

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ADOPTING A	)	RESOLUTION NO. 88-835C
POLICY TO ESTABLISH THAT THE)	
METRO EAST TRANSFER & RECYCLING	)	Introduced by
CENTER(S) MAY BE PUBLICLY OR	)	Councilor Hansen
PRIVATELY OWNED AND THAT NOTICE BE)	
POSTED TO REQUEST THAT POTENTIAL)	
VENDORS OBTAIN LAND USE PERMITS)	
FOR PROPOSED TRANSFER STATION)	
SITES)	

WHEREAS, The Oregon Revised Statute Chapters 268 and 459 provide for the development of a Solid Waste Management Plan; and

WHEREAS, The Metropolitan Service District is the primary provider of the solid waste disposal system in the Portland metropolitan area; and

WHEREAS, Resolution No. 84-506 established specific transfer station policies and strategies for the purpose of indicating the direction the Council of the Metropolitan Service District intends to proceed as it relates to solid waste management in the Portland metropolitan area; and

WHEREAS, Council Resolution No. 87-785A initiated an update to the regional Solid Waste Management Plan in part by establishing regional committees to formulate recommendations to the Council regarding solid waste planning policy issues; and

WHEREAS, Some members of the Solid Waste Planning Policy Committee and the Metro Council met on June 4, 1988, to discuss several policy issues related to the development of the Solid Waste Management Plan; and

WHEREAS, Those in attendance on June 4, 1988, agreed by consensus that it was appropriate to consider the merits of private

ownership of solid waste facilities provided a private facility option is capable of achieving the same degree of overall service and functions as a public facility option; and

WHEREAS, Metro has identified the need to have a transfer and recycling center(s)/depot(s) in place in the east waste shed by 1990 in order to transport waste to the Oregon Waste System landfill in Gilliam County, Oregon; and

WHEREAS, Metro's 1986 Solid Waste Reduction Plan establishes a number of programs which will reduce the amount of waste going to landfills; and

WHEREAS, Metro has established a high priority for recycling and materials recovery; and

WHEREAS, Solid waste disposal and recycling and materials recovery methods continue to evolve and improve; now, therefore,

BE IT RESOLVED,

That the following policies for the Metro East Transfer & Recycling Center be adopted notwithstanding any conflicting policies adopted in the existing Council Resolution No. 84-506:

1. The Metro East Transfer & Recycling Center(s) may be publicly or privately owned, depending on which option best serves the public's interest. In the event of private ownership/operation Metro shall operate the gatehouse to the facility. The choice of public or private ownership will be made by Metro based on the following criteria:

- a. capital and operating costs;
- b. level of recycling and materials recovery;


- c. operational compatibility with existing facilities and general policies of the regional solid waste system;
- d. flexibility to adjust to changing circumstances which may require capital improvements, new methods of operation, etc.;
- e. environmental acceptability;
- f. ease of public and collection industry access;
- g. avoidance of vertical integration (monopoly) of the solid waste business;
- h. management of the facility to effectively exercise equity in fee collection, rate changes, flow control and all other necessary changes as appropriate to reflect necessary policy and/or operational changes; and
- i. provision of appropriate mitigation and enhancement for neighborhood and/or host jurisdiction.

2. The Metro East County Transfer & Recycling Center(s) shall be located within the service area identified as the east waste shed (map attached) and shall not be restricted to a location within the City of Portland.

3. Notice shall be posted requesting that potential vendors for the Metro East County Transfer & Recycling Center(s) initiate site selection and land use permitting processes. If the private ownership option is selected, Metro desires to select a vendor who has a site with the appropriate land use permits or can illustrate that permits are obtainable in a time frame consistent with initiating facility operations in 1990.

4. The Metro East County Transfer & Recycling Center(s) service for the east waste shed may be accommodated through either one or two facility options.

ADOPTED by the Council of the Metropolitan Service District this 28th day of July, 1988.



Mike Ragsdale, Presiding Officer

RB/gl
9745C/545
06/17/88



METRO

2000 S.W. First Avenue
Portland, OR 97201-5398
503/221-1646

Memorandum

Agenda Item No. 8.1, 8.2

Meeting Date July 28, 1988

Date: July 20, 1988
To: Metro Council
From: Councilor Gary Hansen
Chair, Council Solid Waste Committee
Regarding: COUNCIL SOLID WASTE COMMITTEE REPORT ON JULY 28, 1988,
COUNCIL MEETING AGENDA ITEMS (RESOLUTION NOS. 88-835C
AND 88-948)

Agenda Item 8.1 Consideration of Resolution No. 88-835C, for the Purpose of Adopting a Policy to Establish that the Metro East Transfer & Recycling Center(s) may be Publicly or Privately Owned and that Potential Vendors Obtain Land Use Permits for Proposed Transfer Station Sites

Committee Recommendation

The Council Solid Waste Committee recommends Council adoption of Resolution No. 88-835C.

Discussion

A public hearing was held on Resolution No. 88-835C. Two individuals testified. They expressed concern that prohibiting vertical integration of the solid waste system may reduce the number of bids. They preferred the language in Resolution No. 88-835A.

It was pointed out that Resolution No. 88-835C is a "melding" of Resolution No. 88-835A and No. 88-885 dealing with privately owned and operated and publicly owned facilities respectively.

The Committee asked if the policies contained in the resolution should apply only to the East Transfer & Recycling Center (ETRC). The policies are good ones and could apply to the entire region, but there are sections in the resolution that only apply to ETRC.

The majority of the Committee discussion centered around the issue of avoidance of vertical integration (monopoly). Resolution No. 88-835C provides some flexibility regarding vertical integration and does not prohibit it as does proposed Resolution No. 88-948.

Memorandum
July 20, 1988
Page 2

The Committee voted 6 to 0 to recommend Council adoption of Resolution No. 88-835C. Voting aye: Cooper, Gardner, Hansen, Kelley, Kirkpatrick and Van Bergen. This action taken July 5, 1988.

Agenda Item 8.2 Consideration of Resolution No. 88-948, for the Purpose of Adopting Policy that Waste Transport Services to Gilliam County shall be Privately owned and Operated and that these Services shall be Acquired through a Request for Proposal

Committee Recommendation

The Council Solid Waste Committee recommends Council adoption of Resolution No. 88-948.

Discussion

A public hearing was held on Resolution No. 88-835C. No one testified.

The Committee discussion centered on two issues: shall the transport system be limited to the private sector and should the Request for Proposals (RFP) or Request for Bids (RFB) method be used to acquire transport services. Resolution No. 88-948 calls for a private vendor and a bidding process. The majority of the Committee members present favored a private vendor approach and an RFB process. The minority supported an RFP process and public ownership, or at least having the option to select public ownership.

The Committee voted 3 to 2 to recommend Council adoption of Resolution No. 88-948C. Voting aye: Cooper, Gardner and Hansen. Voting nay: Kirkpatrick and Van Bergen. This action taken July 5, 1988.

RB/sm
9841C/D1



METRO

2000 S.W. First Avenue
Portland, OR 97201-5398
503/221-1646

Memorandum

Agenda Item No. 1

Date: June 17, 1988

Meeting Date July 5, 1988

To: Council Solid Waste Committee

From: Marie Nelson, Clerk of the Council

Regarding: RESOLUTION NO. 88-835C, Adopting a Policy to Establish that the Metro East Transfer & Recycling Center(s) May be Publicly or Privately Owned and that Notice be Posted to Request that Potential Vendors Obtain Land Use Permits for Proposed Transfer Station Sites

The attached resolution was drafted by Councilor Gardner for consideration at the June 21 Committee meeting. The Committee, however, deferred consideration of the resolution until the July 5 meeting to give members an opportunity to review the document.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ADOPTING	)	RESOLUTION NO. 88-835B
POLICY TO ESTABLISH THAT THE)	
METRO EAST TRANSFER & RECYCLING	)	Introduced by Rena Cusma,
CENTER(S) MAY BE PRIVATELY-OWNED	)	Executive Officer
AND OPERATED AND THAT NOTICE BE)	
POSTED TO REQUEST THAT POTENTIAL)	
VENDORS OBTAIN LAND USE PERMITS)	
FOR PROPOSED TRANSFER STATION)	
SITES)	

WHEREAS, The Oregon Revised Statute Chapter 268 and 459 provide for the development of a solid waste management plan; and

WHEREAS, The Metropolitan Service District is the primary provider of the solid waste disposal system in the Portland metropolitan area; and

WHEREAS, Council Resolution No. 84-506 established specific transfer station policies and strategies for the purpose of indicating the direction the Council of the Metropolitan Service District intends to proceed as it relates to solid waste management in the Portland metropolitan area; and

WHEREAS, Council resolution No. 87-785A initiated an update to the regional Solid Waste Management Plan in part by establishing regional committees to formulate recommendations to the Council of the Metropolitan Service District regarding solid waste planning policy issues; and

WHEREAS, The solid waste planning Policy Committee and the Metro Council met on June 4, 1988 to discuss several policy issues related to the development of the solid waste management plan; and

WHEREAS, The Policy Committee and the Metro Council agreed by consensus on June 4, 1988 that it was appropriate to consider merits of private ownership of solid waste facilities provided a private facility option is capable of achieving the same degree of overall service and functions as a public facility option; now,

WHEREAS, Under public ownership and private sector operations, Metro was able to change the method of operation at the Clackamas Transfer & Recycling Center to achieve greater materials recovery; and

WHEREAS, Council Resolution No. 88-835A provides that the east transfer and recycling center(s) may be privately owned and operated, and that ownership determination shall be subject to a comparison of private vendor proposals with a municipal transfer and recycling center option; now, therefore,

BE IT RESOLVED,

1. That the Metropolitan Service District will pursue public ownership, with private sector operation of a transfer and recycling center(s)/depot(s) for the east waste shed of the Metro region.

