
Metropolitan Service District
527 SW Hall Portland, Oregon 97201 503/221-1646

Agenda

SOLID WASTE POLICY ALTERNATIVES
COMMITTEE

Date: March 16, 1981
Day: Monday
Time: 12:00 - 2:00 p.m.
Place: Metro Offices, Conference Rooms A1 & A2

- I. MINUTES OF FEBRUARY 23, 1981
- II. FOR INFORMATION --
 - Resource Recovery Project Update
by Cary Jackson
- III. FOR DECISION --
 - Recommendation on several revisions on the Metro
Solid Waste Disposal Franchise Ordinance

SOLID WASTE POLICY ALTERNATIVES COMMITTEE

February 23, 1981

Members

Mike Sandberg
Dave Phillips
John Trout
Howard Grabhorn
Jim Cozzetto
Harlod LaVelle
Bill Culham
Warren Rosenfeld
Dick Howard
Bruce Walker

Staff

Norm Wietting
Merle Irvine
Doug Drennen
Dennis O'Neil
Teri Anderson
Judy Roumpf
Patti Polly

Guests and Advisors

Gayla Reese, DEQ Solid Waste Division
Gary Newbore, Riedel International
Kent Meyers, Clark County, Washington
Bob Brown, DEQ Solid Waste Division
Ronald Watson, Attorney for Land Reclamation Inc.

Bill Culham, Chairman, informally began the meeting by introducing Gus Rivera as Metro's new Yard Debris Coordinator who will be working on Metro's goals and the effect the yard debris ban will have on the area.

The meeting was called to order at 12:30 p.m., and Bob Brown introduced Gayla Reese as the new DEQ representative.

I. MINUTES OF JANUARY 19, 1981

Corrections to the minutes were pointed out by Dick Howard, who should have been marked absent and was marked as attending. Minutes were then accepted as corrected.

II. DRAFT DISPOSAL FRANCHISE ORDINANCE

Dennis O'Neil informed the committee that the Disposal Franchise Ordinance would be on the agenda for the Regional Services Committee for their March 10, 1981 meeting. He then reviewed the changes the committee had made on the following section of the Draft: Section 5, subsection 2; Section 8, subsection 6. Terilyn Anderson then covered the information in her memorandum to the committee dated February 14, 1981.

John Trout questioned the change on Section 7, subsection 1(d), regarding the percentage of interest owned by a company before it violates the "conflict of interest" clause. Teri Anderson related what occurred during the last meeting regarding this change in the Draft.

Dave Phillips asked about Section 13, subsection 8, on the hold harmless clause and the relation to the anti-trust law. Perhaps it should be changed to also hold Metro harmless for any anti-trust violations. The committee and staff decided to refer this question to legal counsel.

Under Section 13, subsection 11, John Trout moved to strike out all language after the words on line six, "refuse within the District." Bruce Walker seconded the motion. Roll call vote:

Mr. Cooper: Absent
Mr. Cozzetto: Yes
Mr. Culham: Yes
Mr. Grabhorn: Yes
Mr. Harris: Absent
Mr. Howard: No
Mr. LaVelle: Yes
Ms. Coffin: Absent
Mr. Phillips: Yes
Mr. Rosenfeld: Yes
Mr. Sandberg: No
Mr. Trout: Yes
Mr. Walker: Yes

The committee then discussed Section 20, subsection 5, concerning the purchase of real and personal property by a franchise. Some members suggested that staff ask legal counsel about separating the two.

The committee went back through the Draft document and made comments on it. Dave Phillips moved to reaffirm Section 16, subsection 6, which states that user fees be used only for Solid Waste Department activities. Dick Howard seconded. Roll call vote:

Mr. Cooper: Absent
Mr. Cozzetto: Yes
Mr. Culham: Yes
Mr. Harris: Absent
Mr. Howard: Yes
Mr. LaVelle: Yes
Ms. Coffin: Absent
Mr. Phillips: Yes
Mr. Rosenfeld: Yes
Mr. Sandberg: Yes
Mr. Trout: Yes
Mr. Walker: Yes
Mr. Grabhorn: Yes

