

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF GRANTING A)	RESOLUTION NO. 88-937A
FRANCHISE TO WASTECH, INC. FOR)	
THE PURPOSE OF OPERATING A SOLID)	INTRODUCED by Rena Cusma
WASTE PROCESSING FACILITY)	Executive Officer

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

WHEREAS, Wastech, Inc. has applied for a non-exclusive franchise to expand the operation located at 701 N. Hunt Street, Portland, Oregon, to process high grade loads for materials recovery and to produce fiber based fuel; and

WHEREAS, Wastech, Inc. has submitted evidence of compliance with Metro Code Section 5.01.060 requirements for franchise applications and operational plans except in areas relating to rate regulation as discussed in the Staff Report; and

WHEREAS, Need for expanded materials recovery has been established in the 1986 adopted Waste Reduction Program, and further has been recently reconfirmed in the analysis completed for the East Waste Shed by the solid waste planning committees; and

WHEREAS, Wastech, Inc. has applied for a variance from the Metro Code section relating to rate regulation pursuant to Metro Code Section 5.01.110; and

WHEREAS, Wastech, Inc. has met the purpose and intent of Metro Code Section 5.01.180 and has met variance criterion (3) under Metro Code Section 5.01.110 as set out in its application for a variance from rate regulation; and,

WHEREAS, The variance relating to rate regulation is subject to monthly review by the Executive Officer due to anticipated landfill rate increases that will radically increase the difference between rates currently charged at OPRC and current landfill rates and Metro wishes to ensure maximum materials recovery through rate incentives; now, therefore,

BE IT RESOLVED,

1. That the Council of the Metropolitan Service District authorizes the District to enter into the attached Franchise Agreement with Wastech, Inc. within ten days of the adoption of the Resolution.

2. That the variance from the Metro Code pertaining to rate regulation is granted, but shall be reviewed by the Executive Officer monthly. If, in the opinion of the Executive Officer, the variance warrants review it shall be reconsidered by the Council.

ADOPTED by the Council of the Metropolitan Service District this 9th day of June, 1988.



Mike Ragsdale, Presiding Officer

STAFF REPORT

Agenda Item No. _____
Meeting Date _____

CONSIDERATION OF RESOLUTION NO. 88-937 FOR
THE PURPOSE OF GRANTING A PROCESSING FACILITY
FRANCHISE TO WASTECH, INC.

Date: June 9, 1988

Presented by: Rich Owings
Debbie Gorham

FACTUAL BACKGROUND AND ANALYSIS

Wastech, Inc. currently operates a processing facility called Oregon Processing and Recovery Center (OPRC) for recyclable materials at 701 N. Hunt Street, Portland, Oregon. On February 8, 1988 the company applied to expand from 15,000 TPY to 100,000 TPY of Metro area waste. The company proposes to expand the facility to process approximately 78% of the waste received into recyclable materials and/or fiber based fuel. Only loads of solid waste that contain a significant percentage of recyclable materials will be accepted.

Fiber based fuel will be sold to industry using hogged fuel, such as Smurfit Newsprint Corporation. Fiber based fuel will be produced from the reject material that cannot be sold for recycling.

Need for New Franchise

The company has applied for a revision to their existing franchise to expand the operation, and requested several variances as well. Their application was accepted as complete on March 17, 1988.

A new franchise is required, by Code, for an expansion. Simply revising the operational plan for the existing franchise is not adequate. It is recommended that a new franchise be granted Wastech, Inc. to enable the expansion.

Variance Requested to Extend Franchise Term

A variance from the Franchise Code was requested for the term of the franchise. A ten-year term, or five-year "rolling" term of operation was requested.

The longer term franchise cannot be granted through a variance (see Exhibit #1 - General Counsel opinion). Alteration of the franchise term beyond five years is beyond the scope of the

variance and only allowable if the Metro Code is amended.

Variance Requested from Rate Regulation

A variance from the Franchise Code was requested to enable Wastech, Inc. to continue to set rates at OPRC. A variance allowing Wastech, Inc. to set the rates at OPRC is recommended, but with new language stipulating that rates will be subject to Metro review and regulation in the future. Rates will be subject to future review and regulation by Metro to ensure that the difference between Metro's landfill rate and OPRC's rate for processing recyclable material provides appropriate incentive for maximum materials recovery.

