

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING ) METRO ORDINANCE NO. 00-867  
METRO CODE CHAPTER 5.02 )  
RELATED TO REGIONAL SYSTEM ) Introduced by  
FEE CREDITS AND MAKING ) Executive Officer Mike Burton  
RELATED CHANGES )

WHEREAS, The Metro Council is considering Ordinance No. 00-865 amending the Regional Solid Waste Management Plan; and

WHEREAS, The Metro Council is considering Ordinance No. 00-866 amending Metro Code Chapter 5.01 to implement the changes in Ordinance No. 00-865; and

WHEREAS, If such amendments are approved by Metro Council, it is necessary to amend Metro Code Chapter 5.02 for consistency with these changes; and

WHEREAS, This ordinance was submitted to the Executive Officer for consideration and was forwarded to the Council for approval; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

SECTION 1. Section 2 is added to and made a part of Metro Code Chapter 5.02.015.

SECTION 2(a).

“Solid waste system facility” shall have the meaning assigned thereto in Metro Code section 7.01.010.

SECTION 2(b).

“Cleanup Material Contaminated By Hazardous Substances” means solid waste resulting from the cleanup of releases of hazardous substances into the environment, including petroleum contaminated soils and sandbags from chemical spills. Cleanup Material Contaminated By Hazardous Substances does not mean solid waste generated by manufacturing or industrial processes.

**SECTION 3.** Metro Code Section 5.02.045 is amended to read:

**5.02.045 System Fees**

(a) Regional System Fee: Solid waste system facility operators shall collect and pay to Metro a Regional System Fee of \$21.90 per ton for the disposal of solid waste generated, originating, collected, or disposed of within Metro boundaries, in accordance with Metro Code section 5.01.150.

(b) Metro Facility Fee: Metro shall collect a Metro Facility Fee of \$2.55 per ton for all solid waste delivered to Metro Central Station or Metro South Station.

(c) System fees described in paragraph (a) shall not apply to exemptions listed in Section 5.01.150(b) of this Code.

**SECTION 4.** Metro Code Section 5.02.047 is amended to read:

**5.02.047 Regional System Fee Credits**

(a) A solid waste facility which is certified, licensed or franchised by Metro pursuant to Metro Code Chapter 5.01 and which attains a Facility Retrieval Rate of 10 percent or greater shall be allowed a credit against the Regional System Fee otherwise due each month under Section 5.02.045 for disposal of Processing Residuals from the facility. The Facility Retrieval Rate and the Recovery Rate shall be calculated for each six-month period before the month in which the credit is claimed. The amount of such credit shall be in accordance with and no greater than as provided on the following table:

System Fee Credit Schedule

<u>Recovery Rate</u>		<u>System Fee Credit of no more than</u>
<u>From Above</u>	<u>Up To &amp; Including</u>	
0%	24.99%	0.00
24.99%	30%	3.00
30%	35%	6.46
35%	40%	8.00
40%	45%	9.82
45%	100%	12.00

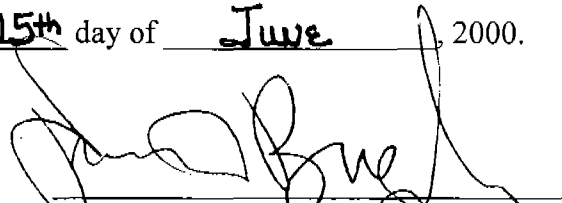
(b) The Executive Officer may establish additional administrative procedures regarding the Regional System Fee Credits, including, but not limited to establishing eligibility requirements for such credits and establishing incremental System Fee Credits associated with Recovery Rates which fall between the ranges set forth in paragraph (a) of this section.

(c) The following users of Metro solid waste system facilities shall be allowed a credit in the amount of \$9 per ton against the Regional System Fee otherwise due under Section 5.02.045(a):

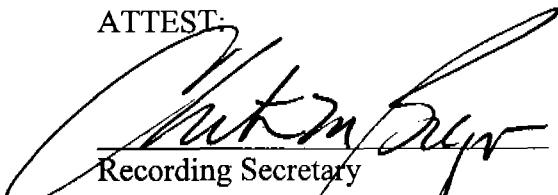
- (1) Users of Metro Central and Metro South Transfer Stations;
- (2) Any Person delivering authorized waste:
  - (A) to any landfill or other solid waste facility that is authorized to receive such waste through a Metro license, certificate, franchise or Designated Facility Agreement; or
  - (B) under the authority of a Metro Non-System License.

(d) Any person delivering Cleanup Material Contaminated By Hazardous Substances that is derived from an environmental cleanup of a nonrecurring event, and delivered to any Solid Waste System Facility authorized to accept such substances shall be allowed a credit in the amount of \$10.40 against the Regional System Fee otherwise due under Section 5.02.045(a) of this Chapter.

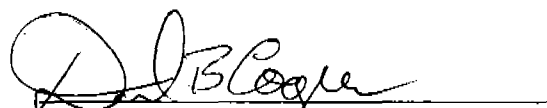
ADOPTED by the Metro Council this 15<sup>th</sup> day of June, 2000.

