

Agenda

76.1

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

Meeting: SWPAC

January 20, 1987 Date:

Dav: Tuesday

Noon - 2:00 p.m. Time:

Place: Room 330

12:00 Noon

Meeting called to order Approval of December 15, 1986 minutes

Announcements (resignations)

Need to reschedule February meeting

Introduction of Council Members

Discussion (In preparation for Adoption of 12:20 p.m.

> Recommendation on Yard Debris Standards) - Yard Debris Collection Options Cost-Effectiveness

Analysis - Wayne Rifer.

Briefing (In preparation for Adoption of Recom-12:50 p.m.

mendation on Certification Codification) - Legal Basis for Certification Program - Wayne Rifer.

1:00 p.m. Briefing (Informational) Household Hazardous Waste

Program - Randi Wexler.

20 p.m. Briefing and Decision - Briefing on Evaluation Process and Criteria for Resource Recovery Project

and Selection of SWPAC member to sit on Review

Committee - Debbie Gorham Allmeyer.

Preview of February Agenda:

Discussion - Yard Debris Standards Recom-

mendation

Briefing - Update on Resource Recovery

Project

Briefing - Budget Process

SOLID WASTE POLICY ADVISORY COMMITTEE

SWPAC

MINUTES DECEMBER 15, 1986

Committee Members Present: Kathy Cancilla, Shirley

Coffin, Michael Pronold, Pete Viviano, Carolyn Browne, Dick Howard, Mike Sandberg, Dave Phillips, Robert Harris, Bruce

Rawls

Committee Members Absent: Teresa DeLorenzo, Ed Gronke,

George Hubel, Delyn Kies, Gary

Newbore, Craig Sherman

Staff Present: Dan Durig, Yvonne Sherlock, Wayne Rifer, Dennis Mulvihill,

Rich McConaghy, Steve Rapp,

Gerry Uba, Sandy Coats

Guests:

Jim Gardner, Metro Council
Dist. #3; Richard Waker,

Presiding Officer Metro Council; George Hubel,

Chairman Rate Review Committee; Marianne Fitzgerald, DEQ Waste Reduction Program; Bill

Culham, private citizen Washington County; Estle

Harlan, OSSI

AGENDA ITEM Approval of Minutes

The meeting as called to order at 12:00 ap.m. by co-chairperson Kathy Cancilla.

Kathy pointed out that there was a correction to the November 17, 1986 minutes, page 2, first paragraph, third sentence, delete "that" preceding Estle Harlan's name. Since there were no further corrections, the minutes were declared to be approved as read.

AGENDA ITEM Announcements

Wayne Rifer will address the need for a special January meeting during his briefing. Yvonne Sherlock reported that four SWPAC and three staff members went on the field trip to Grimm's and McFarlane's.

Wayne Rifer gave some background, stating that for the first year the certification standard will be compliance with SB 405 and that we are requiring no further reporting or requirements over and above those of SB 405 and the reporting to the DEQ. We would be taking the DEQ's review of the Wasteshed reports as the word on whether jurisdictions are certified. We had anticipated originally, in the schedule, that sometime in the fall of 1986 the reports would come from DEQ and we would then be able to use those to determine by the first of January '87 whether each individual jurisdiction is certified. Marianne will give a report as to status of the DEQ review of Wasteshed Recycling Reports. reports will be the basis for recommendation from SWPAC to Council, as to which jurisdictions are certified. SWPAC should keep in mind, during this presentation, whether we should proceed in terms of certifying jurisdictions or wait until all wasteshed reports are in and do all of them at once.

Jim Gardner, Metro Councilor from District 3, arrived for the meeting, was introduced to SWPAC members, and made some brief comments.

