

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPROVING)	RESOLUTION NO. 84-521
THE TRANSFER OF FRANCHISE PERMIT)	
FROM RIEDEL INTERNATIONAL, INC.)	Introduced by the
TO KFD, INC.)	Executive Officer

WHEREAS, Section 5.01.090 of the Metropolitan Service District (Metro) Code requires that a franchisee may not transfer its franchise unless an application has been filed in accordance with Section 5.01.060 of the Metro Code and has been granted the transfer approval by the Council; and

WHEREAS, Riedel International, Inc. owns and operates a solid waste disposal facility, Killingsworth Fast Disposal, at 5700 N. E. 75th, Portland, Oregon, which accepts wood, concrete, metal and other demolition material under Metro Franchise Permit No. 3; and

WHEREAS, Riedel International, Inc. is transferring ownership and operation of the Killingsworth Fast Disposal to KFD, Inc., and has requested that Permit No. 3 be transferred to KFD, Inc.; and

WHEREAS, KFD, Inc. has filed the appropriate application and has met the requirements of Sections 5.01.090 and 5.01.060 of the Code as set out in the Staff Report; now, therefore,

BE IT RESOLVED,

That the Council of the Metropolitan Service District

authorizes the transfer of Franchise Permit No. 3 from Riedel International, Inc. to KFD, Inc.

ADOPTED by the Council of the Metropolitan Service District
this 13th day of December, 1984.

Cortez Kirkpatrick

Presiding Officer

MJA/gl
2457C/402-2
11/27/84

EXHIBIT A
1984-85 GOALS

	<u>DBE</u>	<u>WBE</u>
Construction	10	1
Labor and Materials	5	2
Personal Services	5	3
Procurement	1	.5
DOT Assisted	<u>10</u>	<u>3</u>
Overall Goal Total	6.2%	1.9%

HB/srb
2181C/402-4
10/26/84

5.01.060 Applications:

(a) Applications for a franchise or for transfer of any interest in, modification, expansion, or renewal of an existing franchise shall be filed on forms provided by the Executive Officer.

(b) In addition to the information required on the forms, applicants must submit the following to the Executive Officer:

(1) Proof that the applicant can obtain and will be covered during the term of the franchise by a corporate surety bond guaranteeing full and faithful performance by the applicant of the duties and obligations of the franchise agreement. In determining the amount of bond to be required, the Executive Officer may consider the size of the site, facility or station, the population to be served, adjacent or nearby land uses, the potential danger of failure of service, and any other factor material to the operation of the franchise.

(2) In the case of an application for a franchise transfer, a letter of proposed transfer from the existing franchisee.

(3) Proof that the applicant can obtain public liability insurance, including automotive coverage, 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.

(4) If the applicant is not an individual, a list of stockholders holding more than five (5%) percent of a corporation or similar entity, or of the partners of a partnership. Any subsequent changes in excess of five (5%) percent of ownership thereof must be reported within ten (10) days of such changes of ownership to the Executive Officer.

(5) A duplicate copy of the DEQ disposal site permit application and any other information required by or submitted to DEQ pursuant to ORS ch. 459.

(6) Signed consent by the owner(s) of the property to the proposed use of the property. The consent shall disclose the property interest held by the franchisee, the duration of that interest and shall include a statement that the property owner(s) have read and agree to be bound by the provisions of Section 5.01.190(e) of this chapter if the franchise is revoked or franchise renewal is refused.

(7) Proof that the applicant has received proper land use approval.

(8) Such other information as the Executive Officer deems necessary to determine an applicant's qualifications.

(c) Disposal sites, transfer stations, and processing facilities which are operating on the effective date of this chapter under a District Certificate or Agreement may continue service under the conditions of their District Certificate or Agreement until their franchise application is granted or denied provided, however, an abbreviated application form provided by the Executive Officer has been submitted to the District within thirty (30) days after receipt of such application. Applications filed pursuant to this section shall not be unreasonably denied.

(d) An incomplete or insufficient application shall not be accepted for filing. (Ordinance No. 81-111, Sec. 7; amended by Ordinance No. 82-136, Sec. 2)

STAFF REPORT

Agenda Item No. 8.2

Meeting Date Dec. 13, 1984

CONSIDERATION OF RESOLUTION NO. 84-521 APPROVING
THE TRANSFER OF FRANCHISE PERMIT FROM RIEDEL
INTERNATIONAL, INC. TO KFD, INC.

Date: November 27, 1984

Presented by: Mary Jane Aman

FACTUAL BACKGROUND AND ANALYSIS

On November 4, 1982, the Metro Council adopted Resolution No. 82-362 authorizing the franchise for the disposal operation at the Killingsworth Fast Disposal site. At that time, the operation was owned and operated by Riedel International, Inc., and the franchise was issued to Riedel International, Inc. By January 1985, ownership and operation of the Killingsworth Fast Disposal Landfill will be transferred to another of the Riedel group companies, KFD, Inc.

In order to transfer the franchise from Riedel to the new KFD, Inc., a transfer application must be filed and a new resolution adopted as set out in the Metro Code Section 5.01.090, Transfer of Franchise. That section requires the submission of a formal application which satisfies the conditions of Metro Code Section 5.01.060, Application for Franchise. Those conditions are set out in Exhibit "A" to this Staff Report. The transferee has met all of the conditions by providing a completed application along with (1) proof of ability to obtain required insurance and bonding; (2) letter of intent to transfer from Riedel International; (3) information on ownership of new entity; (4) proof of DEQ site permit application; and (5) signed consent of the property owner.

Therefore, the staff proposes the adoption of Resolution No. 84-521 to transfer Franchise Permit No. 3 from Riedel International, Inc. to KFD, Inc.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 84-521.

MJA/gl
2457C/402-3
11/30/84

FRANCHISE CONDITIONS

Franchise Number: _____

Expiration Date: _____

SCHEDULE E

DISPOSAL RATES

SE-1 In accordance with the variance granted by the Metro Council, the rates charged at this facility will be exempt from Metro regulations, Metro User Fee payments and Metro Regional Transfer Charge payments, except that the Executive Officer shall annually review the rates according to the following data and formula to determine whether the variances should be continued for the following year.

- Disposal Revenue collected at the facility.
- Salvage revenue will be calculated based on reports from OWM which indicate quantities of recovered materials by categories consistent with the "San Francisco Board Price Yellow Sheet" publications and product price will be determined from the same publications.
- Disposal cost will be calculated from the reported quantities delivered to Metro authorized landfills.
- Transfer cost will be based on actual hauling contracts negotiated by OWM.
- Inflation shall be based on the Consumer Price Index for the state of Oregon.
- Volume adjustment shall be 1 percent for each 1 percent increase over 24,000 tons of mixed waste processed at the facility annually.

The following formula will be used to review the disposal rate annually in conjunction with the annual report to be submitted under Schedule B, Item 8.

$$\text{Disposal Revenue} + \text{Salvage Revenue} - \text{Disposal Cost} - \text{Transfer Cost} = (\text{Operating Cost} + \text{Profit}) \times (\text{Inflation Adjustment}) \times (\text{Volume Adjustment})$$

The base (operating cost + profit) which is based on the projections submitted in the application, equals \$

ES/srs
2496C/401-3
12/04/84