Oleson asked Mr. Karnuth how the complaint system worked. Mr. Karnuth, Personnel Assistant, explained the two pronged system for discrimination complaints--for applicants for positions at Metro; and for employees of Metro.

The ordinance was then read a first time, by title only.

The ordinance was passed to second reading on December 20, 1983.

7.3 Consideration of Ordinance No. 83-163, relating to Solid Waste Disposal Charges and User Fees; amending Metro Code Sections 5.02.040, 5.02.050 and 5.01.050; and declaring an emergency. (Read Twice).

Deputy Presiding Officer Oleson noted there were three motions on the floor:

Motion 1: To adopt the ordinance (Hansen/Williamson)

Motion 2: To amend the main motion to delete the last two sentences from Section 1(b) and Section 2(d). (Deines and Etlinger)

Motion 3: To substitute the motion by Councilors Deines and Etlinger to amend the last two sentences in Section 1(b) and Section 2 (d) to read as follows: "The minimum charge for private trips shall be waived for any person delivering one-half cubic yard or more of waste delivered at the extra yardage rate", and to change the base disposal rate from \$9.64 to \$9.70. (Hansen/Kirkpatrick)

Councilor Hansen said the language in Sections 1 and 2 would encourage recycling by offering a reduced rate to those bringing recycled materials to St. Johns or CTRC along with a small amount of material to be landfilled. Councilor Deines argued that the language should not be included. He said public funds should not be used to induce people to bring recyclables to Metro landfills. He said they would not ask a private landfill operator to reduce his rates for that purpose without allowing him to make up the cost somewhere else. Councilor Etlinger responded by saying that just as it was sometimes needed to spend public funds to encourage minority businesses, it was also necessary at times to use public funds to encourage people to do something in the interest of conserving resources.

Deputy Presiding Officer Oleson then asked for public testimony.

Mr. Gary Newbore, representing Killingsworth Fast Disposal, thanked the Council for delaying the matter so Killingsworth Fast Disposal could meet with the staff regarding their concerns. He said in looking at the issue they had found that Metro has many policies--some of which conflicted, some of which have the effect of raising the cost of disposing garbage faster than inflation, and some which discourage private investment. He said policies took time to change and there wasn't enough time to effect those changes before the rates needed to be adopted by the Council. He suggested that the present 1983 rate of \$13.48 a ton at St. Johns remain the same for 1984, and that staff be directed to look at, in the next two to three months, a policy for flow diversion out of St. Johns, and to look at the costs of hauling from CTRC to St. Johns. He also asked that policies which were adverse to private capital be looked at.

Dan Durig, Solid Waste Director, said that staff was in agreement for the most part with Mr. Newbore's comments and were recommending that the base disposal rate at St. Johns and CTRC be raised from the proposed \$9.70 per ton to \$9.80 per ton.

Deputy Presiding Officer Oleson asked Councilor Hansen if he would accept the recommendation as a friendly amendment to his substitute motion. Councilor Hansen responded that he would not because he believed the raise would create an artificial rate at St. Johns.

Vote: The vote on the substitute motion to amend the last two sentences in Sections 1(b) and 2(d) and change the base disposal rate from \$9.64 to \$9.70, resulted in:

Ayes: Councilors Etlinger, Hansen, Kirkpatrick, Oleson, and Van Bergen.

Nays: Councilors Deines, Kelley, and Waker.

Absent: Councilors Banzer, Bonner, Kafoury, and Williamson.

Motion to substitute carried.

Motion to amend: Councilor Etlinger moved to amend the main motion, as previously amended, to change the base disposal rate at CTRC and St. Johns from \$9.70 per ton to \$9.80 per ton. Councilor Kelley seconded the motion.

Mr. Durig commented that there was a need to prolong the life of St. Johns and that diverting material from St. Johns was one way to do that. He said that if the rates at Killingsworth Fast Disposal and St. Johns were comparable, waste would go to the closest landfill available to the hauler, thus keeping waste from St. Johns. He also said that because of the contact with Genstar to operate St. Johns, contract costs rose with increased flow.

Vote: The vote on the motion to amend the main motion to change the base disposal rate from \$9.70 to \$9.80 resulted in:

Ayes: Councilors Etlinger, Kelley, Kirkpatrick, Oleson, Van Bergen, and Waker.

Nays: Councilors Deines and Hansen.

Absent: Councilors Banzer, Bonner, Kafoury, and Williamson.

Motion to amend carried.

Councilor Deines inquired when the contract with Genstar would be renewed. Mr. Durig responded that it would be negotiated in January 1984.

Motion: Councilor Deines moved to amend the main motion to lower the convenience charge from \$2.25 to \$2.00 at CTCRC. Councilor Kirkpatrick seconded the motion.

Councilor Deines commented that it did not make sense to set the 1984 rates at this time when it was unknown what the contractor was going to charge until January. He also said it was unknown how much waste was being transferred from CTCRC to St. Johns and whether the convenience charge was serving the purpose of diverting flow. He asked that flow figures from CTCRC to St. Johns be provided.

