BEFORE THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT

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FOR THE PURPOSE OF AMENDING ORDINANCE NO. 86-199 BY ADOPTING CRITERIA FOR IMPLEMENTATION OF ALTERNATIVE TECHNOLOGY PROJECTS ORDINANCE NO. 86-201

WHEREAS, The Metropolitan Service District (Metro) has adopted a Solid Waste Reduction Program in compliance with ORS 459.015 which declares the priorities for solid waste management plan, "to include 1) reduce the amount of solid waste generated, 2) reuse material as it was originally intended, 3) recycle material that cannot be reused, 4) recover energy from solid waste that cannot be reused or recycled, and 5) dispose of solid waste that cannot be reused, recycled or from which energy cannot be recovered, by landfilling...and that such priority in methods of managing solid waste shall be followed after consideration of technical and economic feasibility"; and

WHEREAS, Metro's Solid Waste Reduction Program is intended to reduce the dependency on sanitary landfills as the primary disposal method; and

WHEREAS, Metro's Solid Waste Reduction Program recognizes that up to 52 percent of the waste stream is potentially available for reduce, reuse, and recycling; and

WHEREAS, Metro's Solid Waste Reduction Program recognizes that up to 48 percent of the waste stream is available for alternative technology/resource recovery projects to develop useful by-products and/or recover energy from solid waste; and WHEREAS, Metro issued Appendix 1 - "Alternative Technologies" as part of its Solid Waste Reduction Program to the Department of Environmental Quality (DEQ) in December 1985 which describes resource recovery technologies; and

WHEREAS, Federal policy established in the Resource Conservation and Recovery Act of 1976 (Public Law 580) states that solid waste management agencies shall consider facilities for conservation of energy resources and materials recovery; and

WHEREAS, Metro held a nationally advertised symposium in August 1985 called, "Resource Recovery Symposium: Alternatives to Burying Waste"; and

WHEREAS, Metro conducted a workshop in April 1986 to review the advantages of resource recovery, the cost and revenue factors that impact such projects, and possible methods for evaluating economic feasibility for inclusion of resource recovery in a solid waste disposal system; and

WHEREAS, Metro has committed through current budget allocation staff, and the professional services of consulting engineers, to provide technical assistance in the endeavor to implement resource recovery; and

WHEREAS, Metro issued a Request for Qualifications and Information (RFQ/I) in March 1986 in order to review project concepts by May 19, 1986; now, therefore,

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

Section 1. Ordinance No. 86-199 is amended to add the following sections 2-10 as Sections 6-14 of that ordinance.

Section 2. Metro will budget funds in FY 1986-87 and subsequent years to complete a competitive Request for Proposal (RFP) process for selecting a vendor(s) and/or to continue to evaluate the feasibility of implementing resource recovery.

Section 3: Metro will implement a resource recovery project which:

a. achieves the maximum reduction of waste that is technically and economically feasible, in order to extend landfill life and conserve open space and natural resources;

b. reduces reliance on landfilling as the sole waste disposal method for non-recyclable material;

Section 4. Metro will submit the proposed technological approach, project costs and location to full public review and comment.

Section 5. Metro will proceed with resource recovery and allocate up to 48 percent of the waste to that project(s) which best meets the following criteria:

a. project(s) will not increase the disposal system cost more than 20 percent over a landfill-based disposal system. (The disposal system costs described in this section include costs associated with operating transfer stations, resource recovery facilities and landfills; it does not include collection costs. Determination of whether a proposal(s) meets this criterion will be based on disposal system cost figures available from Metro at the time of evaluation.);

b. project(s) will utilize one, or a combination of the following technologies: materials recovery (including composting), RDF, and mass burn; c. project(s) will demonstrate compliance with all applicable environmental protection regulations;

d. project(s) will minimize the financial risk to the public in terms of project(s) funding and general management;
e. marginal costs per ton will maximize amount of waste processed relative to the total project cost;

f. project(s) will maximize flexibility by minimizing capital costs and limiting construction time;

g. over the financial life-cycle project(s) will
minimize increases in disposal system costs compared to a
landfill-based system;

h. proposal(s) will demonstrate the financial strength and corporate commitment to resource recovery by the vendor(s); and.

i. project(s) technology, cost and location will gain regional public acceptability.

Section 6. Metro may proceed with a resource recovery project(s) that increases the disposal system cost more than 20 percent over a landfill-based system if the project(s) meets criteria b, c, d, e, f, g, h and i of Section 5, and the Council determines that the project(s) provides a reasonable cost-effective method to achieve the goals of Section 3.