2. That the Metropolitan Service District Solid Waste Department staff should immediately prepare a comprehensive proposal for a publicly-owned transfer and recycling center(s)/depot(s) that can be used to make comparisons with private vendor proposals for similar facilities for the east waste shed of the Metro region.

3. That the Metropolitan Service District Solid Waste Department staff should immediately develop criteria and commence a site search for a publicly-owned transfer and recycling center(s)/depot(s) for the east waste shed of the Metro region.

ADOPTED by the Council of the Metropolitan Service District this _____ day of _____, 1988.

Mike Ragsdale, Presiding Officer

h. appropriate mitigation and enhancement provided for
neighborhood and/or host jurisdiction

2. The Metro East County Transfer & Recycling Center(s) shall be located within the service identified as the East waste shed (map attached) and shall not be restricted to a location within the City of Portland.
3. Notice shall be posted requesting that potential vendors for the Metro East Station(s) initiate site selection and land use permitting processes recognizing that the Metropolitan Service District desires to select a vendor who has a site with the appropriate land use permits or can illustrate that permits are obtainable in a time frame consistent with initiating facility operations in 1990.
4. The Metro East Transfer and Recycling Center(s) service for the east waste shed may be accommodated through either one or two facility options.

ADOPTED by the Council of the Metropolitan Service District
this _____ day of _____, 1988.

Mike Ragsdale, Presiding Officer

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ADOPTING A	)	RESOLUTION NO. 88-835A
POLICY TO ESTABLISH THAT THE)	
EAST TRANSFER AND RECYCLING	)	Introduced by Rena Cusma,
CENTER(S) MAY BE PRIVATELY-OWNED	)	Executive Officer
AND OPERATED, AND THAT NOTICE BE)	
POSTED TO REQUEST THAT POTENTIAL)	
VENDORS OBTAIN LAND USE PERMITS)	
FOR PROPOSED TRANSFER STATION)	
SITES)	

WHEREAS, The Oregon Revised Statute Chapters 268 and 459 provide for the development of a solid waste management plan; and

WHEREAS, The Metropolitan Service District is the primary provider of the solid waste disposal system in the Portland metropolitan area; and

WHEREAS, Council Resolution No. 84-506 established specific transfer station policies and strategies for the purpose of indicating the direction the Council of the Metropolitan Service District intends to proceed as it relates to solid waste management in the Portland metropolitan area; and

WHEREAS, Council Resolution No. 87-785A initiated an update to the regional Solid Waste Management Plan in part by establishing regional committees to formulate recommendations to the Council of the Metropolitan Service District regarding solid waste planning policy issues; now, therefore,

BE IT RESOLVED,

That the following policies for the East Transfer and Recycling Center be adopted notwithstanding any conflicting policies adopted in the existing Council Resolution No. 84-506:

1. The East Transfer and Recycling Center(s) may be privately-owned and operated. In the event of private ownership/operation the Metropolitan Service District shall operate the gatehouse to the facility. Ownership determination shall be subject to a comparison of private vendor proposals with a municipal transfer and recycling center option, with consideration given to factors other than cost, including but not limited to operational characteristics, amount and method of materials recovery, capability of modifying operations based on changing conditions or changing policy directives and issues related to service quality.
2. The East County Transfer and Recycling Center(s) shall be located within the service identified as the East waste shed (map attached) and shall not be restricted to a location within the City of Portland.
3. Notice shall be posted in February 1988 requesting that potential vendors for the East Station(s) initiate site selection and land use permitting processes recognizing that the Metropolitan Service District desires to select a vendor who has a site with the appropriate land use permits or can illustrate that permits are obtainable in a time frame consistent with initiating facility operations in 1990.
4. The East Transfer and Recycling Center(s) service for the east waste shed may be accommodated through either one or two facility options.

ADOPTED by the Council of the Metropolitan Service District
this _____ day of _____, 1988.

Mike Ragsdale, Presiding Officer

BC/gl
9026C/531
03/04/88



METRO

2000 S.W. First Avenue
Portland, OR 97201-5398
503/221-1646

Memorandum

Agenda Item No. 8.2

Meeting Date Feb. 25, 1988

Date: February 17, 1988
To: Metro Council
From: Councilor Gary Hansen
Chair, Council Solid Waste Committee
Regarding: STAFF REPORT AND RESOLUTION NO. 88-835A

The attached staff report and resolution regarding policies for the Metro East Transfer Station & Recycling Center is included in your agenda packet subject to a recommendation by the Council Solid Waste Committee at their meeting of February 18.

Resolution No. 88-835A will not be up for Council consideration unless the Council Solid Waste Committee concludes on a recommendation on February 18, 1988.

I am recognizing your stated interest not to delay this issue if possible by including it in your agenda packet prior to the Council Solid Waste Committee action. The Council Solid Waste Committee continues their commitment to forwarding recommendations to the full Council in an expeditious manner by coordinating many special meetings to address the complicated issues pertaining to the land-fill, resource recovery and transfer stations.

GH/BC/g1
9025C/D3

Attachment

CONSIDERATION OF RESOLUTION NO. 88-835A FOR THE PURPOSE OF ADOPTING A POLICY TO ESTABLISH THAT THE METRO EAST TRANSFER & RECYCLING CENTER(S) MAY BE PRIVATELY-OWNED AND OPERATED AND THAT NOTICE BE POSTED TO REQUEST THAT POTENTIAL VENDORS OBTAIN LAND USE PERMITS FOR PROPOSED TRANSFER STATION SITES

Date: February 16, 1988

Presented by: Gary Hansen

FACTUAL BACKGROUND AND ANALYSIS

Proposed Action

Resolution No. 88-835A proposes that:

1. The Metro East Transfer & Recycling Center(s) may be privately-owned and operated subject to a cost comparison of private vendor proposals with a municipal transfer and recycling center option.
2. Notice be published and distributed advising interested vendors that land use approvals for their sites should be initiated as soon as possible. This recognizes the high probability that Metro will require vendors to show that necessary land use permits can be obtained prior to selection of a vendor.
3. The Metro east station(s) can be located within the service area identified as the east waste shed (refer to attached map), notwithstanding existing Council policy (Resolution No. 84-506) which states the east transfer station is to be located within the City of Portland.
4. The Metro East Transfer & Recycling Center(s) service for the east waste shed may be accommodated through either one facility or two facilities. This will allow vendors to propose transfer and recycling service systems if so desired. An example of a two-facility system could be a combined mixed waste composting and transfer station (Riedel) facility in conjunction with an expanded material recovery and transferring facility (OPRC).

The proposed Resolution No. 88-835A recognizes that Metro has existing policy per Resolution No. 84-506 (attached) which states:

"Metro will own and operate three transfer stations in the Portland metropolitan area."

including,

"A third station in the City of Portland to become operational upon closure of the St. Johns Landfill."

Process History (Resolution No. 88-835A)

The Solid Waste Planning Technical and Policy Committees recommended approval of a similar Resolution (88-835A) to allow private vendor proposals for transfer station service to the Council Solid Waste Committee on January 12, 1988. The Council Solid Waste Committee referred the issue back to the Planning Committees to specifically address the following five questions:

1. What is to be gained by private ownership and operation?
2. What is to be lost by private ownership and operation?
3. How would Metro manage the system? (How would it work, franchise, contracts, rate-setting?)
4. How quickly can Metro site a facility, if it were to be publicly-owned?
5. How will the public involvement process work?

The Technical Committee addressed the above questions within the East Transfer & Recycling Center White Paper (ETRC white paper) which they approved on January 29, 1988, for recommendation to the Planning Policy Committee. The Technical Committee also agreed to allow staff to continue addressing the Council Solid Waste Committee questions forwarding any new information to the Policy Committee. Thus staff worked with the land use subcommittee to further develop municipal (Metro) siting options. Also, a literature search on public vs. private ownership and operation of solid waste facilities was conducted by Terry Moore of ECO Northwest.

On February 12, 1988, the Policy Committee reviewed and discussed the Technical Committee ETRC white paper recommendations, the land use subcommittee siting options, and the ECO Northwest report. The Policy Committee concluded that a decision on private vs. public ownership should occur at the time Metro analyzes private vendor proposals against municipal options. They further concluded that it is in Metro's best interest to conduct a simultaneous siting and proposal process for the Metro East Transfer & Recycling Center(s). The Policy Committee also directed staff to rewrite the privatization section of the ETRC white paper to fully reflect their recommendations and to clarify that the east transfer station may be privately-owned and operated subject to a municipal option comparison.

Privatization Options

The Planning Committees recognized a need to expedite the planning and siting of the Metro East Transfer & Recycling Center (s) within the work program to develop the regional Solid Waste Management Plan. This expedited project was initiated in October/November 1987. Justification for the expedited process was twofold. One, the out-of-region landfill, if approved, will begin accepting waste on January 1, 1990. With the closure of the St. Johns Landfill there is an identified need for transfer station service in that part of the region. Two, it is estimated that two construction seasons are necessary to put a transfer station facility on-line. Thus, facility procurement needs to begin immediately.

The first major issue to be resolved in establishing the Metro East Transfer & Recycling Center (s) is that of getting the facility on-line prior to the St. Johns closure to facilitate flow of waste to a new landfill and to provide transfer station service to Portland and Multnomah County. This need brings forward the issue of privatization which suggests that the private sector may be able to provide favorable options to Metro in achieving the siting, construction and operation of a transfer facility in the above stated time frame. On February 12, 1988, the Policy Committee recommended to the Metro Council the following findings from the ECO Northwest literature search on private vs. public options which conclude that by allowing private options, Metro will be in the best position to make a decision regarding the development of the Metro East Transfer & Recycling Center (s):

1. The conclusion in the ETRC white paper that Metro will take longer to find an acceptable site than the private sector is probably justified. Evidence from other municipalities does not exist and would not be useful if it did. Metro must deal with a Portland/Oregon siting problem.

