

October 9, 1984



Agenda

SOLID WASTE POLICY ALTERNATIVES COMMITTEE

METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OREGON 97201 503 221-1646
Providing Zoo, Transportation, Solid Waste and other Regional Services

Date: October 15, 1984

Day: Monday

Time: 12:00 Noon

Place: Metro Conference Rooms A-1 - A-2

Agenda Items

Approval of Minutes of August 20, 1984
Approval of Minutes of September 24, 1984

Discussion of Landfill and Transfer Chapter
of the Systems Plan

Solid Waste Department Update by Solid
Waste Director, Dan Durig

b1

SOLID WASTE POLICY ALTERNATIVES COMMITTEE

SWPAC REGULAR MEETING

August 20, 1984

Committee Members Present: John Trout, Shirley Coffin,
Dave Phillips, Robert Harris,
Howard Grabhorn, Jim Cozzetto,
Delyn Kies, Gary Newbore, Mike
Sandberg.

Committee Members Absent: Dick Howard, Paul Johnson

Ex Officio Present: Bob Brown

Staff Present: Dan Durig, Dennis O'Neil, Dennis
Mulvihill, Buff Winn, Ed Stuhr,
Mary Jane Aman, Bonnie Langford

The meeting was called to order at 12:12 by Chairman John Trout.

Minutes of the March 26, 1984 meeting were approved as written.
Minutes of the June 25, 1984 meeting were approved as submitted .

Dennis O'Neil, introduced Mary Jane Aman as the new SWPAC representative from the staff. Mr. O'Neil will continue to address the group on such items as Wildwood. Mr. Durig stated Dennis's work load had grown by leaps and bounds, as he is the project manager for Wildwood and handles the special waste permits for St. Johns. Dennis has a Ph.D. in Microbiology and has developed some expertise in hazardous waste. This information will be of special help to the solid waste department as federal and state regulations continue to build in this area. This is the primary reason for the change in the staff with SWPAC. Mr. Durig also stated Mary Jane (MJ) will bring a diversity of information from the various departments since she is now the Administrative Assistant in Solid Waste Dept.

Mr. Durig asked Bob Brown of DEQ, to bring the group up to date on new legislation going into effect soon. Mr. Brown stated bills had passed both houses of Congress and the worst bill was SB 757, which not only points the finger at hazardous waste disposal sites, but all solid waste landfills, because they take small quantities of hazardous waste. The federal law, at present, has no enforcement capability over solid wastes only over hazardous waste so they are trying to say that all sites are hazardous waste sites and that they therefore have joint authority. Both bills have funding for the state in Solid Waste. We get about one percent if we want it. Dan added, that regardless of the system we use and the protections we build in, if the material gets in the landfill that should not be there, when the enforcement process starts--it starts with us. At a recent conference one of the attorneys told the haulers they couldn't escape the liability. Mr. Durig said the best advice is look at the person who generates the hazardous waste, then the ultimate disposal site and realize you are in the middle, ask yourself how comfortable you would feel with those people as co-defendants then decide if you want to take the ball.

Dennis O'Neil will be going to school for a few days to gain more knowledge on these recent changes.

-2-

AGENDA ITEM: Presentation of Disposal Rate Analysis
by Ed Stuhr.

Ed Stuhr presented the rate structure for the calendar year 1984-85. He stated last year at this time the department did a full rate study which resulted in a fairly large document but made small adjustments in the rate structure.

