

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF GRANTING A) RESOLUTION NO. 84-457
FRANCHISE TO AMBROSE CALCAGNO, JR.)
FOR THE PURPOSE OF OPERATING A) Introduced by the
SOLID WASTE TRANSFER FACILITY) Regional Services Committee

WHEREAS, Section 5.01.030(a) of the Metro Code requires a Metro franchise for any person to establish, operate, maintain or expand a disposal site, processing facility, transfer station or resource recovery facility within the District; and

WHEREAS, Ambrose Calcagno, Jr. has applied for a Metro franchise to operate a solid waste transfer station at 1525 "B" Street, Forest Grove, Oregon, to accept waste from Forest Grove Disposal, Pacific Garbage Service, Lou & Chuck's Sanitary Service and Eager Beaver Sanitary Service; and

WHEREAS, Ambrose Calcagno, Jr. owns a controlling interest in all four companies; and

WHEREAS, A west transfer station has not yet been built and Metro determines that there presently is a benefit to the region for a limited quantity of solid waste to flow to other solid waste disposal sites to avoid shortening the life of the St. Johns Landfill; and

WHEREAS, The recycling of newspaper, corrugated, waste paper, etc. is in conformance with the Metro Waste Reduction Plan; now, therefore,

BE IT RESOLVED,

That the Council of the Metropolitan Service District authorizes the District to enter into the attached Franchise

Agreement with the following conditions:

1. The Portland area Boundary Commission approves the annexation of the transfer station property by the city of Forest Grove.
2. The transfer station may accept waste only from the four companies listed above and only while the franchisee retains majority ownership.

The Council will again evaluate this franchise according to the criteria in Metro Code 5.01.070(b) before this franchise is renewed.

ADOPTED by the Council of the Metropolitan Service District this 22nd day of March, 1984.



Presiding Officer

DO/gl
0751C/373
02/23/84

STAFF REPORT

Agenda Item No. 6.6

Meeting Date March 22, 1984

CONSIDERATION OF A FRANCHISE FOR AMBROSE CALCAGNO,
JR., TO OPERATE A SOLID WASTE TRANSFER STATION

Date: February 15, 1984

Presented by: Dennis O'Neil

FACTUAL BACKGROUND AND ANALYSIS

Ambrose Calcagno, Jr., has applied for a Metro franchise to operate a solid waste transfer station at 1525 "B" Street, Forest Grove, Oregon. This transfer station is similiar in design and is about 40 percent as large as the public transfer station at the St. Johns Landfill. According to the applicant he will not accept solid waste from the general public, but will accept waste in compactor trucks from the four companies listed below:

| <u>Company</u> | <u>Estimated Tons Per Day</u> | <u>Estimated Tons Per Year</u> |
|--------------------------------|---------------------------------------|--|
| Forest Grove Disposal | 15 | 4,000 |
| Pacific Garbage Service | 10 | 2,550 |
| Lou & Chuck's Sanitary Service | 15 | 4,000 |
| Eager Beaver Sanitary Service | 10 | 2,550 |
| Total | 50 | 13,100 |

The transfer station will receive solid waste from about 36 compactor trucks per week for transport in 45 cubic yard drop boxes to the Riverbend Landfill near McMinnville. The applicant proposes to remove and recycle about 15 percent of the mixed waste as corregated, newspaper and waste paper.

Metro Code 5.01.120(1) requires that a franchise for a transfer station not be issued to anyone connected in any way with a collection company unless the transfer station "only receives waste collected by the franchisee." This subsection was included at the request of the collection industry. It can be argued that a variance from this subsection would not be necessary because the franchisee is Ambrose Calcagno, Jr. himself. Since Mr. Calcagno owns controlling interest in all four companies, his transfer station would be receiving waste collected by the franchisee.

A transfer station in Forest Grove does not conflict with the Solid Waste Management Plan, the COR-MET Plan adopted in 1975. When the Hillsboro Landfill closes there will be no solid waste disposal facility serving the collectors or the public which is located in

western Washington County. Also, commercial recycling at this station will foster the goals of the Waste Reduction Plan.

Metro proposes to build a transfer station in eastern Washington County in the Beaverton area. Three of the above companies (except Forest Grove Disposal) are located in this general area. Pacific Garbage Service collects waste as far east as S.W. 35th Avenue, Portland. It could be asked whether customers would best be served if the Metro transfer station were used for these three companies rather than by hauling waste to Forest Grove and then to McMinnville.