2. The empirical evidence strongly suggests that the introduction of competition into the delivery of municipal service will reduce costs.

3. While the professional literature shows a tendency for the private delivery of services to be less costly than public delivery, the correct institutional arrangement for any specific case in an empirical question requiring a cost estimation of the alternative delivery systems.

4. The recommendation by the Policy Committee that any bids be compared to the costs of a municipally owned facility is a good one, consistent with recommendations in the professional literature.

5. Allowing the private sector to compete in any part of the siting, construction, ownership and operation of the ETRC increases Metro's chances of finding an acceptable site and having a facility operating before the St. Johns Landfill closure.

6. The final decision on privatization may not have to be made right now. Metro can ask for bids on any or all parts of the ETRC development, and then let its decision on privatization coincide with the decision about the most favorable bid: if it comes from a private firm, Metro will have made a decision to privatize.

7. By keeping itself as an active participant in the process of site selection and acquisition, Metro protects itself to some degree against the possibility of receiving no bids, of receiving unacceptable bids, or of having a selected bidder drop out of the process during the final stages of negotiation.

8. The question of public or private ownership has little to do with the issues of efficiency raised by public vs. private operation. Any decision about ownership should be based on a financial evaluation of specific proposals. Public ownership may protect the public from a major service disruption in the event of default, but contracts or franchise agreements with private operators can require surrender of the facility and equipment if service is disrupted.

Resolution No. 88-835A recognizes the above findings by specifying that the Metro East Transfer & Recycling Center(s) may be privately-owned and operated subject to a cost comparison of private vendor proposals with a municipal transfer and recycling center option.

Early Notice

Resolution No. 88-835A states that notice will be posted for potential vendors for the transfer station facility. Such notice is attached as Exhibit A. The rationale for this early notice is in part a strategy to have potential vendors submit only permitted or permissible sites with their proposals to Metro. This strategy further suggests that Metro will not select a vendor unless such vendor can illustrate that they do or will have a permitted site.

Given the time frame described above, the status of land use permits will be a critical element of the transfer station proposals. Sending notice in February 1988 that Metro will require that vendors illustrate that land use permits can be obtained in a timely manner to have the facility operational by early 1990 will allow proposers a greater opportunity to complete the various land use permitting processes. In some cases this can involve preapplication conferences, investigations, public notice, hearings and possible appeals. All of these steps require time. Such preapplication work is important to filing complete applications which are responsive to approval criteria.

The practical effect of this approach will be to allow proposers with sites requiring a conditional use permit a reasonable opportunity to qualify for the selection process. The City of Portland does allow transfer stations as permitted outright uses in

some zone classifications. However, this only applies to a small number of properties at this time. Early notice will increase the number of properties which may be eligible for the transfer station, thus increasing Metro's opportunity of selecting the best proposal and site.

Area of Service

The East Transfer Station will be expected to service the City of Portland, Multnomah County, Gresham, Fairview, Wood Village and Troutdale. Resolution No. 88-835A recognizes that the East Transfer Station can be located within that service area (East waste shed), notwithstanding the provision in Resolution No. 84-506 which states the East Transfer Station is to be located within the City of Portland.

This provision will allow the private sector and Metro greater flexibility in both site selection and coordination of a combined landfill, RDF plant, depot and transfer station system to efficiently facilitate waste flow to a final landfill and to a RDF facility.

Depot

The East Transfer Station may serve as a depot to transport waste to an out-of-region landfill and/or an energy recovery facility. RFP for the depot will be developed by staff and sent out to interested vendors simultaneously with the transfer station RFP.

Proposers will have the opportunity to submit proposals for either/or both the transfer station and depot/transportation system. This will provide Metro the opportunity to select and award a contract for the depot/transport part of the system separately or jointly with the transfer station or jointly with the landfill.

Management of the System

Resolution No. 88-835 recognizes that Metro will operate the transfer station gatehouse of a privately-owned facility. This will ensure equity in fee collection at the facility. Further, a privately-owned and operated transfer station would be subject to all applicable provisions of the Metro Code 5.01 (disposal site franchising), 5.02 (disposal charges and user fees), and 5.03 (disposal site franchise fees). Specifically, Metro Code Section 5.01.030(a) states:

"it shall be unlawful for any person to establish, operate, maintain or expand a disposal site, processing facility, transfer station or resource recovery facility unless such person is a franchisee."

Section 5.01.080(a) of the Metro Code states that the Metro Council shall establish the rates collected at a franchised facility.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer concurs with the Planning Policy Committee recommendations and, therefore, recommends adoption of Resolution No. 88-835A.

BC/gl
9026C/531
02/17/88

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF OF ADOPTING A) RESOLUTION NO. 88-835A
POLICY TO ESTABLISH THAT THE)
METRO EAST TRANSFER & RECYCLING) Introduced by Rena Cusma,
CENTER(S) MAY BE PRIVATELY-OWNED) Executive Officer
AND OPERATED, AND THAT NOTICE BE)
POSTED TO REQUEST THAT POTENTIAL)
VENDORS OBTAIN LAND USE PERMITS)
FOR PROPOSED TRANSFER STATION)
SITES)

WHEREAS, The Oregon Revised Statute Chapter 268 and 459 provide for the development of a solid waste management plan; and

WHEREAS, The Metropolitan Service District is the primary provider of the solid waste disposal system in the Portland metropolitan area; and

WHEREAS, Council Resolution No. 84-506 established specific transfer station policies and strategies for the purpose of indicating the direction the Council of the Metropolitan Service District intends to proceed as it relates to solid waste management in the Portland metropolitan area; and

WHEREAS, Council Resolution No. 87-785A initiated an update to the regional Solid Waste Management Plan in part by establishing regional committees to formulate recommendations to the Council of the Metropolitan Service District regarding solid waste planning policy issues; now, therefore,

BE IT RESOLVED,

That the following policies for the Metro East Transfer & Recycling Center be adopted notwithstanding any conflicting policies adopted in the existing Council Resolution No. 84-506:

1. The Metro East Transfer & Recycling Center(s) may be privately-owned and operated. In the event of private ownership/operation the Metropolitan Service District shall operate the gatehouse to the facility. Ownership determination shall be subject to a cost comparison of private vendor proposals with a municipal transfer and recycling center option.
2. The Metro East County Transfer & Recycling Center(s) shall be located within the service identified as the East waste shed (map attached) and shall not be restricted to a location within the City of Portland.
3. Notice shall be posted in February 1988 requesting that potential vendors for the Metro East Station(s) initiate site selection and land use permitting processes recognizing that the Metropolitan Service District desires to select a vendor who has a site with the appropriate land use permits or can illustrate that permits are obtainable in a time frame consistent with initiating facility operations in 1990.
4. The Metro East Transfer & Recycling Center(s) service for the east waste shed may be accommodated through either one or two facility options.

ADOPTED by the Council of the Metropolitan Service District

this _____ day of _____, 1988.

Mike Ragsdale, Presiding Officer

BC/gl
9026C/531
02/17/88



METRO

2000 S.W. First Avenue
Portland, OR 97201-5398
503/221-1646

Memorandum

Date: 9 March 1988

To: Council Solid Waste Committee

From: Ray Barker, Council Assistant

Regarding: Amendment to Resolution No. 88-835A

Attached is Resolution No. 88-835A, for the Purpose of Adopting a Policy to Establish that the East Transfer and Recycling Center(s) may be Privately-owned and Operated.

Included in the Resolution is a proposed amendment by Councilor Jim Gardner. See the Resolved Section, Resolve number one. One word is deleted (shown in brackets) and the proposed new language is underlined.