- The CTRC facility was more popular than was expected and that led to raising the regional transfer charge which pays for it. Metro also raised the convenience charge in an attempt to divert some volume away from CTRC to St. Johns. We found we had higher volume going into St. Johns than originally expected and that led to a lower base rate.
- This year we have the same physical systems operating, relatively low inflation rates, and a recovering economy, causing solid waste volumes to return to normal. Consequently, we plan to do a smaller, cheaper analysis to answer questions about our rate structure. Will the projected revenues cover our requirements for '85? Using our current rate structure, revenues should cover requirements. There are some problems which interact with the rates. CTRC is running about five percent above plan as to volume, we do have some evidence that the change in the convenience charge of last year, shifted some flow but not as much as anticipated. The regional transfer charge that pays for CTRC was helped by the relatively low inflation.
- Contract costs did not go up as much as expected. The area that most concerns us is the user fee--which hasn't been changed for two years. This pays for non-disposal operations, for the administration waste reduction efforts, management plan, etc. This could run into problems if we follow the practice of also paying debt service on new facilities. The West Transfer Station may incur some debt in 1985, and to pay the debt service on that out of user fees, will be very tight, so there may be a user fee increase.
- Secondly, are the costs correctly assigned to the customer? We try to provide an equitable assignment of cost versus benefits derived. It appears from the analysis, we have done that. Overall, everything is matching up well and there is not evidence enough to want to change the balance between commercial and public customers.
- The third question is, what are the unknowns? There are some policy issues that have not been resolved at this point--what will be the affects of our capital expansion? What will be the affect on us of the DEQ post-closure rules? Now we are putting aside \$171,800 per year toward what we calculate we will need for final and post-closure at St. Johns. Will this be adequate by DEQ standards?
- Another unknown is the St. Johns lease payment to the City of Portland--that is still being negotiated. It could be retroactive to some degree--that's about \$15,000 per month.
- The West Transfer Station construction may require as much as \$130,000 debt service in the second half of 1985. We may have to fund that. There are potential policy changes.
- The current rate policies in the form of a resolution and staff report were sent to SWPAC members some days ago. This will go before the Council Thursday for the second time. Dan will report on an interim management plan that has policy implications that could

affect the rate structure. Any changes will be communicated to SWPAC and to Rate Review before the first meeting in September.

Dan Durig amplified some of Ed Stuhr's statements and confirmed the biggest change might come in user fees since we are down to about \$12,000 contingency but if policies change it could take some off or put more on the user fee. Mr. Durig stated he was not in favor of a rate change if it turns out to be minor and if it looks like the present system will hold up. If there are no changes it will not go before the Council.

Agenda Item: Update on WTRC Advisory Group by Shirley Coffin.

Shirley Coffin mentioned there were nine members on the Committee and they had had two meetings--one in June and one in August. The August minutes were given to the group. The Committee, along with other officials from Washington County, took a tour of CTRC and St. Johns in July. The Committee reviewed the criteria the staff released for reviewing the sites and was part of the handout. Basically there are three stages of siting and the group has studied the maps as to the centroid of the siting area. The Committee was most concerned about the transportation access. Stage two deals with the size of the site; total travel time; traffic impacts; compatibility of site with the adjacent property; topography, flood plain, etc. At each stage they will be narrowing the number of sites for consideration. By stage three they will be looking at several recommended sites by late fall. Mr. Durig said they would start out by identifying every potential site and then eliminating them according to the criteria. An Ad and letters will be sent asking for potential property sites for the transfer station.

John Trout asked how a Clackamas County member got on the Washington Committee. Mr. Durig announced they had asked the Association of Oregon Recyclers to name a representative from their group and they named Merle Irvine who happens to live in Clackamas. Shirley Coffin gave a rundown of the members and who they were representing.

Mr. Durig announced that the August 23rd Council meeting they will be discussing the Rate Policy Resolution which was mailed to SWPAC members. These are a guide to the principles that government process involves. Council made suggestions and the report will now go back to them. Hansen and Kelly wanted the policies to state basically that they would be looked at every year before the actual work started. Councilor Deines wanted to emphasize the convenience charge as opposed to flow control. The recommendation is that there is no opposition to reviewing the policies once a year.

Mr. Durig pointed out the staff report before the Committee; the Resolution 84-491; and a large matrix; and reviewed these reports. He mentioned some work had slowed down on the systems plan because of the number of staff that had resigned--some to take better positions at higher pay with other government departments. Metro has advertised for persons with good field experience in the solid waste area.

Mr. Durig stated, when we started the long-range systems plan, it seemed quite simple. Ground work had been laid for some of the future projects. It had been assumed Wildwood would move along a little faster but since it hasn't, the large part of the report becomes "what do we do in the interim?" By our projections, St. Johns will reach current design capacity before Wildwood is open. This was reviewed with the Metro Council several months ago. This report, in narrative format, was put in a matrix or box format so you can see on one page what options there are for stretching the life of St. Johns. In the staff report, four alternatives were listed to extend the life of St. Johns Landfill: 1. by diverting the material from St. Johns to limited-use landfills; 2. by recycling an additional two percent per year; 3. Metro should begin to secure permission from another site to take waste in the future--if and when it becomes necessary; 4. Metro should pursue the potential for a phased increase in elevation of ten feet, as allowed by the Portland Planning Commission. Mr. Durig then described these points in more detail and discussion followed on various approaches. The Summary Matrix on Landfill Management Strategy was reviewed and discussed. It was explained the costs are not detailed engineering costs which would have been a major project, but are estimates and lump sums for considering present options.