The applicant argues that the transfer station will improve business efficiency because it is currently less costly to transport waste from these companies to Forest Grove for transport to the landfill near McMinnville than it is to dispose of this waste at the St. Johns Landfill. Also there is a need to reduce solid waste quantities entering the St. Johns Landfill to extend its life. Finally, there will be no effect on existing disposal sites within the Metro boundary because all four companies are currently hauling their waste, except drop box waste, outside the Metro region. In addition, the Metro user fee and regional transfer charge is collected on solid waste from Metro which enters the McMinnville landfill.

Because no west transfer station yet exists and because there is a need to divert some flow to extend St. Johns Landfill life, it can be argued that the minimum allowable five-year franchise is needed and would not seriously conflict with Metro's overall solid waste plans. However, the Council should review this franchise when it terminates to decide if any conflict then exists.

Finally, land use approval is required before the Council can consider a franchise application. The city of Forest Grove has recently annexed the land for the transfer station and approved its use for this purpose. However, the Portland Metropolitan Boundary Commission has not yet approved this annexation. Therefore, the attached franchise agreement states that it does not take effect until the Boundary Commission approves the annexation.

EXECUTIVE OFFICER'S RECOMMENDATION

Grant to Ambrose Calcagno, Jr. a franchise for five years to operate a transfer station accepting solid waste from Forest Grove Disposal, Pacific Garbage Service, Lou & Chuck's Sanitary Service and Eager Beaver Sanitary Service with the following conditions:

1. The franchise does not take effect until the Portland Metropolitan Boundary Commission ratifies the decision by the city of Forest Grove to annex the transfer station property.
2. The transfer station accepts waste only from the four companies in which Ambrose Calcagno, Jr. owns a majority interest.

3. Before the franchise is renewed the Council again evaluates the franchise according to the criteria in Metro Code 5.01.070(b) to determine whether or not it should be renewed.

COMMITTEE CONSIDERATION AND RECOMMENDATION

On March 6, 1984, the Regional Services Committee recommended approval of Resolution No. 84-457.

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FRANCHISE NO.: 4
DATE ISSUED: March 22, 1984
EXPIRATION DATE: March 22, 1989

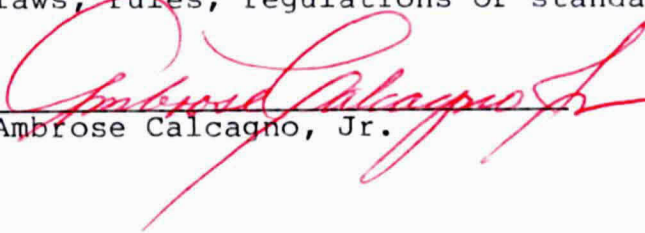
SOLID WASTE FRANCHISE
issued by the
METROPOLITAN SERVICE DISTRICT
527 SW Hall Street
Portland, Oregon 97201
503-221-1646


ISSUED TO:

NAME OF FRANCHISEE: Ambrose Calcagno, Jr.
ADDRESS: 1525 "B" Street
P. O. Box 8
CITY, STATE, ZIP: Forest Grove, Oregon 97116
NAME OF OPERATOR: Ambrose Calcagno, Jr.
PERSON IN CHARGE: Ambrose Calcagno, Jr.
ADDRESS: 1525 "B" Street
CITY, STATE, ZIP: Forest Grove, Oregon 97116
TELEPHONE NUMBER: (503) 357-9222

This Franchise agreement shall not become effective until the proposed transfer station property is annexed to the city of Forest Grove and this annexation is approved by the Portland Area Boundary Commission.

This Franchise will automatically terminate on the expiration date shown above, or upon modification, revocation or suspension, whichever occurs first. Until this Franchise terminates, Ambrose Calcagno, Jr. is authorized to operate and maintain a transfer station located at 1525 "B" Street, Forest Grove, Oregon 97116, for the purpose of accepting and transferring solid waste in accordance with the Metro Code and the attached Schedules A, B, C and D. This Franchise may be revoked at any time for any violation of the conditions of this Franchise or the Metro Code. This Franchise does not relieve the Franchise Holder from responsibility for compliance with ORS Chapter 459 or other applicable federal, state or local laws, rules, regulations or standards.


Ambrose Calcagno, Jr.