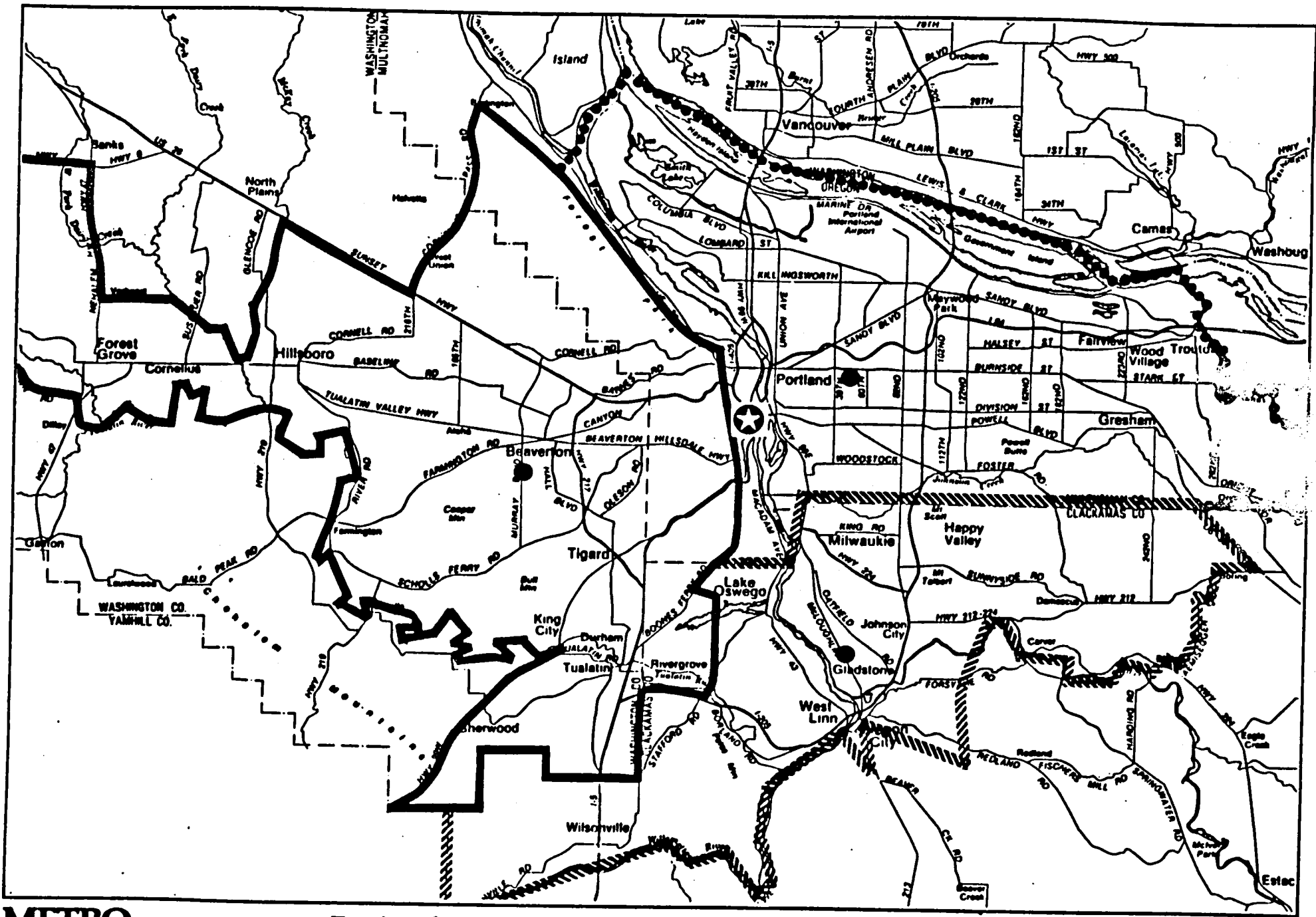
ATTACHMENT A

EARLY NOTICE TO POTENTIAL BIDDERS TO OBTAIN LAND USE PERMITS
FOR THE EAST SOLID WASTE TRANSFER STATION

The Metropolitan Service District is planning to issue in March or April 1988 a Request for Proposals (RFP) for a solid waste transfer station to serve the Multnomah County area. One criterion for evaluation of proposals will be the status of land use approvals for proposed sites. Bidders are hereby advised that they will improve their chances for selection if documentation of land use approvals can be submitted with vendor's proposals. It is possible that proposals which cannot demonstrate that they can obtain land use permits by the date of selection may be ruled ineligible. Bidders who may submit proposals are strongly encouraged to initiate applications for land use approvals as soon as possible. Bidders who believe their sites are already permitted for solid waste transfer stations should seek written confirmation as soon as possible that transfer stations are allowed on their sites.

Additional information may be obtained from Richard Owings, Solid Waste Director, at the Metropolitan Service District, 2000 S. W. First Avenue, Portland, Oregon 97201-5398, (503) 221-1646.

8757C/525
01/04/88



METRO

*Regional Waste Sheds and Centers
of Waste 2005*

- East waste shed
- ▨▨▨▨▨ South waste shed
- ▬▬▬▬▬ West waste shed
- ★ Center of regional waste shed
- ★ Center of local waste shed

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ADOPTING	)	RESOLUTION NO. 84-506
SOLID WASTE TRANSFER STATION)	
STRATEGIES AND RELATED POLICIES	)	Introduced by the
AS A COMPONENT OF THE SOLID WASTE	)	Executive Officer
MANAGEMENT PLAN UPDATE 1984)	

WHEREAS, The ORS chapters 268 and 459 provide for the development of a solid waste management plan; and

WHEREAS, The Metropolitan Service District (Metro) is the primary provider of the solid waste disposal system in the Portland metropolitan area; and

WHEREAS, The Metro Solid Waste Management Plan was adopted in 1974-75 and as a result of changing practices and policies in the solid waste management field, is due for a comprehensive evaluation and update; now, therefore,

BE IT RESOLVED,

That the following transfer station policies and strategies are adopted for the purpose of clearly indicating the direction the Metro Council intends to proceed as they relate to solid waste management in the Portland metropolitan area:

1. Metro will own and operate three transfer stations in the Portland metropolitan area. Field operation contracts will be awarded to private companies based upon a competitive bid process. These stations are as follows:

- a. The Clackamas Transfer & Recycling Center (CTRC) located in Oregon City and operational since April 1983.

- b. The Washington Transfer & Recycling Center (WTRC) to be located in eastern Washington County and expected to become operational in 1986.
- c. A third station in the City of Portland to become operational upon closure of the St. Johns Landfill. Site evaluation for this facility will commence no later than January 1987.

2. Metro transfer stations will be designed to allow removal of appropriate recyclable materials, including source separated materials, and will incorporate strategies to provide the opportunity for future waste processing for recovery of recyclable materials.

3. Metro transfer stations will be sited, designed and operated to serve both the commercial collection industry and the general public.

4. Additional transfer stations will be franchised on the basis of the number of adequate sites available, economic viability of specific sites, and impact on other elements of the solid waste disposal system.

ADOPTED by the Council of the Metropolitan Service District this 25th day of October, 1984.

Conry Kralpatrick

Presiding Officer

Certified A True Copy of the Original Hereof

A. Marie Nelson

Clerk of the Council

DD/gl
2149C/392-5
11/02/84

CONSIDERATION OF RESOLUTION NO. 88-835A FOR THE PURPOSE OF ADOPTING A POLICY TO ESTABLISH THAT THE METRO EAST TRANSFER & RECYCLING CENTER(S) MAY BE PRIVATELY-OWNED AND OPERATED AND THAT NOTICE BE POSTED TO REQUEST THAT POTENTIAL VENDORS OBTAIN LAND USE PERMITS FOR PROPOSED TRANSFER STATION SITES

Date: February 16, 1988

Presented by: Gary Hansen

FACTUAL BACKGROUND AND ANALYSIS

Proposed Action

Resolution No. 88-835A proposes that:

1. The Metro East Transfer & Recycling Center(s) may be privately-owned and operated subject to a cost comparison of private vendor proposals with a municipal transfer and recycling center option.
2. Notice be published and distributed advising interested vendors that land use approvals for their sites should be initiated as soon as possible. This recognizes the high probability that Metro will require vendors to show that necessary land use permits can be obtained prior to selection of a vendor.
3. The Metro east station(s) can be located within the service area identified as the east waste shed (refer to attached map), notwithstanding existing Council policy (Resolution No. 84-506) which states the east transfer station is to be located within the City of Portland.
4. The Metro East Transfer & Recycling Center(s) service for the east waste shed may be accommodated through either one facility or two facilities. This will allow vendors to propose transfer and recycling service systems if so desired. An example of a two-facility system could be a combined mixed waste composting and transfer station (Riedel) facility in conjunction with an expanded material recovery and transferring facility (OPRC).

The proposed Resolution No. 88-835A recognizes that Metro has existing policy per Resolution No. 84-506 (attached) which states:

"Metro will own and operate three transfer stations in the Portland metropolitan area."

including,

"A third station in the City of Portland to become operational upon closure of the St. Johns Landfill."

Process History (Resolution No. 88-835A)

The Solid Waste Planning Technical and Policy Committees recommended approval of a similar Resolution (88-835A) to allow private vendor proposals for transfer station service to the Council Solid Waste Committee on January 12, 1988. The Council Solid Waste Committee referred the issue back to the Planning Committees to specifically address the following five questions:

1. What is to be gained by private ownership and operation?
2. What is to be lost by private ownership and operation?
3. How would Metro manage the system? (How would it work, franchise, contracts, rate-setting?)
4. How quickly can Metro site a facility, if it were to be publicly-owned?
5. How will the public involvement process work?

The Technical Committee addressed the above questions within the East Transfer & Recycling Center White Paper (ETRC white paper) which they approved on January 29, 1988, for recommendation to the Planning Policy Committee. The Technical Committee also agreed to allow staff to continue addressing the Council Solid Waste Committee questions forwarding any new information to the Policy Committee. Thus staff worked with the land use subcommittee to further develop municipal (Metro) siting options. Also, a literature search on public vs. private ownership and operation of solid waste facilities was conducted by Terry Moore of ECO Northwest.

On February 12, 1988, the Policy Committee reviewed and discussed the Technical Committee ETRC white paper recommendations, the land use subcommittee siting options, and the ECO Northwest report. The Policy Committee concluded that a decision on private vs. public ownership should occur at the time Metro analyzes private vendor proposals against municipal options. They further concluded that it is in Metro's best interest to conduct a simultaneous siting and proposal process for the Metro East Transfer & Recycling Center(s). The Policy Committee also directed staff to rewrite the privatization section of the ETRC white paper to fully reflect their recommendations and to clarify that the east transfer station may be privately-owned and operated subject to a municipal option comparison.

Privatization Options

The Planning Committees recognized a need to expedite the planning and siting of the Metro East Transfer & Recycling Center(s) within the work program to develop the regional Solid Waste Management Plan. This expedited project was initiated in October/November 1987. Justification for the expedited process was twofold. One, the out-of-region landfill, if approved, will begin accepting waste on January 1, 1990. With the closure of the St. Johns Landfill there is an identified need for transfer station service in that part of the region. Two, it is estimated that two construction seasons are necessary to put a transfer station facility on-line. Thus, facility procurement needs to begin immediately.