If Wastech, Inc. can expand its operation at OPRC, charge rates sufficiently lower than Metro landfill rates to provide an adequate incentive for high-grade materials recovery and still realize a fair rate of return on investment, Metro will not need to set rates at OPRC. Since the Metro disposal rate is expected to increase from \$16.70/ton to near \$40/ton this fall, with further increases by 1990, it seems that there will exist a strong opportunity for profitability for the expanded operation Wastech, Inc. proposes.

Variance from Collection of User Fees and Regional Transfer Charge (RTC) on Mixed Waste

Under Sections 5.02.045 and 5.02.050 of the Metro Code, the operator of a facility which receives mixed waste is required to collect user fees and the RTC on all material which is received. When the remaining waste is disposed of, User Fees and the RTC are charged at the disposal facility. The operator then receives a credit for the charges which were collected at the disposal facility.

The net result of this process is that Metro charges are collected on both the recyclable materials and the disposed materials. It is recommended that the applicant not be assessed these charges on material that he receives but only when the remaining material is taken to a disposal facility. This is to provide maximum opportunity for incentive to recycle.

Recommendation

The proposed expansion is a positive step for waste reduction in the Metro area. It is recommended that the Council adopt Resolution No.88-937 , to allow the District to enter into a franchise with Wastech, Inc. according to the terms and conditions of the Franchise Agreement (see Exhibit #2 - Franchise Agreement).



METRO

2000 SW First Avenue
Portland, OR 97201-5398
(503) 221-1646
Fax 241-7417

April 12, 1988

Mr. Richard Owings
Director of Solid Waste
Metropolitan Service District
2000 S. W. First Avenue
Portland, OR 97201-5398

Dear Mr. Owings:

Re: Opinion on Section 5.01.080 of the Franchise Code

Debbie Gorham of your staff has requested that I determine whether it is necessary for WASTECH to obtain a variance from Metro's franchise code to allow for a 10-year operating period or a "five-year rolling" franchise term.

The question raised in Ms. Gorham's memorandum to me is whether or not the provisions for renewal of a franchise contained in the Metro Code would obviate the need for a variance to allow for a longer franchise term because a franchise would be "automatically be renewed if they continue to comply with Metro's Solid Waste Management Plan."

The request raises two issues: (1) is the variance necessary, and (2) is such a variance possible? I will address the second issue first.

I believe that the provisions of Section 5.01.110 pertaining to variances do not grant the Council the authority to grant a variance to the specific terms of the franchise code which limit solid waste franchises to terms of five years or less.

Section 5.01.110 Variance reads as follows:

"(a) The Council, upon recommendation of the Executive Officer, may grant specific variances from particular requirements of this chapter to such specific persons or class of persons upon such conditions as the Council may deem necessary to protect public health, safety and welfare, if the Council finds that the purpose and intent of the particular requirement can be achieved without strict compliance and that strict compliance:

Executive Officer
Rena Cusma

Metro Council

Mike Ragsdale
Presiding Officer
District 1

Corky Kirkpatrick
Deputy Presiding
Officer
District 4

Richard Waker
District 2

Jim Gardner
District 3

Tom DeJardin
District 5

George Van Bergen
District 6

Sharron Kelley
District 7

Mike Bonner
District 8

Tanya Collier
District 9

Larry Cooper
District 10

David Knowles
District 11

Gary Hansen
District 12

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April 12, 1988
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"(1) Is inappropriate because of conditions beyond the control of person(s) requesting the variance; or

"(2) Will be rendered extremely burdensome or highly impractical due to special physical conditions or causes; or

"(3) Would result in substantial curtailment or closing down of a business, plant, or operation which furthers the objectives of the District.

"(b) A variance must be requested in writing and state in a concise manner facts to show cause why such variance should be granted. The Executive Officer may make such investigation as he/she deems necessary and shall make a recommendation to the Council within sixty (60) days after receipt of the variance request.

"(c) If the Council denies a variance request, the Executive Officer shall notify the person requesting the variance of the right to a contested case hearing pursuant to Code Chapter 2.05.

"(d) If a request for a variance is denied, no new application for this same or substantially similar variance shall be filed for at least six (6) months from the date of denial." (Ordinance 81-111, Sec. 12)"

Section 5.01.080 Term of Franchise states:

(a) The term for a new or renewed franchise shall be the site longevity or five (5) years, whichever is less. In recommending site longevity, the Executive Officer shall consider the population to be served, the location of existing franchises, probable use and any other information relevant to the franchise term. The Executive Officer shall recommend the term of the franchise to the Council. The Council shall establish the term of the franchise.