Councilor Kelley moved to table the amendment until the Services Committee had had an opportunity to review it. Councilor Kirkpatrick seconded the motion. General Counsel Jordan advised that the effect of tabling the amendment would be to table the entire ordinance. Councilor Kelley then withdrew her motion and Councilor Kirkpatrick her second.

Vote: The vote on the motion to amend the main motion to reduce the convenience charge at CTRC resulted in:

Ayes: Councilors Deines.

Nays: Councilors Etlinger, Hansen, Kelley, Kirkpatrick, Oleson, Van Bergen, and Waker.

Absent: Councilors Banzer, Bonner, Kafoury, and Williamson.

Motion to amend failed.

Deputy Presiding Officer Oleson then called for the question on the main motion, as amended.

Vote: The vote on the main motion, as amended, to adopt Ordinance No. 83-163 resulted in:

Ayes: Councilors Etlinger, Kelley, Kirkpatrick, Oleson, and Van Bergen.

Nays: Councilors Deines, Hansen, and Waker.

Absent: Councilors Banzer, Bonner, Kafoury, and Williamson.

Motion failed for lack of a majority.

Councilor Kirkpatrick put on notice a motion for reconsideration of the main motion as amended, at the next regular meeting of the Council, December 1, 1983.

7.4 Consideration of Ordinance No. 83-167, relating to the Solid Waste Rate Review Committee structure, amending Metro Code Section 5.01.170. (First Reading)

Councilor Hansen reported that during the Services Committee consideration of the appointments to the Rate Review Committee, it was recommended that an increase in the number of members representing the public be made. He said an increase would result in a committee made up of three public members and three members of professions relevant to the Committee's activities.

Motion: Councilor Hansen moved adoption of Ordinance No. 83-167. Councilor Kelley seconded the motion.



METROPOLITAN SERVICE DISTRICT

Providing Zoo, Transportation, Solid Waste and
other Regional Services

December 2, 1983

Rick Gustafson
Executive Officer

Metro Council

Cindy Banzer
*Presiding Officer
District 9*

Bob Oleson
*Deputy Presiding
Officer
District 1*

Richard Waker
District 2

Charlie Williamson
District 3

Corky Kirkpatrick
District 4

Jack Deines
District 5

George Van Bergen
District 6

Sharron Kelley
District 7

Ernie Bonner
District 8

Bruce Etlinger
District 10

Marge Kafoury
District 11

Gary Hansen
District 12

Ms. Juanita Orr
County Clerk
Clackamas County Courthouse
8th & Main
Oregon City, Oregon 97045

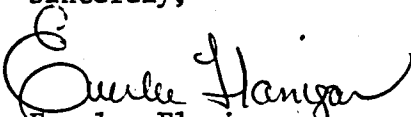
Dear Ms. Orr:

Enclosed is a true copy of the following ordinance adopted by the
Council of the Metropolitan Service District on December 1, 1983:

Ordinance No. 83-163, relating to Solid Waste Disposal
Charges and User Fees; amending Metro Code Sections
5.02.020, 5.02.025 and 5.02.050; and declaring an
emergency.

Please file this ordinance in the Metro ordinance files maintained
by Clackamas County.

Sincerely,


Everlee Flanigan
Clerk of the Council

Enclosure

527 SW Hall St.
Portland, OR
97201
503/221-1646



METROPOLITAN SERVICE DISTRICT

Providing Zoo, Transportation, Solid Waste and
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December 2, 1983

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George Van Bergen
District 6

Sharron Kelley
District 7

Ernie Bonner
District 8

Bruce Etlinger
District 10

Marge Kafoury
District 11

Gary Hansen
District 12

County Administrator
Washington County
150 N. First Avenue
Hillsboro, Oregon 97123

Enclosed is a true copy of the following ordinance adopted by the
Council of the Metropolitan Service District on December 1, 1983:

Ordinance No. 83-163, relating to Solid Waste Disposal
Charges and User Fees; amending Metro Code Sections
5.02.020, 5.02.025 and 5.02.050; and declaring an
emergency.

Please file this ordinance in the Metro ordinance files maintained
by Washington County.

Sincerely,

Everlee Flanigan
Clerk of the Council

Enclosure

527 SW Hall St.
Portland, OR
97201
503/221-1646



METROPOLITAN SERVICE DISTRICT

Providing Zoo, Transportation, Solid Waste and
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December 2, 1983

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Richard Waker
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District 5

George Van Bergen
District 6

Sharon Kelley
District 7

Ernie Bonner
District 8

Bruce Etlinger
District 10

Marge Kafoury
District 11

Gary Hansen
District 12

Ms. Jane McGarvin
Clerk of the Board
Multnomah County
1021 S.W. Fourth Avenue
Portland, Oregon 97204


Dear Ms. McGarvin:

Enclosed is a true copy of the following ordinance adopted
by the Council of the Metropolitan Service District on
December 1, 1983:

Ordinance No. 83-163, relating to Solid Waste
Disposal Charges and User Fees; amending Metro
Code Sections 5.02.020, 5.02.025 and 5.02.050;
and declaring an emergency.

Please file this ordinance in the Metro ordinance files
maintained by Multnomah County.

Sincerely,


Everlee Flanigan
Clerk of the Council

Enclosure

527 SW Hall St.
Portland, OR
97201
503/221-1646