Section 7. Metro, in cooperation with the Department of Environmental Quality, will pursue satisfactory resolution to issues concerning siting, environmental protection regulation, Btu content of waste, and ash disposal regulation. Section 8. Reduce, reuse, and recycling programs will be pursued for the amount of waste for which no alternative technology project(s) is implemented.

Section 9. Metro will urge maintenance and/or creation of tax benefits at both the state and federal level to enhance resource recovery.

Section 10. The Executive Officer is directed to continue to pursue resource recovery alternatives as part of the Solid Waste Management Plan provided they are consistent with the guidelines and policies established by this Council.

ADOPTED by the Council of the Metropolitan Service District this <u>15th</u> day of <u>May</u>, 1986.

Richard Waker, Presiding Officer

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ATTEST:

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Clerk of the Council

STAFF REPORT

Agenda Item No. 9.3

Meeting Date May 15, 1986

CONSIDERATION OF ORDINANCE NO. 86-201, FOR THE PURPOSE OF AMENDING ORDINANCE NO. 86-199 BY ADOPTING CRITERIA FOR IMPLEMENTATION OF ALTERNATIVE TECHNOLOGY PROJECTS

Date: May 6, 1986

Presented by: Debbie Allmeyer

FACTUAL BACKGROUND AND ANALYSIS

The question before the Metro Council is what premium cost should be paid for inclusion of alternative technology/resource recovery in Metro's Solid Waste Reduction Program. It is established policy that resource recovery be included in this program if it can be shown to be economically and technically feasible.

Technical feasibility has been demonstrated for the three alternative technologies in contention -- composting, RDF, and mass burn. Appendix I of Metro's Solid Waste Reduction Program -"Alternative Technologies," published in December 1985, discusses the merits of the different technologies. This document also includes data from a symposium Metro sponsored in August 1985 called "Resource Recovery: Alternatives to Burying Waste." The information presented at the symposium and included in the chapter on Alternative Technologies corroborates the technical viability of the technologies.

Determination of economic viability will be made by Council based in part on findings in a report titled "Determination of Premium Costs for Metropolitan Service District Resource Recovery Project." This report utilized comparisons of <u>components costs</u>, such as cost of a new landfill, transfer stations, various types and sizes of resource recovery facilities, and comparisons of <u>system</u> <u>costs</u> which show combinations of different components to express the impacts of possible resource recovery scenarios on a disposal system.

Adding resource recovery to a disposal system typically adds cost particularly in the initial years. A number of the impacts of including resource recovery are quantifiable; many are not. Some of the factors which may be considered for including resource recovery are difficult to quantify, as they have to do with quality of life, and diversification of the landfill based system. Some of these factors are briefly described.

Resource recovery is one of the primary alternative forms to landfilling which results in a major reduction of waste. Recycling

can be successful for some products and potentially capture 25 percent to 50 percent of the waste stream. Resource recovery, fully compatible with recycling, reduces the waste 75 percent by weight and 90 percent by volume.

If refuse is put in landfills, the greatest potential environmental risk is to groundwater. If it is processed in a waste-to-energy facility, the greatest environmental risk is to air quality. While strict landfill regulations are today's norm, air pollution control technology is more developed than groundwater pollution control technology. Because of the national concern for better air quality in the last 15 years, the industrial market has demanded solutions, and money has been invested in refining and improving air pollution control equipment. The results from this investment have been substantial. In the last 15 years, advances in air pollution control technology have reduced common air pollutants nationally by 50 percent.

Resource recovery facilities are clean burning due to the equipment available -- electrostatic precipitators, baghouses, scrubbers, and modern stacks. The efficiency of combustion in modern incinerators, coupled with state of the art air pollution control equipment provides for low emissions from resource recovery facilities.

Frequently recognized advantages of resource recovery include the following: 1) landfill life is extended, 2) ash residue is inert and safer for land disposal than raw waste, and 3) unlike landfills, facilities may be located in or near population centers, reducing haul distances. Future construction and operational costs are usually less predictable for landfill than for resource recovery.

Open space is preserved when resource recovery is implemented. Such plants require 2-10 acres compared to hundreds of acres for landfills. Some proponents feel there is an intrinsic value in preserving farmland, woodland, or open acreage which may otherwise be designated for a landfill.

Before you is a draft ordinance concerning the premium cost allowance for the additional services of resource recovery in the waste disposal system. This is a revision of the draft ordinance presented to Council on May 1, 1986, incorporating changes suggested by the Council.

The description of system cost has been clarified through addition of the word "disposal" system cost. Section 5 has been strengthened by incorporating the criteria in Section 4, through reference, into the purport of Section 5.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer makes no recommendation at this time.