Mr. Durig reported we are currently sending four trucks per day, or 320 cubic yards, out of CTCR to the Newberg Landfill as a temporary diversion of materials from St. Johns since the Newberg Landfill was to be closed by September 30th and Angus MacPhee offered the landfill to help meet the closing requirements. There may be the possibility of sending more waste to different places. This will be researched further with other landfills.

In going through the solutions, Mr. Durig pointed out that it must be realized that Metro, while having the responsibility, has very little authority. It becomes a matter of sharing with people and saying "Here's where we think we can go." For instance, going to a higher level at the landfill is a decision that rests with the City of Portland, not Metro.

Delyn Kies was concerned with the short time frame and the passing of the Resolution before it has been brought before the public. Mr. Durig stated the Council wanted a Resolution by the next meeting and there was still time to present reviews and options to the public.

Mr. Trout commented that there was still plenty of land around St. Johns for a landfill and when the City of Portland purchased that land it was meant for a landfill. He added there would always be a few people that didn't want a landfill near them. Mr. Cozzetto said most people still thought of a landfill as the old open dump left burning and smoking and have no conception of modern landfill operations. The Committee agreed it was going to take a "sell job". Mr. Durig said there will be public forums to educate and inform the citizens of the problems and options.

Mr. Trout asked what the staff would like from the SWPAC group and Mr. Durig said they would like their opinions about the resolution, some recommendation for the Council.

Bob Harris said 1-A seemed to be in effect to some extent but the amount of time didn't seem to solve many problems. Dave Phillips stated numbers 2 and 3 would buy the most time and you can adjust or manipulate by transferring or drop boxes and taking loads to other areas such as Newberg.

MOTION: Dave Phillips moved that SWPAC endorse numbers 2 and 3 of Resolution 84-491; number 2 to also encourage recycling among the customers and haulers of the area. The Resolution is recommended to the Council for the purpose of establishing an interim management strategy for extending the projected life of St. Johns landfill.

Seconded: by Robert Harris; Discussion followed.

Vote: Ayes 7
Nays 1 (Newbore)
Abstain 1 (Kies)

Motion Carried.

Mr. Durig stated he would like to commend Norm Wietting for his work on the matrix summarizing landfill strategies. He reported Norm Wietting was attending the GRCD National Conference in Orlando, Florida on August 22, and was delivering a paper on "Contracting For Disposal Services", at the Conference. It's an honor to be asked to participate by your professional association.

The Wildwood hearing has been scheduled by the Multnomah County Commissioners for September 18, 1984 at 9:30 a.m. Mr. Durig told the Committee to feel free to stop in and they would be happy to work with them. Mr. O'Neil stated the meeting would be on certain revised criteria for siting landfills in Multnomah County. Mr. Durig added they felt the new criteria was workable.

The Methane project at St. Johns is moving along nicely. Buff Winn was attending SWPAC to answer any questions as Project Manager. The staff finished the initial report with the consultants, we've retained EMCON and Associates, one of the top three firms in the country for being able to analyze gas and gas fields potential. It looks feasible, recoverable. We took that to Council and are at the point of talking to gas customers. Interest is high and we need to pin down what these individual customers are willing to pay, how much they are willing to take and how often they are willing to take it (three key factors), we will bring that information back to the Council. They can then make a decision on the way they want to go; Metro development, royalty agreement, or joint venture. It was mentioned that Rossman's flame would soon go out at the former landfill. The N.W. Natural gas Co. is installing their equipment. An open house is now tentatively set for Sept. 18, 1984, at Rossmans.

Mr. Durig summarized the fourth quarterly report which was handed out to the Committee. It listed the major program accomplishments of 1983-84, and major program changes.

