

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF GRANTING) RESOLUTION NO. 83-387
TO MARINE DROP BOX CO. A VARIANCE)
FROM THE MINIMUM BOND REQUIREMENT) Introduced by the
OF RESOLUTION NO. 81-281) Regional Services Committee

WHEREAS, Resolution No. 81-281 requires that the minimum corporate surety bond for franchised processing centers be \$25,000; and

WHEREAS, Marine Drop Box Co. which operates a franchised processing center, has requested a variance from the minimum bond requirement; and

WHEREAS, Metro staff has estimated the costs of cleaning up the site if it closed suddenly to be approximately \$8,000; now, therefore,

BE IT RESOLVED,

That the Council of the Metropolitan Service District grants Marine Drop Box a variance from the minimum bond requirement of Resolution No. 81-281 and requires that Marine Drop Box submit an \$8,000 bond.

ADOPTED by the Council of the Metropolitan Service District
this 27th day of January, 1983.



Presiding Officer

DO/gl
7545B/327
1/14/83

STAFF REPORT

Agenda Item No. 7.3

Meeting Date January 27, 1983

CONSIDERATION OF MARINE DROP BOX COMPANY'S
BOND VARIANCE REQUEST

Date: January 13, 1982

Presented by: Dennis O'Neil

FACTUAL BACKGROUND AND ANALYSIS

The Council has granted Marine Drop Box Company a franchise to operate a solid waste processing center. The site receives dunnage and debris from ships for recycling. Approximately 10,000 cubic yards of waste is received at the site each year.

Marine Drop Box is requesting a variance from the \$25,000 minimum performance bond requirement for processing centers and transfer stations set by Resolution No. 81-271. The bond requirement is the estimated cost of Metro cleaning up and operating sites where the operator has abruptly ceased operation and vacated the property. Marine Drop Box's operator, Mr. Miller, argued that since his operation is relatively small and his own semi-annual cleanup costs are only \$1,500 the minimum \$25,000 bond is excessive for his site. He suggested a \$5,000 reclamation bond which would have an annual premium of \$250. A \$25,000 bond would require an annual premium of \$2,525.

Metro's engineering staff has estimated that the approximate cost of cleaning up the site, including Metro's administrative expenses, is apparently \$8,000. The Solid Waste Policy Alternatives Committee recommended that the variance be granted and an \$8,000 bond be established.

EXECUTIVE OFFICER'S RECOMMENDATION

Grant Marine Drop Box's request for a variance from the \$25,000 bond minimum. Establish a \$8,000 minimum bond.

COMMITTEE CONSIDERATION AND RECOMMENDATION

On January 11, 1983, the Regional Services Committee recommended that Marine Drop Box Co. be granted a variance from the \$25,000 minimum bond requirement. The Regional Services Committee recommended that an \$8,000 bond be required.

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