DA/gl 5588C/453-1 05/06/86

STAFF REPORT

Agenda Item No. 9.2 Meeting Date: May 1, 1986

CONSIDERATION OF ORDINANCE NO. 86-201, FOR THE PURPOSE OF AMENDING THE WASTE REDUCTION PROGRAM, ORDINANCE NO. 86-199, BY ADOPTING PREMIUM COST FOR ALTERNATIVE TECHNOLOGY PROJECTS.

DATE: MAY 1, 1986 Presented by Debbie Allmeyer

FACTUAL BACKGROUND AND ANALYSIS

The question before the Metro Council is what premium cost should be paid for inclusion of alternative technology/resource recovery in Metro's Waste Reduction Program. It is established policy that resource recovery be included in this program if it can be shown to be economically and technically feasible.

Technical feasibility has been demonstrated for the three alternative technologies in contention, composting, RDF, and mass burn. Appendix I of Metro's Waste Reduction Program-"Alternative Technologies", published in December 1985, discusses the merits of the different technologies. This document also includes data from a symposium Metro sponsored in August 1985 called "Resource Recovery: Alternatives to Burying Waste". The information presented at the symposium and included in the chapter on Alternative Technologies corroborates the technical viability of the technologies.

Determination of economic viability will be made by Council based in part on findings in a report titled "Determination of Premium Costs for Metropolitan Service District Resource Recovery Project". This report utilized comparisons of <u>components costs</u>, such as cost of a new landfill, transfer stations, various types and sizes of resource recovery facilities and comparisons of <u>system costs</u> which show combinations of different components to express the impacts of possible resource recovery scenarios on a disposal system.

Adding resource recovery to a disposal system typically adds cost particularly in the initial years. A number of the impacts of including resource recovery are quantifiable; many are not. Some of the factors which may be considered for including resource recovery are difficult to quantify, as they have to do with quality of life, and diversification of the landfill based system. Some of these factors are briefly described.

Resource recovery is one of the primary alternative forms to landfilling which results in a major reduction of waste. Recycling can be successful for some products and potentially capture 25% to 50% of the waste stream. Resource recovery, fully compatible with recycling, reduces the waste 75% by weight and 90% by volume. If refuse is put in landfills, the greatest potential environmental risk is to ground water. If it is processed in a waste-to-energy facility, the greatest environmental risk is to air quality. While strict landfill regulations are today's norm, air pollution control technology is more developed than ground water pollution control technology. Because of the national concern for better air quality in the last fifteen years, the industrial market has demanded solutions, and money has been invested in refining and improving air pollution control equipment. The results from this investment have been substantial. In the last fifteen years, advances in air pollution control technology have reduced common air pollutants nationally by 50%.

Resource recovery facilities are clean burning due to the equipment available-electrostatic precipitators, baghouses, scrubbers, and modern stacks. The efficiency of combustion in modern incinerators, coupled with state-of-the-art air pollution control equipment provides for low emissions from resource recovery facilities.

Frequently recognized advantages of resource recovery include the following: 1) landfill life is extended, 2) ash residue is inert and safer for land disposal than raw waste, 3) unlike landfills, facilities may be located in or near population centers, reducing haul distances. Future construction and operational costs are usually less predictable for landfill than for resource recovery.

Open space is preserved when resource recovery is implemented. Such plants require 2-10 acres compared to hundreds of acres for landfills. Some proponents feel there is an intrinsic value in preserving farm land, wood land, or open acreage which may otherwise be designated for a landfill.

Before you is a draft ordinance concerning premium cost allowance for resource recovery. This is a revision of the draft ordinance presented to Council on April 22, 1986, incorporating changes suggested by Council. Language is added in Section 1 to describe how this ordinance amends the Waste Reduction Program, Ordinance No. 86.199. A definition of "system cost"is added in Section 5.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer makes no recommendation at this time.

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> against possible violations of the Little Bacon Davis Act on two previously contracted projects with Tri-Lett Industries. Councilor Kafoury seconded the motion.

- Vote: A vote on the motion resulted in:
- Ayes: Councilors Cooper, Frewing, Gardner, Hansen, Kirkpatrick, Kafoury, Kelley, Myers, Oleson, Van Bergen and Waker
- Absent: Councilor DeJardin

The motion carried and the item was postponed until May 1, 1986.

8.4 Consideration of Ordinance No. 86-201, for the Purpose of Amending the Waste Reduction Program, Ordinance No. 86-199, by Adopting Premium Cost for Alternative Technology Projects (First Reading and Public Hearing)

The Clerk read the Ordinance a first time by title only.

Motion: Councilor Kelley moved Ordinance No. 86-201 be adopted and Councilor Kafoury seconded the motion.

Debbie Allmeyer, Solid Waste Analyst, noted the Ordinance in the agenda packet had been revised to reflect changes suggested at the April 16 Council Work Session.