Bob Brown stated that Senate Bill 405 rules are in final draft form and the staff report has been written for DEQ procedures to request public hearings. If someone testifies against some part of the rules, the DEQ either has to change it or defend the rule. It then goes back to the Commission for final adoption. The schedule is Sept. 14th. They will go before the Environmental Quality Commission with the draft rules and request to hold a public hearing. It will be published in the Secretary of State's Bulletin soon enough that they can set an October 3, hearing date at 9:0'clock. They will return to the Environmental Quality Commission by November 2, hopefully for adoption of the rules. The law says they have to be adopted by January 1, 1985. If they don't make it by November 2, there is one more meeting on December 16th of the Commission. The rules will require that haulers provide recycling of certain materials. Three provisions of the act are: 1. All landfill and transfer stations, and any disposal facility, is required to provide recycling facilities; 2. Cities with population of over 4,000 and their urban growth boundaries have to provide, once-a-month on-route collection of recyclable materials; 3. Notification, information, education program has to be provided. (The law doesn't say who has to provide this.)

Shirley Coffin asked the status of the Rate and SWPAC Committees. Mr. Durig stated Ray Barker has written up a survey but it has not gone to Council as yet. Dan said he would ask him to talk at the next meeting. Mary Jane Aman said she had talked to Mr. Barker about this and he mentioned there were a few options and it would probably be on the Council agenda in the next few weeks or they would possibly wait until the new Council members came on board in January for a decision. This would mean an extension of the terms of office in the present committees.

Mr. Cozzetto asked the results of the Metro office recycling project. Mr. Mulvihill answered they did a survey before they designed the program to find out how many people were already recycling, or wanted to. The results of how it has increased since then have not been tabulated. The program was redesigned and addressed everything that everybody wanted and they noted the problems involved in doing more inhouse recycling. Most staff people do recycle. The old program limited us on how much and how many types of paper could be recycled. It was put up for bid and four or five companies answered. The folks that got the bid said they would separate it so we can mix the types of paper, and cardboard and colors, etc. The successful bidder was the Environmental Learning Center Recycling Depot and Exposition Center in Oregon City.

Meeting adjourned at 2:18 p.m.

SOLID WASTE POLICY ALTERNATIVES COMMITTEE

SWPAC REGULAR MEETING

September 24, 1984

Committee Members Present: Shirley Coffin, Vice Chairman;
James Cozzetto, Robert Harris,
Paul Johnson, Dave Phillips,
Mike Sandberg.

Committee Members Absent: John Trout, Dick Howard, Delyn Kies,
Gary Newbore, Howard Grabhorn,
Edward Sparks

Staff Present: Dan Durig, Doug Drennen, Ed Stuhr,
Dennis Mulvihill, Mary Jane Aman,
Norm Wietting, Bonnie Langford

Guests: Kelly Wellington, Mike Borg, Pete
Viviano, Joe Cancilla, Jr.

3:08 p.m. Meeting Called to Order

Minutes: There being no quorum present the minutes were not addressed.

Mr. Durig reviewed what the Committee would be trying to accomplish at the 3:00 p.m. meeting, after which the group would meet in the Council Chamber with Rick Gustafson and Don Carlson, as well as a variety of people from the Solid Waste industry. They would discuss the financial plan they have been working on for about the past eight months to generate money for the General Fund. Mr. Durig felt it was important for the organization to get decent financing and it would be for the benefit of Solid Waste, as an operating utility within the Metro group, if they had a source of funding independent of zoo and solid waste fees to pay for regional parks, libraries or jail facilities. They will review the plan for industry and others as to how it will impact on solid waste measures.

Agenda Item:

Rate Report

Ed Stuhr, Economic Analyst, reported a rate analysis is done once a year and rates change on January 1st if there is Council approval. There are three options listed in the report and it will be presented to Council on October 11th. He asked the SWPAC Committee to offer any suggestions they might have on the report for consideration of the Council. Options were reported. One option is to have no change in rates, and there are also variations on the other two. Mr. Stuhr reminded the Committee of last month's report and rate analysis review. It stated user fees were scarce and everything else in the rate analysis revealed Solid Waste was in good condition. He reviewed how these conclusions were reached. Mr. Stuhr referred the members to a chart on Revenue Projection and went over this information with SWPAC.