"(b) Franchises shall be renewed unless the Council determines that the proposed renewal does not meet the criteria of Section

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5.01.070(b), provided that the franchisee files an application for renewal not less than one hundred twenty (120) days prior to the expiration of the franchise term, together with a statement of material changes in its initial application for the franchise and any other information required by the Executive Officer. The Council, upon recommendation from the Executive Officer, may attach conditions or limitations to the renewed franchise."

The specific provisions of 5.01.110(a) allow the grant of a variance only under extremely limited terms where specific findings are made that one of the three stated conditions have been met. Succinctly stated I do not believe it is possible to construe the variance power to reach the issue of term of the franchise. Firstly, I do not believe it would ever be possible for an applicant to show that the length of the term of the franchise resulted in the occurrence of any of the three conditions for granting a variance set forth in the Code. Secondly, the establishment of a limitation on the term of the franchise is a legislative act which is jurisdictional on the Council and may not be varied without the Council taking a legislative action by ordinance to amend the provisions of the Code to allow for longer terms. Thus, the answer to the question of whether a variance can be granted to lengthen the term of the franchise is "no." If the Council wants to provide for longer term franchises it must amend the franchise code by ordinance to allow for such longer terms.

Secondly, I think it is important to review the provisions of Section 5.01.070(b) as they would apply to any request for renewal. Renewal is not automatic. Renewal is only granted unless the Council determines that the proposed renewal does not meet the criteria of Section 5.01.070(b).

Section 5.01.070(b) provides:

"(b) Upon the basis of the application, evidence submitted and results of any investigation, the Executive Officer shall formulate recommendations regarding whether the applicant is qualified, whether the proposed franchise complies with the District's Solid Waste Management Plan, whether the proposed franchise is needed considering the location and number of existing and planned disposal sites, transfer stations, processing facilities and resource recovery

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facilities and their remaining capacities, and whether or not the applicant has complied or can comply with all other applicable regulatory requirements."

In order for a franchise to be renewed, not only is there a question of whether the franchise complies with the District's Solid Waste Management Plan, there also must be a determination whether the franchise is needed considering the location and number of existing and planned disposal sites, transfer stations, processing facilities and resource recovery facilities and their remaining capacities, and whether or not the applicant has complied or can comply with all other applicable regulatory requirements. Mere continued compliance with the Solid Waste Management Plan is not sufficient for a renewal to be granted -- other conditions must be met.

However a franchisee is entitled to a hearing and contested case procedures before the refusal to renew becomes final. These procedural safeguards may be sufficient to protect the interests of WASTECH. They may believe that their facility will always be consistent with the plan and needed.

Please let me know if this is sufficient to answer your question.

Yours very truly,

Daniel B. Cooper
General Counsel

gl
9332C/D1

Franchise No. _____
Date Issued _____
Expiration Date _____

SOLID WASTE FRANCHISE
issued by the
METROPOLITAN SERVICE DISTRICT
2000 S.W. 1st
Portland, Oregon 97201-5398
503-221-1646

ISSUED TO: Wastech, Inc.

NAME OF FACILITY: Oregon Processing and Recovery Center

ADDRESS: 701 N. Hunt Street, Portland, OR 97217.

LEGAL DESCRIPTION: Blocks 1 and 2, Swinton. Block 3, Swinton except south 72.5'. Plus vacated portions of N. Albina and N. Kirby Streets.

CITY, STATE, ZIP: Portland, Oregon 97217

NAME OF OPERATOR: Wastech, Inc.

PERSON IN CHARGE: Merle Irvine

ADDRESS: P.O. Box 17561

CITY, STATE, ZIP: Portland, Oregon 97217

TELEPHONE NUMBER: 503-285-5261

This Franchise will automatically terminate on the expiration date shown above, or upon modification or revocation, whichever occurs first. Until this Franchise terminates, Wastech, Inc. is authorized to operate and maintain a solid waste processing facility located at 701 N. Hunt Street, Portland, Oregon 97217, for the purpose of accepting and processing solid waste in accordance with the Metro Code and the attached Schedules A, B, C, D, and E, and in accordance with the provisions specified in the Solid Waste Disposal Site Permit No. 245 issued by the State of Oregon, Department of Environmental Quality. This Franchise may be revoked at any time for any violation of the conditions of this Franchise or the Metro Code. This Franchise does not relieve the Franchise Holder from responsibility for compliance with ORS Chapter 459 or other applicable federal, state or local laws, rules, regulations or standards.