Councilor Gardner reviewed the redrafted Ordinance that incorporated changes suggested at the April 16 Council Work Session. He explained the portion of the Waste Reduction Program dealing with alternative technology stated the Council would set a premium it would be willing to pay above landfilling costs, develop criteria for evaluating alternative technology proposals, and develop criteria on which to base its decision to proceed which the technology project. He said the Ordinance before the Council was designed to describe that process and to make commitments to proceed with a project if certain criteria were met. Councilor Gardner further explained the "whereas" clauses of the Ordinance gave a historical description of the process and were consistent with applicable laws. He then described Sections 1 through 9 of the Ordinance. In conclusion, the Councilor explained that Ordinance No. 86-201, when adopted, would be submitted to the DEQ as a separate ordinance but would be an amendment to Ordinance No. 86-199, the base Waste Reduction Program.

The Presiding Officer opened the public hearing on the Ordinance.

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Doug Francescon, 18754 South Terry Michael Drive, Oregon City, testified the potential for increasing the life and decreasing the size of new landfills must be considered when evaluating costs of an overall waste disposal system. He also pointed out the tip fee for an energy recovery facility would become a long-term, fixed rate. He suggested Metro and the vendor consider a cost of living adjustment or an adjustment for fluctuations in energy prices. Also, Mr. Francescon advocated a multi-site strategy to avoid political or air quality problems that might result from one large facility. Although energy costs were currently low, he urged the Council to consider the long-term benefits of producing low cost power while keeping tip fees within acceptable limits.

Steve Anderson, 7155 S.W. Gable Parkway, Portland, testified the Council consider constructing a refuse derived fuel (RDF) production plant at the Clackamas Transfer & Recycling Center (CTRC). He said the plant should be capable of handling the entire throughput of CTRC and of producing a material which could be burned in any of several existing solid-fuel boilers in the region. The RDF plant, he said, would offer the advantages of minimal risk and capital and additional facilities could be added as sites and additional markets became available. He recommended Gershman, Brickner & Bratton, Inc. analyze his proposal.

There being no further testimony, Presiding Officer Waker closed the public hearing.

A discussion followed regarding an acceptable base disposal rate for alternative technology. Presiding Officer Waker was concerned commercial disposal rates could double within a few years. Councilor Kafoury said the Council should seriously question to what extent costs could be used to change behavior patterns. Councilor Oleson said it was difficult to put a dollar limit on disposing of waste in a socially responsible manner.

After discussion, it was agreed to vote on adopting Ordinance No. 86-199, discussed earlier under Agenda Item No. 8.2, but to delete two paragraphs from Exhibit B relating to alternative technology.

- Motion: Councilor Kirkpatrick moved to amend Ordinance No. 86-199 by deleting the two paragraphs from Exhibit B relating to alternative technology. Councilor Myers seconded the motion.
- Vote: A vote on the motion resulted in:
- Ayes: Councilors Cooper, Frewing, Gardner, Kirkpatrick, Kafoury, Kelley, Myers, Van Bergen and Waker

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Nay: Councilor Hansen

Absent: Councilors DeJardin and Oleson

The motion carried and the Ordinance was amended.

Motion: The motion to adopt Ordinance No. 86-199 was made by Councilors Kirkpatrick and Gardner at the meeting of March 27, 1986.

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- Vote: A vote on the motion resulted in:
- Ayes: Councilors Cooper, Frewing, Gardner, Kirkpatrick, Kafoury, Kelley, Myers, Van Bergen and Waker
- Nay: Councilor Hansen

Absent: Councilors DeJardin and Oleson

The motion carried and Ordinance No. 86-199 was adopted as amended.

There being no further business, the meeting was adjourned at 11:05 p.m.

Respectfully submitted,

manie Welson

A. Marie Nelson Clerk of the COuncil

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Ayes: Councilors Cooper, DeJardin, Frewing, Gardner, Hansen, Kelley, Kirkpatrick, Myers, Oleson, Van Bergen and Waker 4

Absent: Councilor Kafoury

The motion carried and the Ordinance was adopted.

9.2 Consideration of Ordinance No. 86-201, for the Purpose of Amending Ordinance No. 86-199 by Adopting Criteria for Implementation of Alternative Technology Projects (Second Reading and Continued Public Hearing)

The Clerk read the Ordinance by title only a second time. The Presiding Officer announced the Ordinance would be subject to approval at the May 15 Council meeting.

Motion: A motion to adopt the Ordinance was made by Councilors Kelley and Kafoury at the meeting of April 22, 1986.

Debbie Allmeyer, Solid Waste Analyst, reviewed several minor changes to the Ordinance proposed since the last meeting. Those changes were underlined on the version of the Ordinance included in the meeting agenda packet. She also noted the Council had asked about the impact of adding resource recovery to system costs on different types of customers and Rich McConaghy had prepared a memo to Councilors responding to that question.