  
David Bragdon, Presiding Officer

ATTEST:

  
Recording Secretary

Approved as to Form:

  
Daniel B. Cooper, General Counsel

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(c) System fees described in paragraph (a) shall not apply to exemptions listed in Section 5.01.150(b) of this Code. †

- ~~(1) Inert material, including but not limited to earth, sand, stone, crushed stone, crushed concrete, broken asphaltic concrete and wood chips used at disposal facilities for cover, diking, road base, or other productive use at such solid waste disposal facilities;~~
- ~~(2) Solid waste received at facilities which are licensed, franchised or exempt from regulation under Metro Code Chapter 5.01 and which accomplish materials recovery and recycling as a primary operation; or~~
- ~~(3) Solid waste received at Transfer Facilities which deliver such wastes to a Metro-owned, licensed, franchised, or designated facility where Metro fees are collected and paid to Metro.~~

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(c) The following users of Metro solid waste system facilities shall be allowed a credit in the amount of \$9 per ton against the Regional System Fee otherwise due under Section 5.02.045(a):

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ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

\_\_\_\_\_  
David Bragdon, Presiding Officer

ATTEST:

Approved as to Form:

\_\_\_\_\_  
Recording Secretary

\_\_\_\_\_  
Daniel B. Cooper, General Counsel

**EXECUTIVE SUMMARY**  
**ORDINANCE NO. 00-866 AND ORDINANCE NO. 00-867**  
**AMEND METRO CODE RELATED TO FACILITIES AND SYSTEM FEE CREDITS**

**PROPOSED ACTIONS**

Adopt Ordinances No. 00-866 and No. 00-867, which amend the Metro Code Chapters 5.01 and 5.02, respectively, to implement the guiding policies contained in the RSWMP amendments under Ordinance No. 00-865 related to disposal sites.

**WHY NECESSARY**

- If Council were to approve amendments to the Regional Solid Waste Management Plan consistent with the option laid out in Ordinance No. 00-865, then Metro could begin considering applications for “large” transfer stations. To implement this change, Metro Code would be amended to formally define a “Regional Transfer Station,” to re-affirm the obligations currently specified in Metro Code for “large” transfer stations, and to include a minimum recovery rate requirement of 25% from non-putrescible waste.
- The recovery requirements would also be imposed on local transfer stations and MRFs, primarily for equity; but also to strengthen the effect of the policy by minimizing the number of alternatives that are not subject to the recovery requirement.
- The proposed revisions to the Code definitions clarifies the purpose, obligations and limits of specific solid waste facilities: reloads, local transfer stations and regional transfer stations.

**ISSUES / CONCERNS**

- This recovery rate reflects a balance between a number that is real and achievable at a solid waste facility, and a concern that too-high a standard might provide a disincentive to serve source-separation programs.
- The proposed amendments maintain a distinction between types of solid waste facilities, and specifies the level of public obligations and operating conditions that would be required of them.

**BUDGET / FINANCIAL IMPACTS**

- Metro’s costs change as tonnage shifts to new transfer stations. These changes are reflected in costs to operate its two transfer stations, and to transport and dispose of the waste. Generally these costs decline as the waste shifts to the new facilities. Under the scenario where two transfer stations are added to the system, the cost at Metro facilities would decline by over \$7 million (almost \$9.5 million in inflated dollars).
- While overall Metro’s costs decline as waste shifts to other facilities, its unit cost (cost per ton) increases. This is due to the declining block rate structure of its transfer station operation and disposal contracts, and the fixed costs charged only at Metro’s facilities. Metro’s unit cost for the two transfer stations would rise about \$1.70 per ton (\$2.26 in inflated dollars in 2010) under the scenarios above. If Metro makes no changes to its cost or rate structures, this might ultimately have to be reflected in the tip fee.



## STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 00-867 FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 5.02 RELATED TO REGIONAL SYSTEM FEE CREDITS AND MAKING RELATED CHANGES.

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DATE: June 1, 2000

Presented by: Terry Petersen  
Doug Anderson

### **Action Requested and Purpose of the Ordinance**

The Metro Council is considering Ordinance No. 00-865, which would amend the Regional Solid Waste Management Plan regarding disposal facilities; and Ordinance No. 00-866, which would amend Metro Code Chapter 5.01, "Solid Waste Facility Regulation," to implement these amendments.

If these Plan amendments and Code changes are adopted, it is also necessary to amend Metro Code Chapter 5.02, "Disposal Charges and User Fees," for consistency with the changes to Chapter 5.01. Specifically:

- Minimum recovery rates are imposed on solid waste facilities, and the Region System Fee credit schedule is amended to reflect the minimum.
- Certain materials are used beneficially at solid waste disposal sites, and Region System Fee credits are created to encourage this practice.

Please see the staff report for Ordinance No. 00-865 for the relationship between this Ordinance No. 00-867 and the other two companion ordinances.

The Council is requested to adopt Ordinance No. 00-867 if the Council adopts the two companion ordinances, No. 00-865 and No. 00-866.