

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE)	ORDINANCE NO. 07- 1159
CHIEF OPERATING OFFICER TO EXECUTE A)	
FRANCHISE AMENDMENT TO EXTEND THE)	Introduced by The Chief Operating Officer
TERM OF THE FOREST GROVE TRANSFER)	with Concurrence of Council President David
STATION FRANCHISE TO DECEMBER 31,)	Bragdon
2008		

WHEREAS, the Metro Council authorized the issuance of Metro Solid Waste Franchise No. FR-004 ("the Franchise") to the Forest Grove Transfer Station ("Forest Grove") on December 31, 1997, and thereby authorized Forest Grove to operate and maintain a solid waste transfer station; and

WHEREAS, the initial term of the Franchise was 5 years and the Franchise provided for an automatic extension, beginning on December 31, 2002, if Forest Grove was not in default under the Franchise at the end of the initial term; and

WHEREAS, on December 31, 2002, the expiration date of the Franchise was automatically extended, and the current expiration date of the Franchise is December 31, 2007; and

WHEREAS, the Metro Council has authorized the issuance of three local solid waste transfer station franchises that have expiration dates of December 31, 2008, and Metro Code Section 5.01.087 requires these three franchisees to submit renewal applications for Metro Council consideration and action no later than September 1, 2008; and

WHEREAS, the Solid Waste and Recycling Department is conducting the System Improvement Planning project, which will assess the best approach for putrescible waste allocation and which is scheduled for completion in early to mid-2008; and

WHEREAS, amending the Franchise to extend it one year to December 31, 2008, will allow the Department to complete the System Improvement Planning project before the Metro Council considers Forest Grove's application for renewal of the Franchise and also will provide the Metro Council the opportunity to consider all three local transfer station franchise renewal applications and the Forest Grove regional transfer station franchise renewal application concurrently in 2008; now therefore:

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The Metro Council hereby amends Metro Solid Waste Franchise No. FR-004 as provided in Exhibit A.

ADOPTED by the Metro Council this 14th day of August 2007.

Gesetzlich verabschiedet

Officially Approved

METRO COUNCIL

Regionaler Gemeinderat

Metro Council

David Bragdon, Council President

Attest:

Christina Billington, Recording Secretary

Approved as to Form:

Daniel B. Cooper, Metro Attorney

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1650 | FAX 503 797 1795



METRO

AMENDMENT NO. 2
TO METRO SOLID WASTE FACILITY FRANCHISE
NUMBER FR-004

FRANCHISEE: Waste Management of Oregon 7227 NE 55 th Avenue Portland, OR 97218 Tel (503) 992-3015 Fax (503) 357-4822	FACILITY NAME AND LOCATION: Forest Grove Transfer Station 1525 B Street Forest Grove, OR 97218 Tel (503) 992-3015 Fax (503) 357-4822
OPERATOR: Waste Management of Oregon 7227 NE 55 th Avenue Portland, OR 97218 Tel (503) 992-3015 Fax (503) 357-4822	PROPERTY OWNER: Waste Management of Oregon 7227 NE 55 th Avenue Portland, OR 97218 Tel (503) 992-3015 Fax (503) 357-4822

Issued in accordance with the provisions of Metro Code Chapter 5.01. Solid Waste Facility Franchise No. FR-004 is amended as follows:

Section 2 is amended to read as follows:

2. TERM AND APPLICABILITY OF FRANCHISE

2.1 The initial term of this Franchise shall be five (5) years commencing upon the execution of this Franchise and terminating five (5) years thereafter; provided, however, that if, at the end of the initial term of this Franchise, Franchisee is not then in default under this Agreement, the term of this Agreement shall be automatically extended for an additional five (5) years commencing on the expiration of the initial term. Commencing on December 31, 2007, the term of this Franchise shall be extended one year and the Franchise shall terminate on December 31, 2008.

The above amendment shall be effective upon the date signed by the Chief Operating Officer, and shall remain in effect until the expiration of this license.

METRO

Franchisee's Acceptance & Acknowledgement of Receipt

Signature

Signature of Franchisee

Michael Jordan,
Chief Operating Officer

Print name and title

Date

Date

M:\rem\od\projects\Legislation\2007\071159 Forest Grove Exhibit A.doc

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO.07-1159 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO EXECUTE A FRANCHISE AMENDMENT TO EXTEND THE TERM OF THE FOREST GROVE TRANSFER STATION FRANCHISE UNTIL DECEMBER 31, 2008

Date: July 12, 2007

Prepared by: Bill Metzler

BACKGROUND

The Forest Grove Transfer Station (FGTS) is operating under a Solid Waste Franchise agreement issued by Metro on December 31, 1997. The term of the franchise is five years (ending December 31, 2002) with an automatic extension for an additional five years (ending on December 31, 2007), provided that FGTS was not in default under the Franchise at the end of the initial term. FGTS is owned and operated by Waste Management of Oregon.

In addition to the FGTS – which is a regional transfer station, there are three other Metro franchised local transfer stations operating in the Metro region¹: Pride Recycling located in Sherwood, Willamette Resources Inc. (WRI) located in Wilsonville, and the Troutdale Transfer Station located in Troutdale. All three of the local transfer station franchises will expire on December 31, 2008.

Extending the term of the FGTS franchise for one year to expire on December 31, 2008 will allow the Metro Council to consider and act on all four Metro transfer station franchise renewal applications concurrently, and prior to their expiration at the end of 2008. In addition, the Solid Waste and Recycling Department is conducting the System Improvement Planning project, scheduled for completion in early to mid-2008, that will assess the best approach for putrescible waste allocation. Extending the term of the FGTS franchise for one year, through December 31, 2008, will allow for the completion of the System Improvement Planning project.

The FGTS accepts putrescible solid waste generated from inside and outside the Metro region, and has been operating since 1985 under authority of a Metro franchise issued in 1984. The FGTS also holds a Metro Non-System License (NSL) authorizing it to transport up to 160,000 tons of solid waste per calendar year to the Riverbend Landfill in McMinnville Oregon for disposal. In April 2007 there was an incident where FGTS exceeded tonnage caps imposed by its NSL. However, FGTS is regarded as well-run and has a good compliance record with all public health, safety, and environmental rules and regulations.

Ordinance No. 07-1159 will authorize the Chief Operating Officer to execute a Franchise amendment to extend the term of the Franchise for one year ending on December 31, 2008. The proposed franchise amendment (Amendment #2 to Franchise No. FR-004) is attached as Exhibit A to Ordinance No. 07-1159.

¹ The Columbia Environmental transfer station is not yet operational, but was issued a Metro franchise in 2005 to operate as a local transfer station with a putrescible waste tonnage cap of 38,000 tons per year.

ANALYSIS/INFORMATION

1. **Known Opposition:** There is no known opposition, however Waste Management has expressed its preference to obtain a standard five-year franchise renewal for the Forest Grove Transfer Station instead of the proposed one-year extension.
2. **Legal Antecedents:** The Metro Code Chapter 5.01, Metro Franchise No. FR-004.
3. **Anticipated Effects:** The resolution will authorize the Chief Operating Officer to execute a Franchise amendment that extends the term of the Forest Grove Transfer Station Franchise one year, starting December 31, 2007 and ending on December 31, 2008.
4. **Budget Impacts:** There are no budget impacts.

RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of Ordinance No. 07-1159.

M:\rem\od\projects\Legislation\2007\071159 Forest Grove Stfprt.doc