Merle Irvine
President
Wastech, Inc.

Rena Cusma
Executive Officer
Metropolitan Service District

FRANCHISE CONDITIONS

Franchise Number:

Expiration Date:

SCHEDULE A

AUTHORIZED AND PROHIBITED SOLID WASTES

SA-1 The Franchise Holder is authorized to accept for processing select loads of mixed solid waste containing at least 30 percent, by weight, of recyclable material. No other wastes shall be accepted unless specifically authorized in writing by Metro supplementary to this Franchise.

SA-2 The following types of materials are specifically prohibited from the processing facility:

a. Bulky combustible material, car bodies, dead animals, tires, sewage sludges, septic tank pumpings and hospital wastes.

b. All chemicals, liquids, explosives, infectious materials and other materials which may be hazardous or difficult to manage, unless specifically authorized by Metro.

SA-3 Public dumping of mixed waste is not allowed. Dumping by commercial solid waste haulers is allowed. No commercial hauler will be excluded from this site except when the load contains less than 30 percent, by weight, recyclables. Loads of solid waste in compactor trucks and compacted drop boxes or containers will be accepted if said loads contain at least 30 percent, by weight, recyclables.

SA-4 Salvaging is authorized, if controlled so as to not create unsightly conditions or vector harborage.

SA-5 Non-recovered material shall be removed from the processing facility and shall be transported to a franchised or authorized disposal site. Storage and transportation shall be carried out to avoid vector production and bird attraction.

SA-6 The Franchise Holder shall perform litter patrols to keep the facility free of blowing paper and other material on at least a daily basis or more often if necessary. If such standards are not met, a stipulated fee of \$500 per violation will be imposed. The same standards imposed at Clackamas Transfer and Recycling Center are imposed at OPRC.

SA-7 The Franchise Holder shall operate the processing facility in accordance with the Application and Operation Plan dated October 16, 1984, supplemental data in the letter from Merle Irvine to Ed Stuhr dated November 9, 1984, the Application for a Revised Operational Plan, Oregon Processing and Recovery Center's Solid Waste Franchise 5 dated February 8, 1988 and supplemental letter from Merle Irvine to Rich Owings dated March 17, 1988.

SA-8 The Franchise Holder shall not, by act or omission, discriminate against, treat unequally or prefer any user of the processing facility in the fees or the operation of the facility.

SA-9 All solid waste transferring vehicles and devices using public roads shall be constructed, maintained, and operated so as to prevent leaking, sifting, spilling, or blowing of solid waste while in transit.

SA-10 All mixed loads containing food waste shall be processed and the reject material removed within 24 hours of receipt to a Metro authorized disposal site.

SA-11 All mixed waste will be stored in an enclosed structure.

FRANCHISE CONDITIONS

Franchise Number:

Expiration Date:

SCHEDULE B

MINIMUM MONITORING AND REPORTING REQUIREMENTS

SB-1 The Franchise Holder or his/her Contractor shall effectively monitor the processing facility operation and maintain records of the following required data to be submitted to Metro:

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

<u>Item or Parameter</u>	<u>Minimum Frequency</u>
c. Tons of solid waste delivered by commercial collectors	Daily
d. Number of commercial collection vehicles	Daily
e. Unusual occurrences affecting processing facility operation	Each occurrence
f. Tons of reject material disposed at an authorized disposal site	Monthly
g. Tons of fiber based fuel produced	Monthly
h. Tons of fiber based fuel sold	Monthly
i. Tons of waste salvaged by type of material	Monthly
j. Tons of recyclable materials sold	Monthly
k. Disposal rate charged for mixed solid waste	Daily
l. Disposal rate charged for clean loads	Daily
m. Signature and title of the Franchisee or its agent	Monthly

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

SB-3 The Franchise Holder shall pay an annual franchise fee established by the Council within 30 days of the effective date of the Franchise Agreement.

SB-4 The Franchise Holder shall report to the District any changes in excess of five (5%) of ownership of the Franchisee's corporation or similar entity, or of the partners of a partnership within ten (10) days of such changes of ownership.

SB-5 The Franchisee may contract with another person to operate the disposal facility only upon ninety (90) days prior written notice to the District and the written approval of the Executive Officer. If approved, the Franchisee shall remain responsible for compliance with this Franchise Agreement.

SB-6 The Franchisee shall establish and follow procedures designed to give reasonable notice prior to refusing service to any person. Copies of notification and procedures for such action will be retained on file for three (3) years by each Franchisee for possible review by the District.