Presiding Officer Waker said Mr. McConaghy's memo did not respond to his concerns of April 22. He was specifically concerned about cost increases consumers would experience as a result of system changes including a new landfill, transfer stations and alternative technology. Presiding Officer Waker questioned Mr. McConaghy's use of a rate of \$10.84 per ton as the cost to the consumer.

Mr. McConaghy said the \$10.84 rate was used to compare with the \$31 per ton system cost rate projected for the year 1990. Both rates, he explained, did not include user fees, state landfill siting fees or enhancement fees.

Presiding Officer Waker said he was also confused about staff's projections for the percentage distribution of commercial and residential waste collected and disposed. Referring to Table 1 of his memo, Mr. McConaghy explained that rates did vary according to area and whether facilities were franchised. Staff had averaged out costs for their projections, he said.

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Councilor Van Bergen agreed there was currently a large variety of prices paid for solid waste disposal and the impact of increased system costs would vary widly depending on the type of waste generator.

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Councilor Frewing noted on April 22 the original Section 3 of the Ordinance, now Section 4, listed the criteria to be used in evaluating alterntive technology proposals. He said two people testified that an item "j" be added to say: "Maximize flexibility by minimizing the initial capitol costs and construction time of any alterntive technology facility." The Council urged that language be included in the Ordinance.

First Motion to Amend: Councilor Frewing moved the above language be included as an item "j" to Section 4 of the Ordinance. Councilor Myers seconded the motion.

Councilor Van Bergen said he did not want to language to be a limitation for the project.

Vote on First Motion to Amend: A vote on the motion to amend resulted in:

Ayes: Councilors Cooper, DeJardin, Frewing, Gardner, Hansen, Kelley, Kirkpatrick, Myers, Van Bergen and Waker

Absent: Councilors Kafoury and Oleson

The motion carried and the Ordinance was amended.

The Presiding Officer opened the public hearing.

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Judy Dehen, 2965 N.W. Verde Vista, Portland, representing the Columbia Group of the Sierra Club, testified regarding Section 6 of the Ordinance. She said if Metro wanted to at least partially satisfy the provisions of ORS.495.015 which listed the priorities of waste reduction, the Ordinance should indicate a disposal cost equasion scale for prioritized modes of waste reduction. This, she said, would clearly recognize the state's mandated waste reduction priorities.

Councilor Myers said although the heirachy of waste reduction were vital criteria, some Councilors wished to avoid premium concepts tied to the heirachy because it would not be necessary to attract bidders. The Councilor said he was uneasy about adding that type of language back into the Ordinance.

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Estle Harlan, 2202 Lake Road, Milwaukie, representing the Oregon Sanitary Service Institute (OSSI), referred the Council to her written comments. She objected to the provisions of Section 5 recommending a 20 pecent premium. She said the collection industry recommended a 10 percent premium. Ms. Harlan was worried Metro's waste generation assumptions were too low and would skew cost figures. She said a recent study conducted by Clackamas County indicated the average weight per can collected was about 40 pounds per week, conferring with a long-standing industry average. She again stated the 20 percent figure was very high.

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Responding to Councilor Gardner's question, Ms. Harlan said all industry weight studies assumed some cans would be empty.

<u>Joe Cancilla</u>, 18450 S.E. Vogel Road, Portland, representing PASSO, concurred with Ms. Harlan that Metro's assumptions regarding the average weight were too low. He also disagreed with Metro's assumptions on the ratio of commercial to residential generators. He said the ratio varied widly throughout the region.

There being no further testimony, Presiding Officer Waker closed the public hearing.

The Presiding Officer noted the Ordinance as drafted did not provide for any upward limit to a unit cost for an alternative technology project. Ms. Allmeyer explained that Section 4(i) addressed that concern although no specific figures were identified.

Councilor Myers noted that Section 5 did not reference back to satisfy the criteria established in Section 4. He suggested Section 5 be moved back to Section 4 and be listed as an additional criteria or to insert language into Section 5 to read: "Except for proposals that satisfy the criteria of Section 4, and . . ."

<u>Second Motion to Amend</u>: Councilor Frewing moved Section 5 be amended to read: "Metro . . . adopts a policy to maximize resource recovery from waste by committing to accept a proposal(s) that <u>best meet the criteria</u> <u>of Section 4 and increase system costs no more than</u> 20%." (NOTE: New language is underlined.) Councilor Gardner seconded the motion.

Councilor Frewing explained his motion would resolve the concern raised by Councilor Myers. At the request of Councilor Myers, he agreed to change the language of "up to 20 percent" to read "no more than 20 percent."