The Chairman then asked Harold LaVelle if he still had any questions, and Harold LaVelle moved that Section 5, subsection 1(b) be stricken from the Draft Ordinance. Johns Trout seconded the motion. Roll call vote:

Mr. Cooper: Absent
Mr. Cozzetto: No
Mr. Brabhorn: No
Mr. Culham: No
Mr. Harris: Absent
Mr. Howard: No
Mr. LaVelle: Yes
Ms. Coffin: Absent
Mr. Phillips: No
Mr. Rosenfeld: No
Mr. Sandberg: No
Mr. Trout: No
Mr. Walker: No

The Chairman called for further questions. Hearing none, Dave Phillips moved that the Draft Disposal Franchise Ordinance with staff recommendations and addendums be forwarded to the Regional Services Committee. Mike Sandberg seconded. Roll call vote:

Mr. Cooper: Absent
Mr. Cozzetto: Yes
Mr. Culham: Yes
Mr. Grabhorn: Yes

(roll vote continued)

Mr. Harris: Absent
Mr. Howard: Yes
Mr. LaVelle: Yes
Ms. Coffin: Absent
Mr. Phillips: Yes
Mr. Rosenfeld: Yes
Mr. Sandberg: Yes
Mr. Trout: Yes
Mr. Walker: Yes

Motion to move forward the Draft Disposal Franchise Ordinance passed with no desenting votes. Committee ajourned.



METROPOLITAN SERVICE DISTRICT
527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

MEMORANDUM

Date: March 10, 1981
To: All Solid Waste Policy Alternative Committee Members
From: Dennis O'Neil ^{DMO}
Regarding: Revisions in Metro Solid Waste Disposal Franchise Ordinance

It has recently been decided not to present the Franchise Ordinance to the Metro Council Regional Services Committee until their April meeting.

The delay was ordered to allow time for preparation and Solid Waste Policy Alternatives Committee consideration of revised language for several sections of the Ordinance. These sections are attached.

DMO:pp

Attachments

Changes to the Disposal Franchise Ordinance dated 2/25/81

Section 8(6)

Delete the last sentence of Section 8(6) and add:

The sixty (60) days prior written notice shall not be required, and the Executive Officer may immediately direct solid waste away from the franchise or limit the types of solid wastes which the franchise may receive, if the Executive Officer thinks that a delay would cause an immediate and serious danger to the public, a health hazard or public nuisance, or a failure by the District to meet its contractual obligations to provide solid waste to the resource recovery facility.

Section 11(1) and (2)

Delete Sections 11(1) and (2) and add:

Any applicant or franchisee is entitled to a contested case hearing pursuant to Code Chapter 5.02 upon the Executive Officer's suspension, revocation, modification or refusal to issue, renew or transfer a franchise as follows:

(1) Except as provided in subsection (3) of this Section, the Executive Officer's revocation, modification, suspension or refusal to renew a franchise shall not become effective until the franchisee has been afforded an opportunity to request a contested case hearing and an opportunity for a contested case hearing if one is requested.

(2) The Executive Officer's refusal to grant or transfer a franchise shall be effective immediately. The franchisee or applicant may request a hearing on such refusal within sixty (60) days of notice of such refusal.

(3) Upon a finding of serious danger to the public health or safety, the Executive Officer may suspend or refuse to renew a franchise and such action shall be effective immediately. If a franchise is immediately suspended or a renewal refused effective immediately, the franchisee shall have ninety (90) days from the date of such action to request a contested case hearing.

Section 13 (11)

(a) Shall not, either in whole or in part, own, operate, maintain, have a proprietary interest in, or be financially associated with any individual, partnership, or corporation involved in the business of collecting residential, commercial, industrial, or demolition refuse within the District.