SB-7 The Franchisee shall maintain during the term of the franchise public liability insurance in the amounts set forth in SC-1 and shall give thirty (30) days written notice to the District of any lapse or proposed cancellation of insurance coverage or performance bond.

SB-8 The Franchisee shall file an Annual Operating Report detailing the operation as outlined in this Franchise on or before the anniversary date of the Franchise of each year for the preceding year.

SB-9 The Franchise Holder shall submit a duplicate copy to the District of any information submitted to, or required by the Department of Environmental Quality pertaining to the solid waste permit for this facility.

SB-10 The Franchise Holder shall report to Metro the names of solid waste credit customers which are sixty (60) days or more past due in paying their disposal fees at the processing facility. Such report shall be submitted in writing each month on Metro approved forms. For the purposes of this section sixty (60) days pst due means disposal charges due, but not paid on the first day of the second month following billing.

SB-11 In the event a breakdown of equipment, fire or other occurrence causes a violation of any conditions of this Franchise Agreement or of the Metro Code, the Franchise Holder shall:

a. Immediately take action to correct the unauthorized condition or operation.

b. Immediately notify Metro so that an investigation can be made to evaluate the impact and the corrective actions taken and determine additional action that must be taken.

SB-12 In the event that the processing facility is to be closed permanently or for an indefinite period of time during the effective period of this Franchise, the Franchise Holder shall provide Metro with written notice, at least ninety (90) days prior to closure, of the proposed time schedule and closure procedures.

SB-13 The Franchisee shall file a monthly report on forms approved by the District indicating the types (wood, paper, cardboard, metal, glass, etc.) and quantities (tonnage/cubic yards) of non-source separated solid wastes accepted at the facility and not disposed at the franchised site.

SB-14 Authorized representatives of Metro shall be permitted to inspect source separated recyclable quantity information during normal working hours or at other reasonable times with notice.

FRANCHISE CONDITIONS

Franchise Number: _____ Expiration Date: _____

SCHEDULE C

GENERAL CONDITIONS

- SC-1 The Franchise Holder shall furnish Metro with public liability insurance, including automotive coverage, in the amounts of not less than \$300,000 for any number of claims arising out of a single accident or occurrence, \$50,000 to any claimant for any number of claims for damage to or destruction of property, and \$100,000 to any claimant for all other claims arising out of a single accident or occurrence, or such other amounts as may be required by State law for public contracts. Name the District as an additional insured in this insurance policy.
- SC-2 The Franchise Holder shall obtain a corporate surety bond in the amount of \$25,000 guaranteeing full and faithful performance during the term of this Franchise of the duties and obligations of the Franchisee under the Solid Waste Code, applicable federal, state and local laws, rules and regulations.
- SC-3 The term processing facility is used in this Franchise as defined in Section 5.01.010(n) of the Metro Code.
- SC-4 The conditions of this Franchise shall be binding upon, and the Franchise Holder shall be responsible for all acts and omissions of, all contractors and agents of the Franchise Holder.
- SC-5 The processing facility operation shall be in strict compliance with the Metro Code regarding storage, collection, transportation, recycling and disposal of solid waste.
- SC-6 The Franchise Holder shall provide an adequate operating staff which is duly qualified to carry out the reporting functions required to ensure compliance with the conditions of this Franchise Agreement.
- SC-7 Metro may reasonably regulate the hours of site operation as it finds necessary to ensure compliance with this Franchise Agreement.
- SC-8 At least one sign shall be erected at the entrance to the processing facility. This sign shall be easily visible, legible, and shall contain at least the following:
- a. Name of facility;

- b. Emergency phone number;
- c. Operational hours during which material will be received;
- d. Disposal rates;
- e. Metro information phone number; and
- f. Acceptable materials.

SC-9 If the Executive Officer finds that there is a serious danger to the public health or safety as a result of the actions or inactions of a Franchisee, he/she may take whatever steps necessary to abate the danger without notice to the Franchisee.

SC-10 Authorized representatives of Metro shall be permitted access to the premises of the processing facility owned or operated by the Franchise Holder at all reasonable times for the purpose of making inspections and carrying out other necessary functions related to this Franchise. Access to inspect is authorized:

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

SC-11 This Franchise Agreement is subject to suspension, modification, revocation or nonrenewal upon finding that a Franchisee has:

- a. Violated the Disposal Franchise Ordinance, the Franchise Agreement, the Metro Code, ORS Chapter 459 or the rules promulgated thereunder or any other applicable law or regulation; or
- b. Misrepresented material facts or information in the Franchise Application, Annual Operating Report, or other information required to be submitted to the District;
- c. Refused to provide adequate service at the franchised site, facility or station, after written notification and reasonable opportunity to do so.
- d. That there has been a significant change in the quantity or character of solid waste received or the method of solid waste processing.

