

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AMENDING ) RESOLUTION NO. 87-729  
RESOLUTION NO. 86-659, REVISING )  
THE FY 1986-87 BUDGET AND )  
APPROPRIATIONS, AND AUTHORIZING )  
ADVANCE PAYMENTS TO DEQ FOR )  
LANDFILL SITING )

WHEREAS, Senate Bill 662 assigns landfill siting responsibility to the Oregon Department of Environmental Quality (DEQ); and

WHEREAS, The Metropolitan Service District is collecting a Landfill Siting Fee of \$1.00 per regional ton payable to DEQ for this purpose; and

WHEREAS, DEQ expenditures are projected to exceed the projected rate of collection fees incurring a cash deficit; and

WHEREAS, DEQ projects a need for cash advances in March, April, May and June 1987 in addition to regular Landfill Siting Fee payments; and

WHEREAS, Sufficient reserves exist in the Solid Waste Operating Fund to make advance payments; now, therefore,

BE IT RESOLVED,

1. That the Executive Officer is authorized and directed to make advance payments to the Department of Environmental Quality for landfill siting in an amount not to exceed \$290,000.

2. That Resolution No. 86-659, Exhibit A, FY 1986-87 Budget, and Exhibit B, Schedule of Appropriations, are hereby amended as shown in Exhibits A and B to this resolution.

3. That the \$1.00 per ton Landfill Siting Fee shall continue to be collected until the Solid Waste Operating Fund is reimbursed for the advance payments.

ADOPTED by the Council of the Metropolitan Service District  
this 8th day of January, 1987.

  
Richard Waker, Presiding Officer

JS/gl  
6753C/491-2  
12/30/86

EXHIBIT "A"

SOLID WASTE OPERATING FUND

	<u>Current Budget</u>	<u>Revision</u>	<u>Proposed Budget</u>
<u>Personal Services</u>	\$1,113,807	-0-	\$1,113,807
<u>Materials &amp; Services</u>			
Payments to other Agencies	\$1,702,800	\$ 290,000	\$1,992,800
ALL OTHER ACCOUNTS	<u>6,447,520</u>	-0-	<u>6,447,520</u>
	\$8,150,320	\$ 290,000	\$8,440,320
Capital Outlay	\$ 88,800	-0-	\$ 88,800
Transfers	4,224,360	-0-	4,224,360
Contingency	1,628,485	(290,000)	1,338,485
Unappropriated Balance	<u>63,333</u>	-0-	<u>63,333</u>
	\$15,269,105	-0-	\$15,269,105

ST. JOHNS LANDFILL PROGRAM  
(For information Only)

<u>Materials &amp; Services</u>			
Payments to other Agencies	\$ 845,000	\$ 290,000	\$1,135,000
All Other Accounts	<u>3,348,900</u>	-0-	<u>3,348,900</u>
Total Materials & Services	\$4,193,900	\$ 290,000	\$4,483,900
Contingency	\$ 709,883	(290,000)	419,883
ALL OTHER ACCOUNTS	<u>2,608,677</u>	-0-	<u>2,608,677</u>
Total Program	\$7,512,460	-0-	\$7,512,460

6753C/491-1  
12/29/86

## EXHIBIT "B"

## SCHEDULE OF APPROPRIATIONS

	<u>Current</u> <u>Appropriations</u>	<u>Revision</u>	<u>Proposed</u> <u>Appropriations</u>
<u>SOLID WASTE OPERATING FUND</u>			
Personal Services	\$1,113,807	-0-	\$1,113,807
Materials & Services	8,150,320	290,000	8,440,320
Capital Outlay	\$ 88,800	-0-	\$ 88,800
Transfers	4,224,360	-0-	4,224,360
Contingency	1,628,485	(290,000)	1,338,485
Unappropriated Balance	63,333	-0-	63,333
	<u>\$15,269,105</u>	<u>-0-</u>	<u>\$15,269,105</u>

No other appropriation changes in any funds.

6753C/491-1  
12/29/86

STAFF REPORT

Agenda Item No. 8.4

Meeting Date Jan. 8, 1987

CONSIDERATION OF AMENDING RESOLUTION NO. 86-659,  
REVISING THE FY 1986-87 BUDGET AND APPROPRIATIONS,  
AND AUTHORIZING ADVANCE PAYMENTS TO DEQ FOR  
LANDFILL SITING

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Date: December 30, 1986

Presented by: Doug Drennen  
Jennifer Sims

FACTUAL BACKGROUND AND ANALYSIS

The purpose of this Staff Report is to introduce Resolution No. 87-729 which amends the FY 1986-87 Budget and Appropriations and authorizes advance payments of the Landfill Siting Fee to the Department of Environmental Quality in an amount not to exceed \$290,000. The Landfill Siting Fee is a \$1.00 per regional ton charge which Metro is required to collect per SB 662.