- (b) Paragraph (a) of this subsection shall not apply to a franchisee or applicant for a franchise who, on the date of this ordinance is operating a disposal site, transfer station, processing facility or resource recovery facility under a District Certificate or which has applied for such certificate, which application was pending on January 1, 1981, unless an application for modification or expansion thereof is filed, and in whole or in part operates, maintains, has a proprietary interest in, or is financially associated with any individual, partnership or corporation involved in the business of collecting residential, commercial, industrial, or demolition refuse within the District.
- (c) The District may, at its discretion, and at the expense of the franchisee or applicant, assume full operational control of the entrance gate of any facility owned or operated by any franchisee or applicant for a franchise who meets the conditions of paragraph (b) of this subsection. For purposes of this subsection, "full operational control" shall mean the control or supervision of the process of allowing facility users to enter and use the premises and facilities and of the process of determining and collecting any or all fees, charges, and payments from such users. The District shall not assume such operational control if all the solid waste accepted by the franchisee or applicant for a franchise at the disposal site, transfer station, processing facility or resource recovery facility is collected entirely by the collection business or service which the franchisee or applicant operates or maintains or in which the franchisee or applicant has a proprietary interest or financial association.

Section 20, Enforcement of Franchise Provisions

Delete the first sentence of Section 20(2) and add:

(2) Upon recommendation by the Director, the Executive Officer shall give the franchisee notice that the franchise is, or on a specified date shall be, suspended, modified, revoked, or refused renewal. The notice authorized by this subsection shall be based upon the Executive Officer's finding that the franchisee has:

Delete Section 20(3) and Section 20(4) and add:

(3) Except as provided in subsection (4) of this section, the Executive Officer's revocation, modification, suspension or

refusal to renew a franchise shall not become effective until the franchisee has been afforded an opportunity to request a contested case hearing and an opportunity for a contested case hearing if one is requested.

(4) Upon a finding of serious danger to the public health or safety as a result of the actions or inactions of a franchisee under this ordinance, the Executive Officer may in accordance with Code Section 5.02 immediately suspend or refuse to renew the franchise and may take whatever steps may be necessary to abate the danger. In addition, the Executive Officer may authorize another franchisee or another person to provide service or to use and operate the site, station, facilities and equipment of the affected franchisee for reasonable compensation in order to provide service or abate the danger for so long as the danger continues. If a franchise is immediately suspended or a renewal is refused effective immediately under this subsection, the franchisee shall have ninety (90) days from the date of such action to request a contested case hearing in accordance with Code Section 5.02.



METROPOLITAN SERVICE DISTRICT
527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

MEMORANDUM

Date: March 11, 1981
To: Merle Irvine
From: Kathy Thomas *K.T.*
Regarding: Performance Bond Criteria for Franchise
Processing Centers and Transfer Stations

Background

If a processing center or transfer station franchised by Metro would suddenly cease operation, Metro would be required to start-up and operate the facility until a decision is made to continue operation or close the facility. The following activities would be required:

1. Evaluation of the facility performance (1 month).
2. Decision to continue operation or to close the facility (3 months).
3. Selection of a new vendor if operation is continued (2 months).

A performance bond is required in order to offset the costs of the above activities. In addition, the bond would have to cover the cost required to start-up the operation during the interim period. The bond should include the following costs:

1. Mobilization
2. Equipment
3. Maintenance
4. Clean-up
5. Metro administrative and engineering

Price Waterhouse recommended that the franchisee provide certain information in order to meet performance guarantees. The information should include equipment replacement schedules, a maintenance schedule including housekeeping, and capital reserve funds. This information would aid Metro in establishing equipment and maintenance costs.

Recommendation

It is recommended that a performance bond for a processing center or a transfer station be related to the actual cost to operate the service. Given the required time to gear up and continue the operation of such a facility, operating and maintenance costs should be set aside for at least six months. The following are recommendations for evaluating the five major cost components of a performance bond.

Mobilization costs would consist of the cost to move in and re-establish the office. This cost would be dependent upon the individual facility. Since Metro would pay for equipment either directly by leasing it or indirectly through the bid price of the Contractor operating the facility during the interim time period, it is recommended that equipment cost be based on the direct cost to lease. However, since user fees would recover this cost, it is recommended that the cost to lease for only the first month be included in the bond. Equipment would consist of mobile equipment such as tractor-trailer rigs and bulldozers.

Processing centers and transfer stations may have in-place equipment. Examples of such equipment are stationary backhoes, shredders, and magnetic separators. There will be a cost to repair and/or maintain this equipment. The performance bond should contain sufficient funds for initial maintenance of this equipment to ensure its proper operation. It is recommended that this cost be 20 percent of the equipment cost.