Vote on Second Motion to Amend: The vote resulted in:

Ayes: Councilors DeJardin, Frewing, Gardner, Hansen, Kelley, Kirkpatrick, Myers, Van Bergen and Waker

Absent: Councilors Cooper, Kafoury and Oleson

The motion carried and the Ordinance was amended.

Third Motion to Amend: Councilor Kirkpatrick moved to amend Section 5 to read: ". . . up to 15%." Councilor DeJardin seconded the motion for discussion purposes.

Councilor Kirkpatrick said she understood the 20 percent figure was arbitrary and the proposed amendment would be in keeping with the collection industry's request.

Doug Drennen said the 20 percent figure was not purely arbitrary. It was used from the premium cost table and was established based on staff's best judgment to catch the lower end of the project but not to be so high to destroy the spirit of competition.

Executive Officer Gustafon explained the 20 percent figure was arbitrary from the standpoint that it was based on assumptions that could or could not occur. He said the percentage was provided to give a guarantee to the Environmental Quality Commission regarding the Council's intent. He advised adopting no percentages in order to avoid sending out undesireable signals.

Motion to Postpone Action on Third Motion to Amend: After discussion about an appropriate percentage, Councilors Kirkpatrick and DeJardin moved action on the motion be postponed to May 15 in order to give staff time to analyze the impacts of percentages on the project.

Vote on Motion to Postpone: A vote resulted in:

Ayes: Councilors DeJardin, Frewing, Gardner, Hansen, Kirkpatrick, Myers, Van Bergen and Waker

Absent: Councilors Cooper, Kafoury, Kelley and Oleson

The motion carried.

Councilor Frewing requested staff also provide information regarding the results of a public survey about the acceptability of higher costs in order to avoid landfilling. He explained he was comfortable with the 20 percent figure because it would probably only translate into a 5 percent increase in customer rates. He said he

thought the public surveys indicated that amount of increase would be acceptable to avoid landfilling.

Presiding Officer Waker noted the residential public had been polled on that matter and questioned how accepting commercial customers would be of such an increase. Councilor Gardner also noted he was not comfortable with the broad wording of that particular question to the public which could have skewed the responses in favor or an increase.

Councilor Myers said the language of Section 6 should be reworded to state a more definite policy and would propose new language for the next meeting. Councilor Gardner said he had originally proposed that language to guarantee Metro would proceed with a project if it increased the system cost no more than 20 percent and to provide the EQC assurance that resource recovery would be part of Metrod's waste reduction program. The second part of the section would provide that if all the proposals cost more than 20 percent, Metro could still proceed with one vendor if the Council determined there were other justified benefits, he explained. Councilor Gardner agreed it would be helpful to clarify the intent of Section 6 and define justified benefits.

Councilor Hansen requested staff provide information on the 20 percent proposed premium. He asked at what point in the operation would the 20 percent figure apply. Mr. Drennen said the figure applied to the year 1990 when the project would commence but Section 4(g) permitted the Council to look at the long-term effectiveness of the project.

There being no further discussion, Presiding Officer Waker continued the public hearing on the Ordinance to May 15, 1986.

3. EXECUTIVE OFFICER COMMUNICATIONS (Continued)

Report on the Convention, Trade and Spectator Facilities Project. Steve Siegel explained that about one and a half years ago the Convention, Trade and Spectator Facilities (CTS) Committee was established to make a series of recommendations to Metro and tricounty governments on a CTS facility for the Portland metropolitan region. Mr. Siegel said the Committee's formal recommendations would be made May 12 and staff would explain those recommendations to the Council at the May 15 Council meeting. He said the slide presentation given to the Council at this meeting would provide background information about the project and an opportunity for Councilors to ask questions.

Mr. Siegel first discussed the need for the regional facility. The convention center would be designed to accomodate conventions of

UGB, dramatic development had taken place in the Bethany area. Those developments, he said, would make it impractical to exclude the Bethany area from the UGB. He said the findings concluded that to exclude the area from the UGB would mean a failure to provide the amount of housing space projected to be needed for the area. Therefore, Mr. Stacey said 1000 Friends of Oregon were withdrawing their longstanding opposition to Metro's 1979 decision. He stressed local governments should work hard to ensure good land use practices and Metro was clearly responsible, when considering petitions to expand the UGB, for guaranteeing a clear need be established that could not be accommodated on land already within the Boundary. He regretted the delay cause property owners but was happy the issue had finally been resolved. .*

The Presiding Officer read into the record a letter from <u>Robert O.</u> <u>Warner</u>. Mr. Warner was a long time resident of the Bethany area and urged the Council not adopt the Ordinance in order to maintain the area for agricultural use. He discussed the fact that agricultural land was shrinking and could be non-existent in the future.