The first major issue to be resolved in establishing the Metro East Transfer & Recycling Center(s) is that of getting the facility on-line prior to the St. Johns closure to facilitate flow of waste to a new landfill and to provide transfer station service to Portland and Multnomah County. This need brings forward the issue of privatization which suggests that the private sector may be able to provide favorable options to Metro in achieving the siting, construction and operation of a transfer facility in the above stated time frame. On February 12, 1988, the Policy Committee recommended to the Metro Council the following findings from the ECO Northwest literature search on private vs. public options which conclude that by allowing private options, Metro will be in the best position to make a decision regarding the development of the Metro East Transfer & Recycling Center(s):

1. The conclusion in the ETRC white paper that Metro will take longer to find an acceptable site than the private sector is probably justified. Evidence from other municipalities does not exist and would not be useful if it did. Metro must deal with a Portland/Oregon siting problem.
2. The empirical evidence strongly suggests that the introduction of competition into the delivery of municipal service will reduce costs.
3. While the professional literature shows a tendency for the private delivery of services to be less costly than public delivery, the correct institutional arrangement for any specific case in an empirical question requiring a cost estimation of the alternative delivery systems.
4. The recommendation by the Policy Committee that any bids be compared to the costs of a municipally owned facility is a good one, consistent with recommendations in the professional literature.
5. Allowing the private sector to compete in any part of the siting, construction, ownership and operation of the ETRC increases Metro's chances of finding an acceptable site and having a facility operating before the St. Johns Landfill closure.

6. The final decision on privatization may not have to be made right now. Metro can ask for bids on any or all parts of the ETRC development, and then let its decision on privatization coincide with the decision about the most favorable bid: if it comes from a private firm, Metro will have made a decision to privatize.

7. By keeping itself as an active participant in the process of site selection and acquisition, Metro protects itself to some degree against the possibility of receiving no bids, of receiving unacceptable bids, or of having a selected bidder drop out of the process during the final stages of negotiation.

8. The question of public or private ownership has little to do with the issues of efficiency raised by public vs. private operation. Any decision about ownership should be based on a financial evaluation of specific proposals. Public ownership may protect the public from a major service disruption in the event of default, but contracts or franchise agreements with private operators can require surrender of the facility and equipment if service is disrupted.

Resolution No. 88-835A recognizes the above findings by specifying that the Metro East Transfer & Recycling Center(s) may be privately-owned and operated subject to a cost comparison of private vendor proposals with a municipal transfer and recycling center option.

Early Notice

Resolution No. 88-835A states that notice will be posted for potential vendors for the transfer station facility. Such notice is attached as Exhibit A. The rationale for this early notice is in part a strategy to have potential vendors submit only permitted or permissible sites with their proposals to Metro. This strategy further suggests that Metro will not select a vendor unless such vendor can illustrate that they do or will have a permitted site.

Given the time frame described above, the status of land use permits will be a critical element of the transfer station proposals. Sending notice in February 1988 that Metro will require that vendors illustrate that land use permits can be obtained in a timely manner to have the facility operational by early 1990 will allow proposers a greater opportunity to complete the various land use permitting processes. In some cases this can involve preapplication conferences, investigations, public notice, hearings and possible appeals. All of these steps require time. Such preapplication work is important to filing complete applications which are responsive to approval criteria.

The practical effect of this approach will be to allow proposers with sites requiring a conditional use permit a reasonable opportunity to qualify for the selection process. The City of Portland does allow transfer stations as permitted outright uses in

some zone classifications. However, this only applies to a small number of properties at this time. Early notice will increase the number of properties which may be eligible for the transfer station, thus increasing Metro's opportunity of selecting the best proposal and site.

Area of Service

The East Transfer Station will be expected to service the City of Portland, Multnomah County, Gresham, Fairview, Wood Village and Troutdale. Resolution No. 88-835A recognizes that the East Transfer Station can be located within that service area (East waste shed), notwithstanding the provision in Resolution No. 84-506 which states the East Transfer Station is to be located within the City of Portland.

This provision will allow the private sector and Metro greater flexibility in both site selection and coordination of a combined landfill, RDF plant, depot and transfer station system to efficiently facilitate waste flow to a final landfill and to a RDF facility.

Depot

The East Transfer Station may serve as a depot to transport waste to an out-of-region landfill and/or an energy recovery facility. RFP for the depot will be developed by staff and sent out to interested vendors simultaneously with the transfer station RFP.

Proposers will have the opportunity to submit proposals for either/or both the transfer station and depot/transportation system. This will provide Metro the opportunity to select and award a contract for the depot/transport part of the system separately or jointly with the transfer station or jointly with the landfill.

Management of the System

Resolution No. 88-835 recognizes that Metro will operate the transfer station gatehouse of a privately-owned facility. This will ensure equity in fee collection at the facility. Further, a privately-owned and operated transfer station would be subject to all applicable provisions of the Metro Code 5.01 (disposal site franchising), 5.02 (disposal charges and user fees), and 5.03 (disposal site franchise fees). Specifically, Metro Code Section 5.01.030(a) states:

"it shall be unlawful for any person to establish, operate, maintain or expand a disposal site, processing facility, transfer station or resource recovery facility unless such person is a franchisee."

Section 5.01.080(a) of the Metro Code states that the Metro Council shall establish the rates collected at a franchised facility.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer concurs with the Planning Policy Committee recommendations and, therefore, recommends adoption of Resolution No. 88-835A.

BC/gl
9026C/531
02/17/88

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF OF ADOPTING A) RESOLUTION NO. 88-835
POLICY TO ESTABLISH THAT THE)
PORTLAND/MULTNOMAH COUNTY TRANSFER) Introduced by the
STATION AND RECYCLING CENTER BE) Executive Officer Rena Cusma
PRIVATELY OWNED AND OPERATED)
FACILITY AND THAT NOTICE BE POSTED)
TO REQUEST THAT POTENTIAL VENDORS)
OBTAIN LAND USE PERMITS FOR)
PROPOSED TRANSFER STATION SITES)

WHEREAS, The Oregon Revised Statute Chapter 268 and 459
provide for the development of a solid waste management plan; and

WHEREAS, The Metropolitan Service District is the primary
provider of the solid waste disposal system in the Portland
metropolitan area; and

WHEREAS, Council Resolution No. 84-506 established specific
transfer station policies and strategies for the purpose of
indicating the direction the Council of the Metropolitan Service
District intends to proceed as it relates to solid waste management
in the Portland metropolitan area; and

WHEREAS, Council Resolution No. 87-785A initiated an update
to the regional Solid Waste Management Plan in part by establishing
regional committees to formulate recommendations to the Council of
the Metropolitan Service District regarding solid waste planning
policy issues; now, therefore,

BE IT RESOLVED,

That the following policies for the Portland/Multnomah
County Transfer Station and Recycling Center be adopted
notwithstanding any conflicting policies adopted in the existing
Council Resolution No. 84-506:

1. The Portland/Multnomah County Transfer Station and Recycling Center may be privately owned and operated. In the event of private ownership/operation the Metropolitan Service District shall operate the gatehouse to the facility.
2. The Portland/Multnomah County Transfer Station shall be located within the service identified as the East waste shed (map attached) and shall not be restricted to a location within the City of Portland.
3. Notice shall be posted in January 1988 requesting that potential vendors for the Portland/Multnomah County Station initiate site selection and land use permitting processes recognizing that the Metropolitan Service District desires to select a vendor who has a site with the appropriate land use permits.

ADOPTED by the Council of the Metropolitan Service District
this _____ day of _____, 1988.

Corky Kirkpatrick
Deputy Presiding Officer

BC/gl
8757C/525
01/28/88

CONSIDERATION OF RESOLUTION NO. 88-835 FOR THE PURPOSE OF ADOPTING A POLICY TO ESTABLISH THAT THE PORTLAND/MULTNOMAH COUNTY TRANSFER STATION AND RECYCLING CENTER BE A PRIVATELY OWNED AND OPERATED FACILITY AND THAT NOTICE BE POSTED TO REQUEST THAT POTENTIAL VENDORS OBTAIN LAND USE PERMITS FOR PROPOSED TRANSFER STATION SITES

Date: January 5, 1988

Presented by: Richard Owings
Becky Crockett

FACTUAL BACKGROUND AND ANALYSIS

Proposed Action

Resolution No. 88-835 proposes to allow the Portland/Multnomah County Transfer Station and Recycling Center (East Transfer Station and Recycling Center) to be a privately owned and privately operated facility with Metro operating the gatehouse. Further, Resolution No. 88-835 proposes that notice be published and distributed soon after such resolution is adopted advising interested vendors that land use approvals for their sites should be initiated as soon as possible. This recognizes the high probability that Metro will require vendors to show that necessary land use permits for the proposed transfer station can be obtained prior to selection of a vendor.

The proposed Resolution No. 88-835 recognizes that Metro has existing policy per Resolution No. 84-506 (attached) which states:

"Metro will own and operate three transfer stations in the Portland metropolitan area."

including,

"A third station in the City of Portland to become operational upon closure of the St. Johns Landfill."

Resolution No. 88-835 further recognizes that there are compelling reasons to establish a privately owned and operated transfer station and recycling center policy specifically for the City of Portland/Multnomah County notwithstanding the above-stated ownership provision of Resolution No. 84-506.

The Solid Waste Planning Technical Committee has recommended adoption of this resolution to the Planning Policy Committee. The

Planning Policy Committee will forward its recommendation to the Metro Council on January 8, 1988. The Planning Policy Committee passed a motion recommending that solid waste facilities may be privately owned and operated at its December 11, 1987, meeting.