Clean-up costs would include general landscaping and ground maintenance. This cost would also be dependent upon the individual facility.

Metro administrative and engineering costs consist of time required of an immediate supervisor for the station to continue the operation and Metro's cost to coordinate, draft, and issue bid documents for interim and, if necessary, long-term operation.

Attached is an example of an estimate for a performance bond for a 500 TPD transfer station. It is assumed that this station has a stationary backhoe with a capital cost of \$60,000. The following example provides some indication as to the level of financial commitment that would be required from the franchisee.

KT:bb

Attachment

PERFORMANCE BOND ESTIMATE FOR
500 TPD TRANSFER STATION

1. Mobilization	= \$ 5,000
2. Equipment	
a. Lease 5 trailers for 1 month \$40.00/hr. X 56 hrs./wk. X 4 wks. X 5	= \$45,000
b. Lease tractor for 1 month \$3,000/mo.	= \$ 3,000
3. Maintenance	
Stationary backhoe: \$60,000 X .20	= \$12,000
4. Clean-up	= \$10,000
5. Metro administrative and engineering	= <u>\$20,000</u>
TOTAL BOND ESTIMATE	= \$95,000

DISPOSAL FACILITY RECYCLING GUIDELINES

Statement of Intent

DATE _____

The Metropolitan Service District (Metro) requires all disposal facility franchisees to provide waste reduction/recycling services for waste generators on site. An attempt shall be made to capture and reclaim from residential, commercial and industrial waste such materials as paper, glass, metals, wood, compostable material, tires and reusable building materials which can be reused or recycled. This is in compliance to the Metro Council approved Waste Reduction Plan, adopted January 8, 1981.

Franchise Agreement Program Elements

Each franchisee and franchise applicant shall address the necessary components of any effective and efficient recycling program. These include:

1. site preparation
 2. operational plan
 3. materials preparation
 4. equipment usage/storage capacity
 5. hauling/marketing
 6. data compilation/bookkeeping/reporting
 7. maintenance and control
 8. public promotion and education program
1. Site Preparation
 - a. The recycling facility shall be fenced if a possibility exists for vandalism or as a barrier to the rest of the facility.
 - b. Signs shall be provided identifying the recycling services available at the entrance of the disposal site, directing the way to the recycling area, and indicating the appropriate placement of items.
 - c. Space and facilities shall be provided for both public and commercial drop off of source separated materials prior to collection of disposal fees.
 - d. Access for commercial vehicles to the drop off area shall be separate from the public.
 - e. Processing areas for materials such as yard debris which require a disposal fee, shall be located in available and conveniently accessible space beyond the gatehouse.

2. Operational Plan

Metro shall offer assistance in the start-up and operational plan development.

Source Separated Prepared Materials

- a. The recycling facility shall be open only during operating hours of the disposal facility.
- b. The operation of the recycling facility shall be staffed and supervised during all operating hours of the disposal facility.
- c. There shall be either no disposal fee or a reduced fee collected for residents who drop off recyclable source separated material unless additional processing is required, i.e., composting, chipping, grinding, etc. of yard debris.
- d. The recycling facility shall be available for inspection during all hours of operation, and shall be subject to compliance with all Metro ordinances, state laws and any applicable permits, licences and franchises.
- e. The operator of the recycling facility shall comply with all State and local requirements for operation, i.e., code requirements and permit specifications.

Mixed Waste, Yard Debris, Salvage, Chipping, etc.

- a. Salvaging operations which reclaim materials from mixed wastes shall be located in areas at the discretion of the operator.
- b. Disposal fees are required for mixed waste including tires, white goods and building materials requiring further processing.

3. Materials Preparation

- a. Only source separated, prepared materials shall be accepted by the recycling facility for possible further processing to be sold either on or off-site.
- b. The operator of the facility shall distribute information to customers detailing customer preparation requirements for source separated materials.

4. Equipment Usage/Storage Capacity

- a. The facility shall have suitable containers such as 20 to 50 cubic yard roll-off containers, 50 gallon barrels, etc., located on paving or pad (with convenient access by

steps or platforms) to contain materials.