The agency is required to complete its landfill siting process by July 1, 1987. Other than some minor legal and incidental costs, most of the expenses will be incurred before that date. DEQ is requesting an advance since program costs will exceed the amount of revenue generated by \$1.00 per ton fee during the period from March through June. This creates a cash flow problem for the agency.

The DEQ anticipated a revenue shortfall earlier and have borrowed \$549,000 from the Pollution Control Bond fund. This was approved by the Emergency Board in April of this year. But cost of studying the final three sites is expected to exceed these costs, therefore, creating additional cash flow problems. No more bond money is available, therefore, limiting DEQ's options.

Section 7(1)(i) requires Metro to pay to DEQ all costs associated with landfill siting and to reimburse DEQ for cost incurred including repayment of monies borrowed from the Pollution Control fund.

The higher than expected costs will, according to a letter from Steve Greenwood, the Facility Siting Project Manager, pay for: 1) alternative choices of site designs; 2) increased technical investigation of each site; 3) detail regarding site engineering and operations; and 4) environmental planning in preparation for an assessment which may be required to receive federal permits for the site selected.

DEQ staff has performed a cash flow analysis, and they project that funds in excess of the \$1.00 per ton will be required according to the following schedule:

March 1987	\$158,400
April 1987	44,000
May 1987	30,800
June 1987	<u>56,800</u>
Total	\$290,000

Advance payments will be requested by DEQ on an as-needed basis, at no more than monthly intervals between March and June 1987. This will be in addition to the current regular monthly payments for actual waste disposed (approximately \$80,000 per month). After DEQ's costs have been covered, Metro will need to continue to collect the Landfill Siting Fee beyond July 1, 1987, to reimburse DEQ for the Pollution Control Bond funds; to pay any incremental cost associated with pursuing the final landfill site; and to reimburse the Operating fund for advancing the funds to DEQ.

#### Budget Action

The proposed budget action transfers funds from Contingency to the Materials & Services line item called Payment to Other Agencies. This would be charged to the St. Johns Landfill program. This action is within the Council's authority and does not require TSCE review.

DD/gl  
6753C/491-2  
12/30/86

Councilor Kirkpatrick asked the Legislative Planning Committee to work with county election officials in order to have a March Zoo levy election conducted in one mode. She said current plans called for Washington and Clackamas Counties conducting the election by mail and Multnomah County by regular ballot. She explained that situation would require two different campaigns.

Councilor Ragsdale said although he would support the transportation legislative package, he was concerned that the Oregon Department of Transportation (ODOT) had consistently underfunded the Metro region.

Motion: Councilor DeJardin moved, seconded by Councilor Hansen, to adopt Resolution No. 87-702 with the exclusion of the legislative program entitled "Administration."

Vote: A vote on the motion resulted in all eleven Councilors present voting aye. Presiding Officer Waker was absent.

The motion carried and Resolution No. 87-702 was adopted as amended.

8.3 Consideration of Resolution No. 87-728, for the Purpose of Reappointing Citizen Members to the Solid Waste Rate Review Committee

Ray Barker, Council Assistant, presented staff's report.

Motion: Councilor Kirkpatrick moved to adopt the Resolution and Councilor Van Bergen seconded the motion.

Vote: A vote on the motion resulted in all eleven Councilors present voting aye. Presiding Officer Waker was absent.

The motion carried and Resolution No. 87-728 was adopted.

8.4 Consideration of Resolution No. 87-729, for the Purpose of Revising the FY 1986-87 Budget and Appropriations, and Authorizing Advance Payments to the Department of Environmental Quality (DEQ) for Landfill Siting (Public Hearing)

Doug Drennen, Solid Waste Engineering and Analysis Manager, introduced Steve Greenwood and Lydia Taylor of the DEQ. Mr. Drennen briefly reviewed staff's report as printed in the agenda materials.

Deputy Presiding Officer Gardner opened the public hearing on the Resolution.

Estle Harlan, representing the Tri-County Council of the solid waste industry, objected to the proposed transfer of funds from Metro to the DEQ. She requested Metro ask the Legislature to place a limit on the amount of money DEQ could spend for landfill siting. She stressed that Metro's Solid Waste Operating Contingency Fund was not an endless money source for financing special projects.

Deputy Presiding Officer Gardner explained the Council's Solid Waste Committee shared many of Ms. Harlan's concerns and would discuss the issue at a future Committee meeting.

Steve Greenwood of the DEQ reported the Legislature had initially granted the Department \$2.47 million to site a new regional landfill. However, DEQ was requesting Metro advance them additional funds in order to complete necessary tasks to conclude the process by July 1, 1987. The funds would be repaid to Metro at a later date. If Metro did not advance DEQ additional funds, DEQ would have to increase landfill fees, he said.