Marianne Fitzgerald, from DEQ, was introduced to the committee and proceeded with her review of SB 405. The DEQ report "Approval of Wasteshed Recycling Report" was distributed to SWPAC members along with a copy of the Recycling Report for West Linn. There has been one Wasteshed approved (West Linn) September 16, 1986, and another, for Clackamas County was on the director's desk to be signed December 15, 1986. These reports tell what each area is doing to comply with the Recycling Opportunity Act. The Multnomah Wasteshed report has been reviewed, but it won't be approved until January because of some deficiencies in the franchising. The review of the Washington Wasteshed has just The City of Portland's Wasteshed report has been held up because they are slow to implement their recycling program. Wednesday, December 17, the Portland City Council is expected to make a decision on recycling. The reports only tell what programs are in place. DEQ is proposing to make the recycling reports an annual project. There is no data in the reports they don't tell how well the programs are working, they only tell what types of systems are in place, so DEQ is proposing that beginning in calendar year 1987 the local governments submit data as to volumes collected and participation. Statewide, 65 of 70 cities have on-route programs and are complying at the required levels. Only the cities of Portland, Pendleton, Hermiston, Milton-Freewater and La Grande do not have on-route collection programs. Pete Viviano questioned whether there were any other jurisdictions with competitive hauling systems, besides Portland. Marianne reported that two jurisdiction, Eugene and Florence, are competitive and in compliance. There are 38 Wastesheds - three

have already been approved and the fourth was approved today. Dave Phillips questioned whether the DEQ will be able to handle annual reviews of the wastesheds that contain even more information when the four wastesheds that have been approved (The counties of Marion, Deschutes, and Clackamas and the City of West Linn) have proven so time consuming? Marianne replied that they should be able to handle the workload. Discussion followed on recycling problems that have arisen recently, including appliances, mufflers, steel shavings and batteries, and it was pointed out that one of the problems is that Oregon is not large enough to create its own market for recycled products and DEQ is trying to coordinate marketing efforts with the State of Washington. Wayne Rifer summarized for Marianne, stating that if the Committee is interested in going for certifying four of the five wastesheds within the Metro area, less the City of Portland, January time frame might work where we would have reports coming in from DEQ on four of the five. If you would rather wait until all five are in, it would probably be February at the earliest and more likely March. Dick Howard stated that he felt waiting was not efficient, and we should process the ones we have now so we won't have to add staff at the last minute. The committee was in agreement with Mr. Howard's suggestion.

Richard Waker, District 2 Council Representative and Presiding Officer of the Metro Council was introduced to the Committee.

AGENDA ITEM

Briefing - Discussion of Certification Policies and Procedures Codification

Wayne Rifer explained that this is a set of policies and procedures for the certification program that would be adopted by the Metro Council as portion of the Metro Code. Wayne passed out a Draft Staff Report which has been prepared for the Council Solid Waste Committee which Councilor Gardner Chairs. He also passed out an opinion from Metro's legal counsel on enforcement methods for certification. The reason this all went to the Council Solid Waste Committee is to advance notify them of the process coming through and also to deal with the question of the rate study which included the rate differential for the certification program which should be adopted by Council but not implemented because another method is being worked on with haulers and local jurisdictions. At the Council Solid Waste Committee meeting a request was made that counsel address the foundation within state law of doing a certification program itself and the degree to which Metro is getting directly involved with the collection end of the disposal system. What is our legal authority to do that and is the Certification Program getting Metro involved in the management of the collection end of disposal? Are we doing planning or management? Legal counsel is addressing those issues and the findings will be brought to the full Council later this week. Discussion followed on certification within the City of Portland and franchising versus licensing haulers, and how franchising relates to the enforcement of the

Waste Reduction Program. Because of the legal questions, there has been some delay in the policies and procedures code which was originally slated for presentation to the Council on January 22. Consequently, there will be no need for an extra SWPAC meeting in January.

AGENDA ITEM

BRIEFING - LEGISLATIVE PROGRAM

Dennis Mulvihill referred to the Staff Report and Resolution which were included in the agenda packet "Adopting Principles for a Legislative Program for the 1987 Legislative Session" and reported to the Committee that there are several pieces of legislation that are being discussed but nothing is certain yet. The items include:

- 1. <u>Household Hazardous Waste</u> discuss with legislature the need for additional funding for the collection program.
- 2. <u>Purchasing Policy</u> DEQ maybe introducing legislation calling for purchasing policies for recycled paper products.
- 3. Plastics DEQ Task Force conclusion was that there wasn't a lot that can be done. The only thing to be introduced is extending existing legislation for the tax credit for manufacturers of the machines that use recycled plastics.
- 4. Alternative Technology The staff's conclusion is that more certainty is needed in siting the project and they intend to go to the Council and ask for permission to go to the legislature and ask them to extend the functional planning authority.
- 5. Bottle Bill Not sure what's going to be included. Staff's going to support anything that increases the amount of recycling.
- 6. Letter of Credit relates to Alternative Technology. We thought we had the ability to get letter of credit, as we will be borrowing money for facilities, but we have an opinion that we don't have the authority.