Background

The Planning Policy Committee and Technical Committee recognized a need to expedite the planning and siting of the Portland/Multnomah County Transfer Station and Recycling Center within the work program to develop the regional Solid Waste Management Plan. This expedited program was initiated in October/November 1987. Justification for the expedited process was twofold. One, the out-of-region landfill, if approved, will begin accepting Metro waste on January 1, 1990. With the closure of the St. Johns Landfill at this time, there is an identified need for a transfer station to service that part of the region. Two, it is estimated that two construction seasons are necessary to put a transfer station facility on-line. Thus, facility contracts need to begin final by summer 1988.

The first major issue to be resolved in establishing the East Transfer Station and Recycling Center is that of getting the facility on-line by January 1990 to facilitate the flow of waste to a new landfill and to provide transfer station service to Portland and Multnomah County when the St. Johns Landfill closes. This need brings forward the issue of privatization which suggests that the private sector will be able to site and construct the facility in a much shorter time frame than Metro. Specifically, there are three compelling reasons for adoption of Resolution No. 88-835 for the purpose of establishing a privately owned and operated transfer station for the East waste shed. They are as follows:

1. An East Transfer Station needs to be on-line by January 1990 for the above-stated reasons. It is estimated that two construction seasons are necessary to build the facility, thus construction should begin summer 1988. Siting of the facility should begin at least by January 1988.
2. The private sector has an advantage in identifying a site quickly. Historically, Metro has experienced a lengthy siting process for solid waste facilities. Because the public sector is "charged" with locating the "best site," the site selection process is relatively lengthy. This process includes developing criteria and rating sites. It took two years to locate a site for the west transfer and recycling center. The private sector has the ability to locate a "functional site" and does not have to go through the same lengthy process as the public sector. It should be noted that any site selected by the private sector for the transfer station will be required to meet siting standards established with the Request for Proposals (RFP) document.

3. The private sector can proceed through a local land use permit process quicker than Metro. The private sector can commit to new conditions quickly without extending the time period necessary to obtain a land use permit.

Depot

The East Transfer Station may serve as a depot to transport waste to an out-of-region landfill and/or an energy recovery facility. RFP for the depot will be developed by staff and sent out to interested vendors simultaneously with the transfer station RFP.

Proposers will have the opportunity to submit proposals for either/or both the transfer station and depot/transportation system. This will provide Metro the opportunity to select and award a contract for the depot/transport part of the system separately or jointly with the transfer station or jointly with the landfill.

Management of the System

Resolution No. 88-835 recognizes that Metro will operate the transfer station gatehouse. This will ensure equity in fee collection at the facility. Further, a privately owned and operated transfer station would be subject to all applicable provisions of the Metro Code 5.01 (disposal site franchising), 5.02 (disposal charges and user fees), and 5.03 (disposal site franchise fees). Specifically, Metro Code Section 5.01.030(a) states:

"it shall be unlawful for any person to establish, operate, maintain or expand a disposal site, processing facility, transfer station or resource recovery facility unless such person is a franchisee."

Section 5.01.080(a) of the Metro Code states that the Metro Council shall establish the rates collected at a franchised facility.

Early Notice

Resolution No. 88-835 states that notice will be posted for potential vendors for the transfer station facility. Such notice is attached as Exhibit A. The rationale for this early notice is in part a strategy to have potential vendors submit only permitted or permissible sites with their proposals to Metro. This strategy further suggests that Metro will not select a vendor unless such vendor has a permitted site by the date of Council selection of the final transfer station vendor.

Given the time frame described above, the status of land use permits will be a critical element of the transfer station proposals. Sending notice in January 1988 that land use permits will be required by the time the Metro Council selects a transfer station vendor (early summer) will allow proposers a greater

opportunity to complete the various land use permitting processes. In some cases this can involve pre-application conferences, investigations, public notice, hearings and possible appeals. All of these steps require time. Such pre-application work is important to filing complete applications which are responsive to approval criteria.

The practical effect of this approach will be to allow proposers with sites requiring a conditional use permit a reasonable opportunity to qualify for the selection process. The City of Portland does allow transfer stations as permitted outright uses in some zone classifications. However, this only applies to a small number of properties at this time. Early notice will increase the number of properties which may be eligible for the transfer station, thus increasing Metro's opportunity of selecting the best proposal and site.

Area of Service

The East Transfer Station will be expected to service the City of Portland, Multnomah county, Gresham, Fairview, Wood Village and Troutdale. Resolution No. 88-835 recognizes that the East Transfer Station can be located within that service area (East waste shed), not withstanding the provision in Resolution No. 84-506 which states the East Transfer Station is to be located within the City of Portland.

This provision will allow the private sector and Metro greater flexibility in both site selection and coordination of a combined landfill, RDF plant, depot and transfer station system to efficiently facilitate waste flow to a final landfill and to a RDF facility.

East Transfer Station Schedule

A tentative schedule for establishing the East Transfer Station and Recycling Center is attached as Exhibit B. According to the schedule, the Planning Committees will be forwarding their recommendations on all issues pertaining to establishment of this facility to the Council Solid Waste Committee on February 23, 1988. The identified issues and recommendations from the Planning Policy Committee will be contained within a "white paper." This "white paper," which will be presented to the Council for review and adoption, will become a chapter of the new regional Solid Waste Management Plan at the time the Metro Council selects a vendor for the East Transfer Station, thereby establishing the appropriate policies which justify such a selection.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 88-835.

BC/gl/8757C/525
01/04/88

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF OF ADOPTING A) RESOLUTION NO. 88-835
POLICY TO ESTABLISH THAT THE)
PORTLAND/MULTNOMAH COUNTY TRANSFER) Introduced by the
STATION AND RECYCLING CENTER BE) Executive Officer
PRIVATELY OWNED AND OPERATED)
FACILITY AND THAT NOTICE BE POSTED)
TO REQUEST THAT POTENTIAL VENDORS)
OBTAIN LAND USE PERMITS FOR)
PROPOSED TRANSFER STATION SITES)

WHEREAS, The Oregon Revised Statute Chapter 268 and 459
provide for the development of a solid waste management plan; and

WHEREAS, The Metropolitan Service District is the primary
provider of the solid waste disposal system in the Portland
metropolitan area; and

WHEREAS, Council Resolution No. 84-506 established specific
transfer station policies and strategies for the purpose of
indicating the direction the Council of the Metropolitan Service
District intends to proceed as it relates to solid waste management
in the Portland metropolitan area; and

WHEREAS, Council Resolution No. 87-785A initiated an update
to the regional Solid Waste Management Plan in part by establishing
regional committees to formulate recommendations to the Council of
the Metropolitan Service District regarding solid waste planning
policy issues; now, therefore,

BE IT RESOLVED,

That the following policies for the Portland/Multnomah
County Transfer Station and Recycling Center be adopted
notwithstanding any conflicting policies adopted in the existing
Council Resolution No. 84-506:

1. The Portland/Multnomah County Transfer Station and Recycling Center may be privately owned and operated. In the event of private ownership/operation the Metropolitan Service District shall operate the gatehouse to the facility.
2. The Portland/Multnomah County Transfer Station shall be located within the service identified as the East waste shed (map attached) and shall not be restricted to a location within the City of Portland.
3. Notice shall be posted in January 1988 requesting that potential vendors for the Portland/Multnomah County Station initiate site selection and land use permitting processes recognizing that the Metropolitan Service District desires to select a vendor who has a site with the appropriate land use permits.

ADOPTED by the Council of the Metropolitan Service District
this _____ day of _____, 1988.



Presiding Officer

NOT
ADOPTED

BC/gl
8757C/525
01/04/88

ATTACHMENT A

EARLY NOTICE TO POTENTIAL BIDDERS TO OBTAIN LAND USE PERMITS
FOR THE EAST SOLID WASTE TRANSFER STATION

The Metropolitan Service District is planning to issue in March or April 1988 a Request for Proposals (RFP) for a solid waste transfer station to serve the Multnomah County area. One criterion for evaluation of proposals will be the status of land use approvals for proposed sites. Bidders are hereby advised that they will improve their chances for selection if documentation of land use approvals can be submitted with vendor's proposals. It is possible that proposals which cannot demonstrate that they can obtain land use permits by the date of selection may be ruled ineligible. Bidders who may submit proposals are strongly encouraged to initiate applications for land use approvals as soon as possible. Bidders who believe their sites are already permitted for solid waste transfer stations should seek written confirmation as soon as possible that transfer stations are allowed on their sites.

Additional information may be obtained from Richard Owings, Solid Waste Director, at the Metropolitan Service District, 2000 S. W. First Avenue, Portland, Oregon 97201-5398, (503) 221-1646.