Presiding Officer, Council
Metropolitan Service District

FRANCHISE CONDITIONS

Franchise Number:

Expiration Date:

SCHEDULE A

AUTHORIZED AND PROHIBITED ACTIVITIES

- SA-1 The Franchise Holder is authorized to accept solid wastes as defined in Metro Code Chapter 5.01 from his own collection vehicles, in order to consolidate waste in drop boxes for delivery to a Metro franchised or authorized disposal facility and to separate out recyclable materials such as wastepaper, cardboard and newspaper.
- SA-2 The Franchise Holder may accept solid waste as defined in Metro Code Chapter 5.01 only from businesses owned or controlled by the franchisee. These businesses include Forest Grove Disposal, Eager Beaver Sanitary Service, Ambrose Calcagno and Son dba Pacific Garbage Service and Public Sanitary Service Inc. dba Lou and Chuck's Sanitary Service, all of which are owned and controlled by Ambrose Calcagno, Jr.
- SA-3 The Franchise Holder may not accept mixed solid waste from the public including the franchise holders solid waste collection customers at the transfer facility.
- SA-4 The Franchise Holder may accept source separated solid waste from the public.

FRANCHISE CONDITIONS

Franchise Number:

Expiration Date:

SCHEDULE B

MINIMUM MONITORING AND REPORTING REQUIREMENTS

SB-1 The Franchise Holder shall effectively monitor the transfer station operation and maintain records of the following required data to be submitted to Metro:

- a. Name and address of the Franchise Holder
- b. Month and year of each report

| <u>Item</u> | <u>Minimum Monitoring Frequency</u> |
|---|-------------------------------------|
| a) Cubic yards or tons of solid waste deposited at the transfer station by the Franchise Holder's collection vehicles classified among compacted, noncompacted, and special loads | Daily |
| b) Number of truck loads received at the transfer station. | Daily |
| c) Detailed explanation of any adjustments made to the amount of fees pursuant to SB-3 below. | Each Occurance |

Signature and title of the Franchise Holder or his agent.

SB-2 Monitoring results shall be reported on approved forms. The reporting period is the calendar month. Reports must be submitted to Metro by the 20th day of the month following the end of each month.

SB-3 In accordance with the provisions of Metro Code 5.01.150 and Metro Code 5.02.045 (user fee) and 5.02.050 (transfer charge), the Franchise Holder shall submit to Metro on an approved form a monthly User Fee statement and payment. The Franchise Holder shall pay Metro user fee for all mixed solid wastes which are not separated at the source and which are accepted by the franchisee at the facility. The statement and payment shall be submitted on or before the 20th day of each month following the preceeding month of operation. User fee schedules are subject to revisions in accordance with Metro ordinances, rules and regulations promulgated after the date of this franchise agreement.

- SB-4 From the total user fee discussed in SB-3 the Franchise Holder may deduct user fees paid by the Franchise Holder to District approved disposal sites for solid wastes delivered by the Franchise Holder. Such deductions shall be supported by proof acceptable to Metro.
- SB-5 The Franchise Holder shall pay an annual franchise fee established by the Council within 30 days of the effective date of the franchise agreement.
- SB-6 The Franchise Holder shall report to the District any changes in excess of five (5%) percent of ownership of the Franchise Holder's corporation or similar entity, or of the partners of a partnership within ten days of such changes of ownership.
- SB-7 The Franchise Holder will file monthly with Metro a report indicating the types (wood, paper, cardboard, metal, glass, etc.) quantities (tonnage/cubic yards) and selling price of source separated and non-source separated solid wastes accepted at the facility and not disposed of at a District approved site.

FRANCHISE CONDITIONS

Franchise Number:

Expiration Date:

SCHEDULE C

COMPLIANCE CONDITIONS AND SCHEDULES

- SC-1 The Franchise Holder shall furnish Metro with proof of public liability insurance including automotive coverage within ten (10) days after receipt of the order granting this franchise. Said insurance shall be in the amounts of not less than \$300,000 for any number of claims arising out of a single accident or occurrence, \$50,000 to any claimant for any number of claims for damage to or destruction of property and \$100,000 to any claimant for all other claims arising out of a single accident or occurrence or such other amounts as may be required by State law for public contracts. The District shall be named as an additional insured in the policy.
- SC-2 The franchise insurance set forth in SC-1 shall be maintained during the term of the franchise. The Franchise Holder shall give thirty (30) days prior written notice to the District of any lapse or proposed cancellation of insurance coverage.
- SC-3 The Franchise Holder shall obtain a corporate surety bond in the amount of \$25,000.00 within ten (10) days after receipt of the order granting this franchise. Said bond shall guarantee full and faithful performance by the franchisee during the term of this franchise of the duties and obligations of this franchise agreement.
- SC-4 The franchise corporate surety bond in the amount set forth in SC-3 shall be maintained by the Franchise Holder during the term of the franchise. The Franchise Holder shall give thirty (30) days written prior notice to the District of any lapse or proposed cancellation of the bond.
- SC-5 All non-putrescible solid wastes accepted by the Franchise Holder at the facility and not recovered for reuse or recycling shall be delivered at the end of each work day to a Metro approved or franchised solid waste facility.
- SC-6 The Franchise Holder shall not stockpile mixed loads of food waste, food containers, or material contaminated by putrescible waste for more than one working day. Mixed waste from commercial vehicles temporarily stored at the site shall be delivered at the end of each working day to a Metro approved or franchised general purpose solid waste facility. For the purpose of this regulation, waste from compactor trucks shall be assumed to contain putrescible solid waste.