A discussion continued about the financial status of the landfill siting project. Councilors Kirkpatrick, Knowles, Collier and Hansen all expressed concern and frustration because the DEQ was spending large amounts on the project Metro would eventually operate and the Council had not seen expense reports. Councilor Kirkpatrick added the situation was especially frustrating because Metro had already spent money on a different siting process. She suggested the Council send the matter back to the Emergency Board of the Legislature and that DEQ provide the Council with an audit of program expenses.

Mr. Greenwood expressed his concern about the Council's discussion. He said DEQ had offered to provide staff with information and the agency's monthly financial reports were public record. He stressed the additional funds were needed not because of bad management but because extra drilling and engineering work were needed in order to make a better siting decision.

Councilor Ragsdale noted his comments did not reflect on the quality of work done by DEQ but rather on the fact that Senate Bill 662 was bad legislation. He was not comfortable with granting a transfer of funds when Metro had no control over how the DEQ would spend the money and because Metro had been put in the position of tax collector for the Legislature's Emergency Board.

Lydia Taylor, Management Services Administrator for the DEQ, explained DEQ's request for a cash advance of Metro would greatly simplify the siting process and schedule. If Metro denied this request, the DEQ would be required to draft a full piece of legislation, she said.



Metro Council  
January 8, 1987  
Page 16

In response to Deputy Presiding Officer Gardner's question, Ms. Taylor said DEQ could not request additional funds of the Pollution Control Board, as had been done before, without another bond sale.

The Council further discussed their concerns with DEQ's request. Councilor DeJardin urged the Council not to impede the siting process by failing to adopt the Resolution. He explained that ordinarily he would oppose granting the advance when Metro seemed to have no control over expenditures, but he thought it more important to complete the siting process of July 1, 1987.

Councilor Kelley reported the Solid Waste Committee had expressed many of the same frustrations raised at this meeting. She said, however, she would support the Resolution because the alternative of raising landfill fees was not acceptable.

Councilor Ragsdale said he would not have supported the Resolution if it were possible for the DEQ to request funds from the Emergency Board. However, because the Board had already conducted its last meeting before the Legislature convened, he fully understood that to introduce a full piece legislation in order to get the additional funds needed would greatly interrupt the siting process.

Councilor Hansen said he was a critic of DEQ's financial process but to delay the process further by not adopting the Resolution would further increase the cost of siting and Metro to be asked to pay that extra cost.

Motion: Councilor Kirkpatrick moved, seconded by Councilor Collier, that due to the initial \$1.3 million siting budget being increased to \$2.4 million, a letter be directed to the appropriate Legislative committee expressing the Council's concern that the funding advance granted by Metro represented a ceiling on landfill siting spending and that any extension of the July 1, 1987, siting deadline by the Legislature would result in withdrawal of Metro's financial support; and the Council be provided an audit and regular financial reports on DEQ's expenses for the landfill siting process.

Councilor Collier suggested the letter could be jointly signed by Metro and the DEQ. In response to Councilor Cooper's question, Councilor Collier said if DEQ did not sign the letter, the Council could repeal Resolution No. 87-729 and stop payments.

Councilor Hansen advised deferring the letter proposal to the Council's Solid Waste Committee. Councilor Kirkpatrick said she

would not object to the Committee discussing the letter concept if adoption of the Resolution were also delayed.

Mr. Greenwood explained if the Council delayed adoption of the Resolution until January 22, the DEQ would not be able to fund important tests that would provide information for inclusion into a draft siting report due for public distribution in April.

Councilor Knowles said he would not support the motion because Metro could not force DEQ to sign the letter. He agreed circumstances were uncomfortable but said Metro had to be responsible and move ahead with the project.

Mr. Greenwood said he was not comfortable with the proposal that funds be withdrawn if the July 1 deadline were extended because unforeseen factors could cause the Legislature to change the date. Councilor Kirkpatrick said she would be willing to negotiation if that were eventually the case.

Vote: A vote on the motion to send DEQ a letter resulted in:

Aye: Councilor Kirkpatrick

Nays: Councilors Bonner, Collier, Cooper, DeJardin, Gardner, Hansen, Kelley, Knowles, Ragsdale and Van Bergen

Absent: Councilor Waker

The motion failed.

Motion: Councilor Kirkpatrick moved, seconded by Councilor Ragsdale, to adopt Resolution No. 87-729.

Vote: A vote on the motion resulted in all eleven Councilors present voting aye. Presiding Officer Waker was absent.

The motion carried and Resolution No. 87-729 was adopted.

8.5 Consideration of Resolution No. 87-721, for the Purpose of Stating the Availability of Clackamas Transfer & Recycling Center Property

Debbie Allmeyer, Solid Waste Analyst, summarized staff's report as contained in the written meeting agenda materials. She explained staff recommended adoption of the Resolution in response to a request from one of the proposers for the Resource Recovery Project for a statement of site availability. She emphasized that in stating the