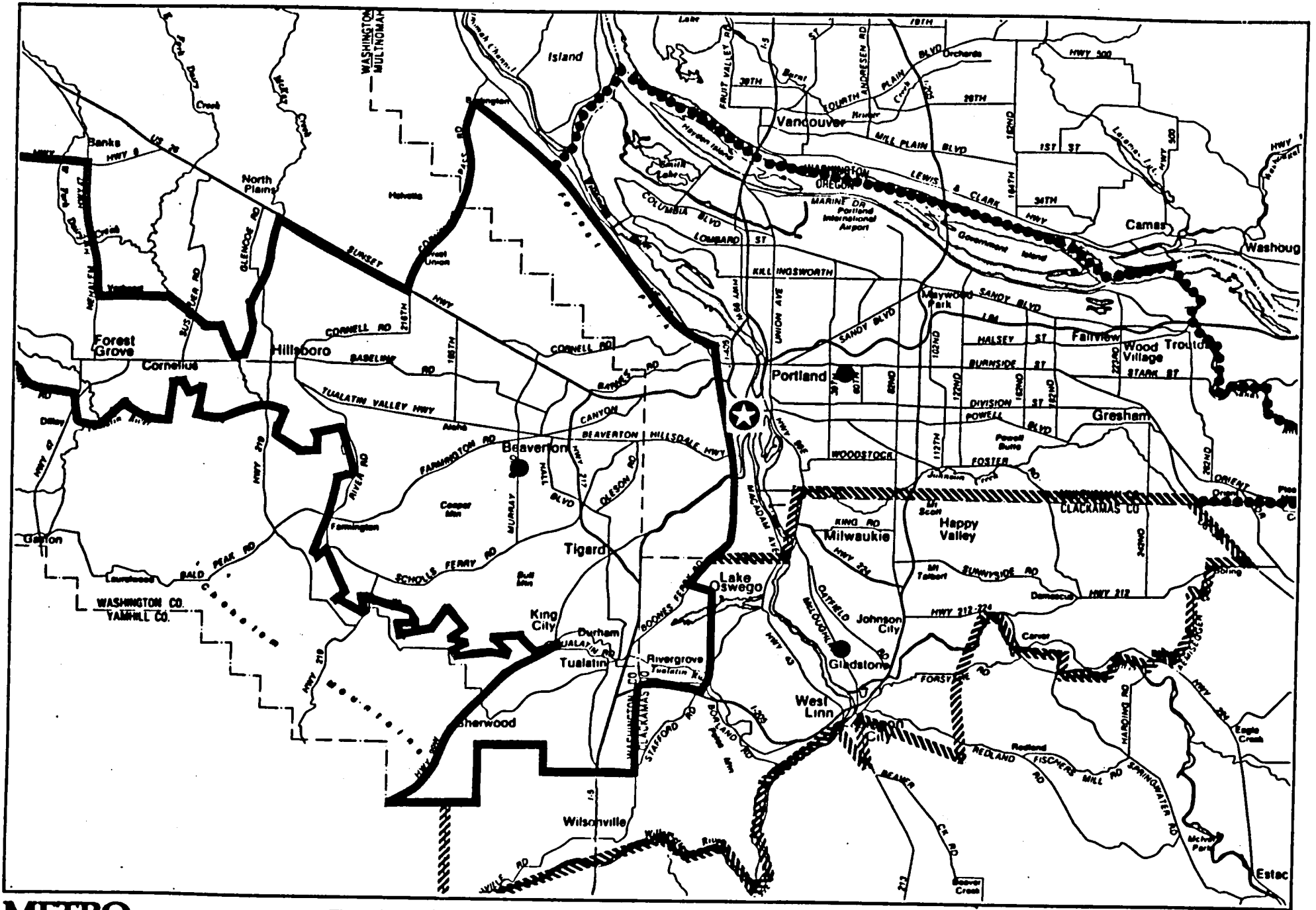
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01/04/88

ATTACHMENT B

Transfer Station/Depot* RFP Process

December	Facilities Subcommittee drafts RFP criteria (facility design) Land Use Subcommittee drafts RFP criteria (siting/evaluation process)
January	Notice sent to vendors to initiate site permitting process (depends on Council concurrence with Planning Committees)
January 29	Technical Committee recommends transfer station/depot white paper to Policy Committee
February 12	Policy Committee reviews/approves transfer station/depot white paper
February 23	Council Solid Waste Committee reviews white paper
February 24 - March 25	Staff finalizes RFP (legal review, notice, etc.)
March 31	RFP documents sent out to potential vendors (transfer station and depot) (seven-week response time)
May 20	Proposals due back from vendors (transfer station/depot)
May 23 - June 3	Proposal evaluation committee reviews proposals
June 10	Policy Committee reviews, recommends to Metro Council a transfer station/depot vendor(s) (ranked choice)
June 21	Council Solid Waste Committee reviews recommendation
June 23	Council reviews recommendation, selects final vendor(s). Permitted sites must be obtained by vendor and verified by staff and the local jurisdiction at this time.
July	Final contract negotiations, design and construction of facility begins

*Depot is included to note simultaneous process; however, while the depot/transport RFP is sent out with transfer station RFP, a decision of award of depot/transport can be made any time after proposals are received back, if desired.



METRO

*Regional Waste Sheds and Centers
of Waste 2005*

- East waste shed
- ▨▨▨▨▨ South waste shed
- West waste shed
- ★ Center of regional waste shed
- ★ Center of local waste shed

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ADOPTING	)	RESOLUTION NO. 84-506
SOLID WASTE TRANSFER STATION)	
STRATEGIES AND RELATED POLICIES	)	Introduced by the
AS A COMPONENT OF THE SOLID WASTE	)	Executive Officer
MANAGEMENT PLAN UPDATE 1984)	

WHEREAS, The ORS chapters 268 and 459 provide for the development of a solid waste management plan; and

WHEREAS, The Metropolitan Service District (Metro) is the primary provider of the solid waste disposal system in the Portland metropolitan area; and

WHEREAS, The Metro Solid Waste Management Plan was adopted in 1974-75 and as a result of changing practices and policies in the solid waste management field, is due for a comprehensive evaluation and update; now, therefore,

BE IT RESOLVED,

That the following transfer station policies and strategies are adopted for the purpose of clearly indicating the direction the Metro Council intends to proceed as they relate to solid waste management in the Portland metropolitan area:

1. Metro will own and operate three transfer stations in the Portland metropolitan area. Field operation contracts will be awarded to private companies based upon a competitive bid process. These stations are as follows:

- a. The Clackamas Transfer & Recycling Center (CTRC) located in Oregon City and operational since April 1983.

- b. The Washington Transfer & Recycling Center (WTRC) to be located in eastern Washington County and expected to become operational in 1986.
- c. A third station in the City of Portland to become operational upon closure of the St. Johns Landfill. Site evaluation for this facility will commence no later than January 1987.

2. Metro transfer stations will be designed to allow removal of appropriate recyclable materials, including source separated materials, and will incorporate strategies to provide the opportunity for future waste processing for recovery of recyclable materials.

3. Metro transfer stations will be sited, designed and operated to serve both the commercial collection industry and the general public.

4. Additional transfer stations will be franchised on the basis of the number of adequate sites available, economic viability of specific sites, and impact on other elements of the solid waste disposal system.

ADOPTED by the Council of the Metropolitan Service District
this 25th day of October, 1984.

Conry Kralpatrick

Presiding Officer

Certified A True Copy of the Original Thereof

A. Marie Nelson

Clerk of the Council

DD/gl
2149C/392-5
11/02/84



METRO

2000 S.W. First Avenue
Portland, OR 97201-5398
503/221-1646

Memorandum

Agenda Item No. 5

Date: June 7, 1988

Meeting Date June 14, 1988

To: Council Solid Waste Committee

From: ^{RB} Ray Barker, Council Assistant

Regarding: AMENDMENTS TO RESOLUTION NO. 88-835A

At the recent Council retreat consensus was reached on some solid waste issues that requires amendments to Resolution No. 88-835A (privately-owned and operated East Transfer & Recycling Center).

Resolution No. 88-835A has been revised by the Solid Waste Staff and is now designated as Resolution No. 88-835B. The changes are underlined and bracketed.

7.1 Consideration of Ordinance No. 88-258, for the Purpose of Amending Ordinance No. 88-247, Revising the FY 1988-89 Budget and Appropriations Schedule for Implementation of the Collective Bargaining Agreement, Incorporation of Pay and Class Study Appeals and Amending the Level of Appropriations (First Reading)

The Clerk read the ordinance a first time by title only. The Presiding Officer referred the ordinance to the Finance Committee for a public hearing and recommendation. The hearing was scheduled for August 18, 1988.

7.2 Consideration of Ordinance No. 88-260, for the Purpose of Amending Metro Code Section 5.01, Disposal Site Franchising, to Set Requirements for a Transfer Station Franchise (First Reading)

The Clerk read the ordinance a first time by title only. Presiding Officer Ragsdale referred the ordinance to the Solid Waste Committee for a public hearing and recommendation. The hearing was scheduled for August 2, 1988.

8. RESOLUTIONS

8.1 Consideration of Resolution No. 88-835C, for the Purpose of Adopting a Policy to Establish that the Metro East Transfer & Recycling Center(s) may be Publicly or Privately Owned and that Potential Vendors Obtain Land Use Permits for Proposed Transfer Station Sites

Councilor Hansen, Chair of the Council Solid Waste Committee, summarized his written report on the Committee's recommendation that the Council adopt the resolution.

Main Motion: Councilor Hansen moved, seconded by Councilor Kirkpatrick, to adopt Resolution No. 88-835C.

Councilor Van Bergen asked if the resolution had been reviewed by counsel. The Councilor was concerned about tax issues. Dan Cooper, General Counsel, said he had reviewed the resolution and was satisfied no tax problems would result by its adoption.

Motion to Amend: Councilor Waker moved, seconded by Councilor DeJardin for discussion purposes, to delete the "be it resolved" paragraph 1(g) which would delete the criteria of avoidance of vertical integration (monopoly) of the solid waste business.

Councilors discussed the amendment. Councilor Van Bergen said he was concerned the same company managing the Gilliam County Landfill

not be allowed to manage other, major components of the solid waste system.

Vote on the Motion to Amend: A vote resulted in:

Ayes: Councilors DeJardin, Knowles and Waker

Nays: Councilors Collier, Cooper, Hansen, Kelley,
Kirkpatrick, Van Bergen and Ragsdale

Absent: Councilors Coleman and Gardner

The motion failed to carry.

Responding to Councilor Knowles' questions, Rich Owings, Solid Waste Director, reported the Council would probably consider a separate resolution approving a request for bids for the transportation to landfill project on August 25. Councilor Knowles said he was very concerned that as the project took more time, transfer station options were narrowing down. He wanted to see staff progress as quickly as possible to protect options and increase competition among vendors.