The second page of the report included no new user fee programs. The last page shows resources and requirements and some remaining fund balance at the end of 18 months with the exception of user fees, which depends on where you charge debt service from the west transfer station. He mentioned there are some unknowns such as the post-closure expenditure--we don't know what the DEQ will require of us at this time. The St. Johns lease payment is still being negotiated and the west transfer station has not been priced out in engineering estimates as yet. An added narrative page states three options which staff will present to Council. Metro staff suggests we not make a rate change at this time since we have enough revenue to see us through. The second option is to raise the user fees to overcome the deficit we could have if various inevitable expenses begin appearing. The third option is to raise user fees and perhaps lower the regional transfer charge by the same amount, to get the balance more in line. He added the Staff recommends that WTRC expenses be funded from the regional transfer charge. While this action will provide adequate user fee revenues during the period covered by this analysis, it will not necessarily provide a long-term solution to the effects of inflation nor will it allow new user fee programs which may evolve from the system planning process. Mr. Stuhr asked the SWPAC Committee to consider the most desirable options.

Discussion followed with a summary of charges by Mr. Durig. He stated we currently have two general categories of charges; disposal charges--base rate, the regional transfer charge, convenience charge at CTRC--disposal revenues. That pays for the cost of transferring waste and properly landfilling the waste. The other source of revenue is the user fee. That pays for all non-operating programs--management, administration, waste reduction, systems planning, and development costs for programs such as Wildwood and WTRC. It looks, Mr. Durig said, that given all the conditions laid out in the report, that the disposal rates are enough to get through an 18-month period without a rate increase. If anything is in trouble it is the user fee which is kept for non-operating programs. The most obvious way to deal with it is to shift the cost of building the WTRC over to the regional transfer charge. That takes the pressure off what we've designated user fees for in the past.

The proviso we have to be aware of is that if we get by the 18-month period without an increase in rates, on January 1, 1986, the new rates will go into effect, then we will undoubtedly require, if we continue to offer the same level of service we are offering now, an increase in the user fee --how much depends on the type of programs we have.

At the same time, the WTRC should be coming on line so that will also require an increase from the transfer charge. We can make an estimate based on CTRC and are looking at an increase of between \$2.00 to \$3.00 per ton, plus whatever is required for the user fee. We could raise the user fee in January of '85 to soften the increase in 1986 or defer both and have a bigger increase in January of '86.

Because of reprogramming and repricing for everyone concerned, it would be easier to wait for the '86 increase because it would cost more to institute the small increase than it would to generate a new rate.

Mr. Cozzetto stated the haulers would rather have a smaller increase and spread it out over a period of time. He also felt, since the increase wasn't needed at this time that it might be spent for various purposes before 1986--in other words the money might fall in the cracks somewhere and they would prefer to have it in smaller increases since the hauler has to pass the rate increase on to the customer.

Kelly Wellington said the average household should be informed of the facts and why the increase will be necessary. Mr. Sandberg stated his county would probably prefer having the smaller increases as compared to one large jump and the other SWAPAC members felt this would be preferable but the general consensus was that no increase should be made until it was really necessary and could be justified to the customers as being needed for a specific purpose by a specific time.

Agenda Item

Update on Landfill Management

Mr. Durig called the member's attention to Resolution 84-481 and mentioned they had good discussions on the interim landfill strategy at St. Johns. The Resolution went through two Council meetings and staff took SWPAC's suggestions to them. They had public testimony from the City of Portland, Mike Burton, and PASSO which resulted in a lot of interesting input. Out of this came the Resolution which SWPAC members had before them which the Council passed on the 13th of September. It was changed somewhat and these details will be discussed with SWPAC at the next meeting. Councilor Hansen felt we should not go out with an identified solution at this point but go out with the City of Portland since they own the landfill, and deal with the North Portland community in setting up a process to talk about what would be reasonable to do at the landfill. Metro is getting out and talking to landfill operators in the region and sharing with them that we have some interest in diverting material to limited-use landfills. The Council asked Metro to work with SWPAC on developing this concept and techniques. They suggested expanding hours, rates for "fluffed-up" loads, etc. This item will probably be on the next SWPAC agenda.