- SC-7 The Franchise Holder may not lease, assign, mortgage, sell or otherwise transfer, either in whole or in part, its franchise to another person without prior approval by the District.
- SC-8 The Franchise Holder may contract with another person to operate the processing center only upon ninety (90) days prior written notice to the District and the written approval of the Executive Officer. If approved, the franchisee shall remain responsible for compliance with this franchise agreement.

FRANCHISE CONDITIONS

Franchise Number:

Expiration Date:

SCHEDULE D

GENERAL CONDITIONS

- SD-1 All notices required to be given to the franchisee under this franchise agreement shall be given to Ambrose Calcagno, Jr., Forest Grove Disposal, 1525 "B" Street, P. O. Box 8, Forest Grove, Oregon 97116. All notices and correspondence required to be given to Metro under this franchise shall be given to the Solid Waste Director, Solid Waste Department, Metro, 527 S.W. Hall, Portland, Oregon 97201.
- SD-2 The conditions of this Franchise agreement shall be binding upon the Franchise Holder, and the Franchise Holder shall be responsible for all acts and omissions of all contractors and agents of the Franchise Holder.
- SD-3 In the event that the transfer station is to be closed permanently or for an indefinite period of time during the effective period of this Franchise, the Franchise Holder shall provide Metro with written notice, at least ninety (90) days prior to closure, of the proposed time schedule and closure procedures.
- SD-4 The Franchise Holder shall submit a duplicate copy to the District of any information required by the Department of Environmental Quality (DEQ) pertaining to the processing facility during the term of the Franchise. Such information shall be forwarded to the District within two (2) working days of their submission to DEQ.
- SD-5 In the event a breakdown of equipment, flooding, fire, sliding or other occurrence causes a violation of any conditions of this Franchise Agreement or of the Metro Code, the Franchise Holder shall:
- a. Immediately take action to correct the unauthorized condition or operation.
 - b. Immediately notify Metro so that an investigation can be made to evaluate the impact and the corrective actions taken and determine additional action that must be taken.
- SD-6 If the Executive Officer finds that there is a serious danger to the public health or safety as a result of the actions or inactions of a franchisee he/she may take whatever steps necessary to abate the danger without notice to the franchisee.

SD-7 Authorized representatives of Metro shall be permitted access to the premises of the waste disposal facility owned or operated by the Franchise Holder at all reasonable times for the purpose of making inspections, surveys; collecting samples; obtaining data; examining books, papers, records and equipment; performing any investigation as may be necessary to verify the accuracy of any return made, or if no return is made by the franchisee, to ascertain and determine the amount required to be paid; and carrying out other necessary functions related to this Franchise and the Metro Code. Access to inspect is authorized:

- a. during all working hours;
- b. at other reasonable times with notice;
- c. at any time without notice where, at the discretion of the Metro Solid Waste Division Director, when such notice would defeat the purpose of the entry.

SD-8 This Franchise Agreement is subject to suspension, modification, revocation or nonrenewal upon finding that a franchisee has:

- a. Violated the Disposal Franchise Ordinance, the Metro Code, ORS Chapter 459 or the rules promulgated thereunder or any other applicable law or regulation; or
- b. Misrepresented material facts or information in the franchise application or other information required to be submitted to the District;
- c. Misrepresented the gross receipts from the operation of the franchised site, facility or station; or
- d. Failed to pay when due the fees required to be paid under this Ordinance.

SD-9 This Franchise Agreement, or a photocopy thereof, shall be displayed where it can be readily referred to by operating personnel.

SD-10 The granting of this franchise shall not vest any right or privilege in the franchisee to receive specific types or quantities of solid waste during the term of the franchise.

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