Presiding Officer Ragsdale asked how the criteria for appropriate mitigation and enhancement for the host community would be developed. Mr. Owings said staff would propose criteria for Council consideration.

Councilor Van Bergen noted the first "be it resolved" paragraph of the resolution stated the project could be publicly or privately owned and was concerned that most of staff's work seemed to assume the transfer station would be privately owned. He asked if staff had abandoned efforts to pursue a publicly-owned option.

Mr. Owings responded that letters had recently been sent to real estate brokers asking them to propose sites suitable for municipal ownership. The brokers had been advised of Metro's criteria and time line, he said. Councilor Collier and Van Bergen asked that letters be sent to the brokers giving them a specific deadline by which proposals should be submitted.

Councilors Kirkpatrick and Kelley said the Solid Waste Committee had consistently pushed staff to prepare a publicly owned transfer station option which the Council could compare with a privately owned option. They were concerned staff had not followed through with that request. Councilor Knowles added that until determined otherwise by the Council, the current agency policy was to develop a system of privately owned transfer stations.

Mr. Owings, responding to Councilor Knowles' question, said landowners had not been approached about Metro purchase of lands for transfer station use because staff resources were limited and adequate time could not be allocated to that pursuit.

Motion: Councilor Collier moved, seconded by Councilor Kirkpatrick, to instruct staff to notify real estate brokers in writing that the deadline for agents to submit proposals for publicly owned transfer station sites would be 90 days from July 28, 1988, and that staff report to the Solid Waste Committee by the first meeting in September on the status of staff work investigating potential, publicly owned sites and costs.

Vote: A vote on the motion resulted in all Councilors present voting aye except Councilor Waker who voted no. Councilors Coleman and Gardner were absent.

The motion carried.

Vote on the Main Motion: A vote on the motion to adopt the resolution resulted in all ten Councilors present voting aye. Councilors Coleman and Gardner were absent.

The motion carried and Resolution No. 88-835C was adopted.

8.2 Resolution No. 88-948, for the Purpose of Adopting Policy that Waste Transport Services to Gilliam County shall be Privately Owned and Operated and that these Services shall be Acquired through a Request for Bids

Councilor Hansen, Solid Waste Committee Chair, reported the Committee supported adoption of the resolution.

Motion: Councilor Hansen moved, seconded by Councilor Kirkpatrick, to adopt the resolution.

Councilor Van Bergen said this matter was another example of a situation where the Council had initially requested public options be explored but because of delays, the a publicly owned transport service was no longer an option.

Vote: A vote on the motion resulted in all ten Councilors present voting aye. Councilors Coleman and Gardner were absent.

The motion carried and the resolution was adopted.

8.3 Consideration of Resolution No. 88-957, for the Purpose of Authorizing Change Order No. 7 to the Contract with Browning-Ferris Industries to Dispose of Contaminated Yard Debris

Councilor Hansen summarized the Committee's recommendation, explaining the change order would provide for BFI to dispose of yard debris unsuitable for processing.

Motion: Councilor Hansen moved to adopt the resolution and Councilor Waker seconded the motion.

Councilor Kirkpatrick said she would oppose the resolution because the material should not be landfilled.

Councilor Van Bergen recalled staff had expended considerable effort on resolving the problem of yard debris stockpiled at St. Johns and all those efforts had failed. He questioned whether the landfill operator could be held liable for not screening loads of yard debris initially brought into St. Johns. Councilor Hansen said most of the old loads were brought in before BFI had the operations contract. He agreed the best remedy was to approve the resolution and learn from past experiences. Councilor Van Bergen thought staff should determine whether the original contractor (Genstar) was at fault before the resolution was adopted.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, DeJardin, Hansen, Kelley, Knowes, Waker and Ragsdale

Nays: Councilors Collier, Kirkpatrick and Van Bergen

Absent: Councilors Coleman and Gardner

The motion carried and the resolution was adopted.

8.4 Consideration of Resolution No. 88-959, for the Purpose of Authorizing the Executive Officer to Execute a Contract with Sweet-Edwards/EMCON, Inc. for Hydrogeologic and Engineering Evaluation of the St. Johns Landfill

Councilor Hansen reported the Committee recommended adoption of the resolution.

Motion: Councilor Hansen moved, seconded by Councilor Kirkpatrick, to adopt the resolution.

Responding to Councilor Van Bergen's questions, Mr. Owings reported the contract should serve to provide staff with more definitive information for scheduling the closure of St. Johns Landfill and for

Motion: Councilor Waker moved, seconded by Councilor Hansen, to adopt Resolution No. 88-870.

Councilor Kirkpatrick questioned why the Public Affairs Department -- instead of the Solid Waste Department -- was coordinating the hazardous waste collection day project. Ms. Rocker responded that Public Affairs was very involved in the 1986 project because the collection day had served to raise the awareness of the community about household hazardous waste. The Public Affairs Department had volunteered to coordinate the 1988 program due to the heavy Solid Waste Department workload. Ms. Rocker's staff would work with Bob Martin, Solid Waste engineer, on the project. Councilor Kirkpatrick thought it inappropriate for the Solid Waste Department not to coordinate the collection day project.

In response to Councilor Van Bergen's question, Ms. Rocker explained staff was seeking the exemption because the City of Seattle, who had conducted similar programs, had demonstrated significant money could be saved by negotiating the management contract. Different types of materials required different handling methods and money could be saved by identifying each type of material and related handling costs.

Councilor Van Bergen was concerned that bidding competition could be decreased or eliminated if an exemption was granted. Ms. Rocker responded that Metro had been contacted by four prospective bidders about the project and the specifications had been prepared as not to exclude firms from bidding. She acknowledged, however, that Seattle and other areas had experienced limited bidding on their projects.

Councilor DeJardin suggested Metro contact the Umatilla Army Base to see if some of the waste collected by Metro could be burned at the Umatilla incinerator.

Vote: A vote on the motion resulted in all eleven Councilors present voting aye. Councilor Bonner was absent.

The motion carried and Resolution No. 88-870 was adopted.

8.2 Consideration of Resolution No. 88-835, for the Purpose of Adopting a Policy to Establish that the Portland/Metropolitan County Transfer Station and Recycling Center be Privately Owned and Operated Facility and that Notice be Posted to Request that Potential Vendors Obtain Land Use Permits for Proposed Transfer Station Sites (Referred from the Solid Waste Committee)

Presiding Officer Ragsdale announced the resolution had been placed on the Council agenda in advance of the March 18 Solid Waste Commit-

tee meeting. Councilor Hansen, Chair of the Council Solid Waste Committee, explained the Committee had set the item over for discussion at the March 1 Committee meeting. The resolution would be considered by the Council after the Committee made its recommendation.

8.3 Consideration of Resolution No. 88-876, for the Purpose of Awarding a Contract for Construction of the Oregon Street Detour for the Oregon Convention Center
(Referred from the Convention Center Committee)

Councilor Cooper, Chair of the Council Convention Center Committee, reported the Committee had unanimously recommended the Council adopt the resolution.

Motion: Councilor Cooper moved the resolution be adopted. Councilor Waker seconded the motion.

Tuck Wilson, Convention Center Project Director, reported a hearing on the matter was scheduled before the City of Portland Council on March 23. He thanked Steve Dotterer, City of Portland Transportation Planner, for his assistance on the project.

In an unrelated matter, Councilor Kirkpatrick said she had received a phone call from a citizen who thought the Council had taken improper action when adopting Ordinance No. 88-242, an ordinance exempting the Oregon Street Detour Contract from certain Disadvantaged Business Enterprise program provisions. The Presiding Officer asked staff to look into the matter.

Vote: A vote on the motion resulted in all eleven Councilors present voting aye. Councilor Bonner was absent.

Resolution No. 88-876 was adopted.

8.4 Consideration of Resolution No. 88-871, for the Purpose of Providing for the Assessment of Dues to Local Governments for FY 1988-89 (Referred from the Intergovernmental Relations Committee)

Committee Chair Waker reported the resolution had been reviewed by the Intergovernmental Relations Committee and was unanimously recommended for adoption.

Motion: Councilor Waker moved, seconded by Tom DeJardin, to adopt Resolution No. 88-871.

11.2 Consideration of Resolution No. 88-835, for the Purpose of Adopting a Policy to Establish that the Portland/Multnomah County Transfer Station and Recycling Center be a Privately Owned and Operated Facility and that Notice be Posted to Request that Potential Vendors Obtain Land Use Permits for Proposed Transfer Station Sites

Councilor Gardner, former Solid Waste Committee Chair, reported the Committee had considered the resolution on January 12, 1988, and had adopted a motion to send the matter back to the Solid Waste Technical and Policy Committees in order that certain questions be answered.

Motion: Councilor Gardner moved, seconded by Councilor DeJardin, to refer Resolution No. 88-835 back to the Council Solid Waste Committee

Councilor Knowles was concerned the matter of privatization -- a significant policy change -- had come before the Council with no advance notice from staff. Councilor Gardner said the change had originated with the Solid Waste Advisory Committee and he was unsure why staff were pursuing adoption of the policy on an accelerated schedule.

Vote: A vote on the motion resulted in all eleven Councilors present voting aye. Councilor Van Bergen was absent.

The motion carried.

11.3 Consideration of Resolution No. 88-836, for the Purpose of Endorsing an Oregon Regional Council Association Study

Councilor Collier and Steve Lee, Local Government Coordinator, briefly reviewed staff's written report. There was no discussion on the resolution.

Motion: Councilor Collier moved, seconded by Councilor Kirkpatrick, to adopt the resolution.

Vote: A vote on the motion resulted in all eleven Councilors present voting aye. Councilor Gardner was absent.

The motion carried and the resolution was adopted.