SC-12 This Franchise Agreement, or a photocopy thereof, shall be displayed where it can be readily referred to by operating personnel.

SC-13 The granting of a Franchise shall not vest any right or privilege in the Franchisee to receive specific types or quantities of solid waste during the term of the Franchise.

- a. To ensure a sufficient flow of solid waste to the District's resource recovery facilities, the Executive Officer may, at any time during the term of the Franchise, without hearing, direct solid wastes away from the Franchisee. In such case, the District shall make every reasonable effort to provide notice of such direction to affected haulers of solid waste.
- b. To carry out any other purpose of the Metro Disposal Franchise Ordinance, the Executive Officer may, upon sixty (60) days prior written notice, direct solid wastes away from the Franchisee or limit the type of solid wastes which the Franchisee may receive.

Any Franchisee receiving said notice shall have the right to a contested case hearing pursuant to Code Chapter 2.05. A request for a hearing shall not stay action by the Executive Officer. Prior notice shall not be required if the Executive Officer finds that there is an immediate and serious danger to the public or that a health hazard or public nuisance would be created by a delay.

FRANCHISE CONDITIONS

Franchise Number: _____

Expiration Date: _____

SCHEDULE D

WASTE REDUCTION PLAN

The Franchisee shall implement the following waste reduction plan:

- SD-1 To fulfill the requirements of the Waste Reduction Plan as stated in Section 5.01.120(k) of the Metro Code, the Franchisee shall continue to operate the existing recycling buy-back center as outlined in the application dated October 16, 1984, and supplemental data submitted November 9, 1984.

FRANCHISE CONDITIONS

Franchise Number: _____

Expiration Date: _____

SCHEDULE E

DISPOSAL RATES

SE-1 In accordance with the variance granted by the Metro Council, the rates charged at this facility will be exempt from Metro regulations with the condition that rates charged at Oregon Processing and Recovery Center (OPRC) be set below those established by Metro and provide adequate incentive for materials recovery. Rates are subject to review monthly, and can be regulated by Metro if, in Metro's judgment, these conditions are not met.

SE-2 This facility will be exempt from Metro User Fee payments and Metro Regional Transfer Charge payments, except that the Executive Officer shall review the rates annually to determine whether the variances should be continued for the following year.

Metro Council
June 9, 1988
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Paul Atanasio would review the material in the "MOU Presentation" document. The Solid Waste Committee would then meet on June 21 to consider the MOU document and make a recommendation for Council consideration.

Ms. Gorham introduced Harvey Gershman and Paul Atanasio who made the presentation which included: discussion of key components of the MOU document; description of the MOU document attachments; key definitions of terms used in the MOU document; a technical description of the proposed composting facility; discussion of the proposed performance standards; discussion of compost product marketing and materials sales contracts; project funding sources; and key assumptions in tip fee projection.

After the presentation, the Council briefly discussed various aspects of the draft MOU document.

7.2 Consideration of Resolution No. 88-937, for the Purpose of Granting a Franchise to Wastech, Inc. for the Purpose of Operating a Solid Waste Processing Facility

Councilor Hansen, Chair of the Council Solid Waste Committee, reported the Committee recommended adoption of the resolution which would grant a five-year franchise with Wastech, Inc. The Councilor said the Committee also acknowledged the need update the franchise ordinance.

Motion: Councilor DeJardin moved, seconded by Councilor Van Bergen, to adopt Resolution No. 88-937.

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

The motion carried and Resolution No. 88-937 was adopted.

4. COUNCILOR COMMUNICATIONS

Presiding Officer Ragsdale announced he was in receipt of a letter from Councilor Bonner dated June 6, 1988, which stated the Councilor had resigned from the District 8 Metro Council position for personal reasons effective June 6, 1988. The Presiding Officer then reviewed the Council's process for filling Councilor vacancies per Resolution No. 83-385. The process included the Council appointing a citizen committee to assist with the selection process, advertising the vacancy, the committee and Councilors reviewing applications, the Council interviewing finalists, and the Council selecting a candidate to fill the vacancy. He expected the Council would interview candidates on July 7 and a candidate would be selected by July 14.