- b. The facility shall provide for convenient unloading of certain materials which may require utilization of truck and trailer dump mechanisms and adequate maneuvering space shall be provided for rail-truck placement of drop boxes.
- c. Adequate on-site storage of materials shall be provided until a sufficient volume is obtained for marketing purposes.
- d. The necessary equipment required for the full operation of the facility shall be acquired.

5. Marketing

The operator shall arrange for shipment of materials to an appropriate secondary materials market.

6. Data Compilation/Bookkeeping/Reporting

- a. The tonnage and revenue of collected and marketed materials shall be tabulated monthly in an itemized report to Metro, including materials, volumes, market value and gross income. These reports shall be confidential; however, total tonnage and costs amounts shall be available to the public.
- b. An annual report of operational costs and material volumes and sales shall be provided to Metro.

7. Maintenance and Control

- a. The site and equipment shall be well maintained at all times.
- b. A sufficient quantity of containers shall be available at all times. Each type of source separated material shall be stored in a designated container and shall not exceed the capacity of that container.
- c. The operator shall attempt to keep the site free of litter at all times.
- d. The facility shall operate in conformance with all applicable noise control ordinances and regulations.
- e. The facility and equipment shall be secured so as to discourage vandalism.

8. Public Promotion and Education Program

- a. A promotion and education program for on site recycling services shall be implemented.

- b. The operator shall distribute educational and promotional recycling materials at the recycling area and gatehouse.
- c. Metro shall offer the operator technical and financial assistance in developing promotional materials and services for the program.

JE:gl
1780B/168

SOLID WASTE ADVISORY COMMITTEE

ATTENDANCE AND VOTE RECORD

Meeting Date 3/16/81

ATTENDANCE RECORD				VOTING RECORD																			
member	here	not here*	item	yes	no	abst	item	yes	no	abst	item	yes	no	abst	item	yes	no	abst					
Cooper			MOTION BY: Frank and SEC. - Harris SUBJECT: SECTION 8(G) TO ACCEPT - ANNE V. JORDAN				SECTION 11 RE: 2. approval of writing				MOTION BY: Frank and SEC. - Newman SUBJECT: TO ANNOUNCE 8(G) W/ ANDY JORDAN'S APPROVAL				MOTION BY: Dave P. SUBJECT: TO keep original SEC. - John Trout language in 8(G)								
Cozzetto																							
Culham																							
Grabhorn																							
Harris																							
Howard																							
LaVelle																							
Coffin																							
Phillips																							
Rosenfeld																							
Sandberg																							
Trout																							
walker																							

* E = Excused Absense

U = Unexcused Absense

SOLID WASTE ADVISORY COMMITTEE

ATTENDANCE AND VOTE RECORD

Meeting Date 3/16/81

ATTENDANCE RECORD

VOTING RECORD

member	here	not here*	item	yes	no	abst	item	yes	no	abst	item	yes	no	abst	item	yes	no	abst				
Cooper			20(234) SUBJECT: MOTION BY: Harris SEC. Cooper				13(11) SUBJECT: MOTION BY: Phillips SEC.				SUBJECT: MOTION BY: SEC.				SUBJECT: MOTION BY: SEC.							
Cozzatto																						
Culham																						
Grabhorn																						
Harris																						
Howard																						
LaVelle																						
Coffin																						
Phillips																						
Rosenfeld																						
Sandberg																						
Trout																						
Walkey																						

* E = Excused Absense

U = Unexcused Absense

SOLID WASTE ADVISORY COMMITTEE
GUESTS AND ADVISORS IN ATTENDANCE

DATE _____

GUEST OR ADVISOR _____

AFFILIATION _____

Bob Harris

Citizen - Clack Co.

WARREN ROSENFIELD

RECYCLING - CASAB METALS CO.

Bill Weyer

Construction

Shirley Coffin

Citizen - Washington Co.

^{indy} Doug - merle - Pat - Dennis ^{Teri - Cary}

METRO

David Phillips

Clackamas County

Howard Grabham

Fordfill Wash. Co.

JAMES F. COZZETTO

Metropolitan Disposal

JOHN TROUT

Collection Industry

Kent Myers

Cary Newbore