The Committee was asked if there were any questions or comments. Discussion followed on recycling wine coolers, including all glass, metal and plastic beverage containers as recyclables (since the ones not redeemable for money are laying on roadsides), litter created by convenience stores and fast food chains and the Bottle Bill's scope, cost to the retailer and effectiveness, especially in relation to plastics.

AGENDA ITEM

BRIEFING - RATES AND FINANCIAL MANAGEMENT PLAN

Steve Rapp reported that the Council is being asked to adopt the \$16.90/ton at St. Johns for commercial rate (18% increase) and the \$3.50/cyd for public waste to be implemented April 1, 1987. Major factors in the increase are: 1.) Marion County Waste-to-Energy Plant disposal; 2.) Waste Reduction Program; and 3.) the cost of delaying the rate increase until April. The Staff's recommendation to the Council goes along exactly the way SWPAC

made their recommendations, including that the non-compliance fee under the Certification Program be adopted even though it will not be implemented. Also, the recommendation includes asking that Reuse Center rates not be used for direct incentives; that there be reduced fees for source-separated yard debris, and that the waste diversion method authority be approved. distributed a chart showing what can be expected in rates. The last two years there have been increases because of the cost of siting the new landfill and the cost of the transfer station. dealing with the fund balance, we have two goals in mind, we want to look at our long-term financial strategy and also to moderate and stabilize rate increases. Our financial advisors are recommending we establish an operating debt, capital development, capital repair and replacement, and environmental insurance reserves. Having reserve accounts in these areas would help Metro with its credit rating. Right now have \$3,500,000 fund balance and the advisors are recommending that we allocate most of this fund balance into those reserve accounts. Staff is heeding that advice, but we are also recommending that we spend \$810,000 of fund balance in pulling down the rates, which has been included in the recommended rates. SWPAC members will be receiving a letter regarding the Rate Review Committee's participation in the Rate Study, and Steve distributed the Rate Review Committee's recommendation to SWPAC. Michael Pronold asked the per cent of the tipping fee to the hauler's overall cost. Harlan replied that it is about 17%. Discussion followed regarding the Rate Review Committee meetings and their conclusions. George Hubel, Chairman of the Rate Review Committee was introduced and stated that they had held two meetings and the main issues were, "Do we believe what we are being told?" and "Given that information, what sort of policy should be used?" The process of setting rates involves a lot of work and research, and he thinks Metro is getting better and better with the process.

AGENDA ITEM

DECISION - ADOPTION OF COST-EFFECTIVENESS EVALUATION OF YARD DEBRIS COLLECTION OPTIONS

Wayne Rifer stated that this is a very important decision as the Committee and Council are talking about a whole separate collection system at everybody's curbside in this region. The Tri-County Council and one of the haulers have been very helpful in working with Gerry Uba on the options, and Wayne wants to be sure that what comes to SWPAC has been looked at very carefully. The information is incomplete but will be ready for the next meeting. In working on this project, staff has a couple of questions: 1.) Will the "garbage out - garbage in" theory work. If you remove one pound of yard debris from the can of a residential customer, does that pound of garbage stay out or will it be replaced by one pound of additional garbage? The cost benefits of the yard debris collection program can be seen reflected in disposal costs which are avoided and collection costs, if there is less weight in the can. (Yard Debris accounts for 14.5% of the waste stream).

2.) If Metro says they consider it cost-effective to spend, for example, \$12.00 a family a year for a separate collection system for Yard Debris, we need to know whether the public in the area is behind such a service. Discussion followed on the measurement of garbage - weight versus volume. Kathy Cancilla supported Wayne's contention in the "Garbage out - Garbage in" statement. Pete Viviano stated he felt the \$8.35/yr. his associates stated it was going to cost was probably correct if there was one yard debris pick-up per month. Dick Howard suggested the program discouraged on-site recyclers and he felt the charge for Yard Debris should be visible, not invisible, to encourage on-site composting and recycling. Shirley Coffin inquired about the time line on this decision. Wayne stated that next month the Committee will be receiving the cost analysis and a decision may require an early February meeting. He projects that by July jurisdictions will make decisions on how to address the standards and in January of 1988 should begin implementing the program. The program implemented should be sized to the market for the materials.