There being no further testimony, Presiding Officer Waker closed the public hearing.

In response to Councilor Frewing's question, Councilor Kafoury said her motion for adoption of the Ordinance had included the changes noted in Ms. Hinckley's memo dated May 8, 1986.

Councilor Kafoury remarked on the importance of this decision. Although she was not totally in agreement with the conclusions of the findings, she said it was good to finally have the Boundary resolved.

The Presiding Officer announced the second reading of the Ordinance was scheduled for May 29, 1986.

9.3 <u>Consideration of Ordinance No. 86-201</u>, for the Purpose of Amending Ordinance No. 86-199 by Adopting Criteria for Implementation of Alternative Technology projects (Continued Second Reading and Public Hearing)

The Clerk read the Ordinance a second time by title only.

Motion: A motion to adopt Ordinance No. 86-201 was made by Councilors Kelley and Kafoury at the meeting of April 22, 1986.

Debbie Allmeyer, Solid Waste Analyst, reported Councilors had been mailed staff's responses to questions raised about the Ordinance at the previous meeting.

Councilor Frewing asked if staff had prepared a notebook of materials presented on costs of various alternative technologies at the April 16 Council workshop. He recalled staff would compile the materials and make them available to Councilors who had not attended the workshop. Doug Drennen, Engineering and Analysis Manager, said he would provide those materials.

Presiding Officer Waker opened the public hearing on the Ordinance.

Teresa DeLorenzo, Chairman of the Solid Waste Policy Advisory Committee (SWPAC), distributed a memo from SWPAC and reported the Committee was impressed with the complexity of the project and Council and staff efforts to get complete information before making a choice. Ms. DeLorenzo said the Committee was very interested that the option selected be cost-effective and urged staff to maintain tight controls over premiums at the beginning of the negotiation process in order to keep costs down. She also reported SWPAC would prefer to see a smaller, more manageable project versus a larger project that could tax Metro's resources. Finally, she said SWPAC members considered not doing an alternative technology project could be an acceptable option for Metro.

The Presiding Officer read into the record a letter from Alyne Woolsey, 818 Fourth Street, Oregon City. Ms. Woolsey suggested the following language be incorporated into the Ordinance: "In recognition of the 1982 vote regarding garbage burning plants in Clackamas County, no garbage burner shall be built in Clackamas County unless such a burner shall meet or exceed the standards desired by the voters and such a proposed burner on the site shall be approved by a vote of the people of Clackamas County."

There being no additional testimony, the Presiding Officer closed the public hearing.

Dennis Mulvihill, Waste Reduction Manager, reviewed proposed new amendments to the Ordinance. He also referred Councilors to letters from the Oregon Environmental Council and Multnomah County Commissioner Gordon Shadburne. Mr. Mulvihill noted the amendments had been prepared in response to Council and Department of Environmental Quality (DEQ) questions about the meaning of specific Ordinance language. He distributed documents listing the proposed amendments and indicating how the Ordinance would read if the proposed amendments were adopted.

Councilor Frewing pointed out Councilor Myers had noted staff had omitted any reference to public acceptability of the project as a criteria.

> First Motion to Amend: Councilor Frewing moved the Ordinance be amended to read: "Metro will process with that project which best meets the following criteria... (i) Project(s) techology, cost and location gain regional public acceptability." Later reference in the Ordinance to criteria (a) through (h) would also be amended to include the new criteria (i). Councilor Myers seconded the motion.

Councilor Frewing said this new language would not mean the project needed to gain absolute regional acceptability.

Vote on First Motion to Amend: A vote resulted in:

- Ayes: Councilors Cooper, Frewing, Gardner, Hansen, Kirkpatrick, Myers, Oleson, Van Bergen and Waker
- Absent: Councilors DeJardin, Kafoury and Kelley

The motion carried and the Ordinance was amended.

Second Motion to Amend: Councilor Kirkpatrick moved the Ordinance be amended to lower the referenced premium to 15 percent. Presiding Officer Waker seconded the motion for purposes of discussion.

Councilor Kirkpatrick said the motion would respond to concerns raised by SWPAC and the Environmental Council to keep costs at a minimum.

Councilor Waker said he supported the motion because he did not think the gains to be made by alternative technology were worth the larger premium initially proposed.

Councilor Gardner said even though the existing language would allow the Council to accept proposals up to 20 percent, he hoped premiums submitted by vendors would be lower. He said he would not support the amendment because he wanted to keep the process flexible.

Councilor Cooper agreed with Presiding Officer Waker's view that reducing a small quantity of waste landfilled at a much higher price was not a sensible solution to the problem, especially since landfills would still exist. He thought discussion of percentages at this point in the process was moot. The important thing, he said, was to maintain the option of looking at the "right" proposal.