A fourth paragraph on recycling was withdrawn from the Resolution pending final information from the DEQ. Council wanted more specific language than what was originally there.

Shirley Coffin said she was disappointed they didn't retain a statement on recycling within this Resolution. She felt it was a pertinent part of the Resolution as far as being one of the strategies. Mr. Durig answered it was because the Council felt the statement should be amplified.

Mr. Cozzetto asked what had been done about opening other landfills such as Forest Grove, etc. and Mr. Durig said they had meetings with the Yamhill County Commissioners about Riverbend and Newberg on the use of these existing landfills.

Mike Borg asked if they had a list of existing landfills that might be an alternative for divergent purposes of disposing of solid waste. Mr. Durig said they were referring to the limited use landfills within a 30-40 mile radius of Portland where waste can be hauled in a transfer trailer--a more economical way to haul than a straight collection vehicle. At this time Metro is still transferring to the Newberg Landfill through September to help them close.

AGENDA ITEM

Update on Senate Bill 405

Dennis Mulvihill reported that a week from last Friday, DEQ issued their draft rules on implementation of Senate Bill 405. You can get a copy from DEQ. He had given a copy of this item along with his views to Councilors Waker, Kirkpatrick, and Hansen. They have gone over these and had a short discussion on the Bill and will discuss it again under Council Communications. Mr. Mulvihill presented a draft presentation to reflect what he felt they seemed to endorse. Metro will present their views to DEQ. Hearings will be held October 1, from 3:00 to 5:00 o'clock and from 7:00 to 10:00 p.m., in the Portland Building in Conference room C on the 2nd floor. The presentations will be before a hearings officer, not the Environmental Quality Commission.

Shirley Coffin stated she was on a long-term teaching assignment for every 4th Monday of the month for the rest of the year. She would either be absent from each meeting or would need to resign. She wondered if there was a reason for the 4th Monday or could it be changed to the 3rd Monday. The consensus was that SWPAC meetings would be changed to the 3rd Monday of each month at noon.

Meeting adjourned to Council Chamber at 4:00 p.m.

Written by Bonnie Langford

9/24/84

Ricks
4 PM
meeting

Metro eyes proposals to finance its services

By TOM STIMMEL ^{B-3 9-26-84}
of The Oregonian staff _{M/NW}

Portland metropolitan area residents could find themselves paying an extra cigarette tax or a garbage fee to help finance regional government.

A cigarette tax or a service excise fee are among proposals suggested by the Metropolitan Service District to finance its general government services. They were among possible requests to the 1985 Legislature discussed by Metro councilors Tuesday.

Other legislative proposals include extension of the per capita taxes now paid by local governments to finance Metro activities and an authorization for a tax base election to finance operations of the Washington Park Zoo.

Rick Gustafson, Metro executive director, said either a cigarette tax or an excise tax would be devoted to finance general government services that cost Metro about \$1 million a year.

Cigarette taxes of 1 cent or 3 cents a package are being considered. If a statewide 1-cent tax were approved as proposed, receipts would go to counties except in the Portland area, where they would go to Metro. If a 3-cent tax were levied, receipts would be divided equally among cities, counties and Metro and local councils of government. In either case, Metro estimated its revenues at \$1.3 million.

An alternate excise tax, tailored to meet needs, might be applied to Metro services, specifically solid waste disposal or zoo admissions.

Metro also may seek legislative authority to establish a tax base for the zoo only. The law now permits Metro to seek a tax base for the zoo, but receipts could be used for other authorized functions, such as water supply, human services, parks and jails. Metro does not supply those other services and would not use a tax base

for them, Gustafson said. He said removing the legal authorization could make a tax base for the zoo only more acceptable to voters.

Much of Metro's present financing comes from a tax of 50 cents per resident from cities and counties in the service district, plus 6 cents per resident in the larger districts of Tri-Met and the Port of Portland.

That taxing authority expires next year.

1 John Wood

2 ✓ Brothman

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0 Logzetta

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✓ Wang

3 ✓ Paul

✓ 4 Phillips

5 ✓ Cohen

Newell

✓ Thuring

Sandberg

10 ✓ Harris

Not attending

Miss Howard

Melvin Kiss

Ernie Brown

Excused

Excused Howard, Kiss, ——— ?

✓ Newell and Sandberg