The next meeting will be January 19, 1987. The meeting was adjourned at 1:50 p.m.

MEMORANDUM

DATE: January 5, 1986

TO: Tri-C

FROM: Wayne Rifer

REGARDING: Calculating the Savings in Solid Waste Disposal Due to

Diversion of Yard Debris

The purpose of this analysis is to initiate discussion on a question which is critical to determining the costs of a yard debris collection system. Prediction of the savings which can be expected from instituting yard debris collection does not lend itself to precise measurement. However, a 'reasonable' prediction must be presented to the Metro Council. The following 'testimony' from various waste management professionals should help frame the discussion.

PROBLEM STATEMENT

The establishment of a separate collection system for yard debris will impact costs for disposal and collection of garbage by reducing the amount of material collected as mixed waste. These savings, or "diversion credits", are an important factor in calculating the net cost to a jurisdiction establish a yard debris collection system.

If the following question could be answered, a reliable prediction could be made:

If a yard debris collection system picks up a certain amount of material, by what portion of that amount will the mixed waste stream be reduced?

It has been noted by the waste collection industry that the establishment of recycling programs does not proportionately decrease the amount of material in the garbage can. Customers will find other material to fill the can. If this is true for yard debris, then a "diversion credit" would be applied for only a portion of the yard debris which is collected.

In addition, with a well publicized collection service quantities of yard debris may be set out for collection which otherwise would have been self-hauled to a processor or privately composted.

The problem is therefore to determine what portion of the yard debris which is predicted to be collected by any of the coptional collection methods should be credited with diversion savings?

ANALYSIS

0

This is a difficult factor to measure precisely. No waste management system has conducted a before/after waste flow analysis upon instituting a yard debris collection system. However, some estimations are available.

1) Yard Debris collection is being conducted in several municipalities.

Curbside collection of yard debris and other recyclables has been provided in Gladstone and Oregon City for several years, and the hauler has noted no decrease, and possibly even a small increase of waste as those programs were instituted. Only two customers have converted from 2 to 1 can garbage service through recycling. (rf. Rick Bloom, Oregon City Garbage)

West Linn in 1983 began curbside collection of recyclables, and in 1985 established a successful drop off center for yard debris. The amount of materials recycled and yard debris processed has grown impressively. However, quantities of mixed waste collected have grown faster than the population -- pounds generated per household have grown from 155 to 171 between 1983 and 1986. (Ed Druback, Recycling Coordinator, West Linn)

A weekly collection of yard debris in Davis CA is estimated to have extended residential garbage collection systems by 25%. (rf. Rich Gertman, currently with San Jose) The collection firm strongly supports the mechanical collection system for yard debris (a case loader follows a packer truck) and attests to the popularity of the system. They believe (no direct measurement) that waste flows have decreased accordingly. (rf. Paul Hart, President, Davis Waste Removal)

2) Programs which recycle traditional materials (news, tin cans, etc.) can be examined for comparison.

Portland haulers, working in areas where collection of recyclables has been operating for some time; report no noticeable decreases in waste amounts. Less than 1% of customers who expected to avoid disposal costs by recycling were able to do so: (rf. Kathy Cancilla, AWSI)

The City of Minneapolis instituted a monthly curbside collection system citywide and has measured a 6% diversion rate after factoring in the natural growth of waste flows. (rf. Steve Beseke, Minneapolis Recycling Office)

Montclair, NJ (pop. 38,000) estimates a 10% reduction of waste flows due to a mandatory recycling program. They have reduced their mixed waste collection work force by 5-6 workers, reduced trips to landfill by 450 per year, and estimate a total cost avoidance of \$200,000. (rf. Jean Clark, Montclair Public Works Dept.)

3) Yard Debris is generated separately from household waste and is often placed out for collection separate from other waste, and it is often levied an additional charge. It is reasonable to expect that a high percentage of yard debris which is currently set out separate from mixed waste would be diverted from landfilling if collected separately.