Councilor Kirkpatrick supported Councilor Cooper's statement saying that was why a 15 percent limit was necessary. She said it was her

experience that vendors would bid as high as possible. If lower limits were established, they would bid lower.

Councilor Frewing questioned whether reducing the premium percentage, would place unwanted restrictions on evaluating proposals.

Councilor Oleson thought the 20 percent figure too low. He said he would support a percentage up to 30 percent in order to encourage as much vendor participation as possible.

Councilor Hansen said the Council needed to send a signal to vendors and the DEQ that Metro was serious about a project that would substantially reduce the volume of waste landfilled. A 15 percent limitation would not accomplish that goal, he said.

Vote on the Second Motion to Amend: The vote resulted in:

Ayes: Kirkpatrick and Waker

Nays: Councilors Cooper, Frewing, Gardner, Hansen, Myers, Oleson and Van Bergen

Absent: Councilors DeJardin, Kafoury and Kelley

The motion failed.

Third Motion to Amend: Councilor Hansen moved the Ordinance be amended the raise the premium referenced to 30 percent. Councilor Oleson seconded the motion.

Vote on Third Motion to Amend: A vote resulted in:

Ayes: Councilors Hansen and Oleson

Nays: Councilors Cooper, Frewing, Gardner, Kirkpatrick, Myers, Van Bergen and Waker

Absent: Councilors DeJardin, Kafoury and Kelley

The motion failed.

Fourth Motion to Amend: Councilor Kirkpatrick moved the Ordinance be amended by incorporating the proposed amendments embodied in the version of the Ordinance marked "C."

Vote on Fourth Motion to Amend: The vote resulted in:

> Ayes: Cooper, Frewing, Gardner, Hansen, Kirkpatrick, Myers, Oleson, Van Bergen and Waker

Absent: Councilors DeJardin, Kafoury and Kelley

The motion passed.

Vote on the Main Motion: The vote on the main motion, as amended, resulted in:

- Ayes: Cooper, Frewing, Gardner, Hansen, Kirkpatrick, Myers, Oleson, Van Bergen and Waker
- Absent: Councilors DeJardin, Kafoury and Kelley

The motion carried and Ordinance No. 86-201 was adopted as amended.

10. OTHER BUSINESS

10.1 Consideration of Extending the Operations for the Clackamas <u>Transfer & Recycling Center (CTRC), Dated August 1982, with</u> Genstar Transfer, Inc. for a Period of One Year

Mr. Drennen said the item was being reported to the Council for informational purposes and no formal action was required at this meeting. If there were no objections, staff would proceed to negotiate with Genstar Transfer, Inc., the current operator of the transfer station, for a contract extension of one year.

Presiding Officer Waker asked what factors would be considered if staff negotiated for a contract extension. Mr. Drennen said outstanding issues included the ability to divert waste to other sites and a Change Order for improvements to the "clam shell." The contractual fee would not increase, he said.

<u>Motion</u>: Councilor Van Bergen moved the CTRC operations contract be rebid in the proper manner and at the appropriate time. Councilor Frewing seconded the motion.

Councilor Van Bergen explained when the St. Johns operation contract was rebid, the lowest qualified bid was substantially under the amount estimated by staff. He said that experience demonstrated many qualified contractors were willing to do the job at competitive rates. He also thought it likely that litigation problems with the west transfer station project would make it prudent to adjust the bid schedule to CTRC rather than to the west transfer station.





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2000 S.W. First Avenue Portland, OR 97201-5398 503/221-1646

June 13, 1986

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

Dear Jane:

Enclosed are true copies of the following ordinances adopted by the Council of the Metropolitan Service District. Please file these ordinances in the Metro ordinance files maintained by your county.

Ordinance No. 86-199, Adopting a Solid Waste Reduction Plan

Ordinance No. 86-200, Amending Ordinance No. 86-199 by Adopting a Public Education Plan for the Solid Waste Reduction Program

Ordinance No. 86-201, Amending Ordinance No. 86-199 by Adopting Criteria for Implementation of Alternative Technology Projects

Ordinance No. 86-202, Adopting Findings to Comply with LCDC 86-CONT-001 (Bethany Property)

Sincerely,

510

A. Marie Nelson Clerk of the Council

Enclosures

Metro Council

Richard Waker Presiding Officer District 2 Jim Gardner Deputy Presiding Officer District 3 **Bob** Oleson District 1 Corky Kirkpatrick District 4 Tom DeJardin District 5 George Van Bergen District 6 Sharron Kelley District 7 (Vacant) District 8 Hardy Myers District 9 Larry Cooper District 10 Marge Kafoury District 11

Gary Hansen District 12

Executive Officer Rick Gustafson