Stanislaus County CA conducted a waste composition study which measured the amounts of yard debris in residential packer trucks which appeared to have been separate at the source (contained in plastic bags, etc.). The ratio of yard debris in this "source separable" category versus yard debris in the "mixed: material recovery unlikely" category was 8.7 to 1. However, the imprecision of this measurement method and factors which make Stanislaus Co. very different from the Metro area do not permit direct application of those figures here. (rf. Tania Lipshutz, Garbage Reincarnation, Inc.)

Such a measurement will be implemented in the spring sampling for the Metro waste study, however, casual observation by the field crew in the fall study indicates that most of the yard debris from residential packer trucks is separate from the mixed waste at the source. (rf. Bruce Walker, Resource Conservation Consultants)

20

State law and executive order assign authorities for solid waste management in the three county area as follows:

Collection
Disposal
Solid Waste Planning

Cities and Counties Metro Metro

State law assigns authority for collection franchising to local governments and directs them to carry out regional waste management and waste reduction plans.

- 459.200 City, county authority to issue collection service franchises; opportunity to recycle; rates. (1) The Legislative Assembly finds that providing for collection service including but not limited to the collection of recyclable material as part of the opportunity to recycle is a matter of state-wide concern.
- (2) The exercise of the authority granted by this section is subject to ORS 221.735 and 459.085 (3).
- (3) It is the intent of the Legislative Assembly that a city or county may displace competition with a system of regulated collection service by issuing franchises which may be exclusive if service areas are allocated. The city or county may recognize an existing collection service. A city or county may award or renew a franchise for collection service with or without bids or requests for proposals.
- (4) In carrying out the authority granted by this section, a city or county acts for and on behalf of the State of Oregon to carry out:
 - (a) The purposes of ORS 459.015;
- (b) The requirements of ORS 459.005, 459.015, 459.035, 459.165 to 459.200, 459.250, 459.992 and 459.995;
 - (c) Waste reduction programs; and
 - (d) The state solid waste management plan.

ORS 459 defines franchises broadly. Solid waste management includes collection services.

- (4) "Collection franchise" means a franchise, certificate, contract or license issued by a city or county authorizing a person to provide collection service.
- (19) "Solid waste management" means prevention or reduction of solid waste; management of the storage, collection, transportation, treatment, utilization, processing and final disposal of solid waste; or resource recovery from solid waste; and facilities necessary or convenient to such activities.

Local government authorities in waste collection are further restricted by the Metro solid waste management plan.

459.095 Restrictions on authority of local government units. (1) No ordinance, order, regulation or contract affecting solid or liquid waste disposal, resource recovery or solid waste management shall be adopted by a local government unit if such ordinance, order, regulation or contract conflicts with regulations adopted by the commission pursuant to ORS 459.045 or with a solid waste management plan or program adopted by a metropolitan service district and approved by the department or any ordinances or regulations adopted pursuant to such plan or program.

The legislative intent that Metro develop and implement a waste reduction program which address all aspects of waste management was further emphasized in SB 662 of the 1985 session.

- Sec. 8. (1) The metropolitan service district organized under ORS chapter 268 shall prepare a solid waste reduction program. Such program shall provide for:
- (a) A commitment by the district to substantially reduce the volume of solid waste that would otherwise be disposed of the land disposal sites through techniques including, but not limited to, rate structures, source reduction, recycling, reuse and resource recovery:
- (b) A timetable for implementing each portion of the solid waste reduction program;
- (c) Energy efficient, coat-effective approaches for solid waste reduction that are legally, technically and economically fessible and that carry out the public policy described in ORS 459.015 (2); and
- (d) Procedures commensurate with the type and volume of solid waste generated within the district.

To carry out this directive, the Metro Council adopted the Waste Reduction Program which states: "Local governments, which exercise regulatory control over solid waste collection, will be encouraged to participate fully in the waste reduction efforts through Metro certification." Final Report p 12.



METRO

2000 S.W. First Avenue Portland, OR 97201-5398 503/221-1646 January 13, 1987

Dear Members of SWPAC:

A Review Committee (RC) is being established as part of Metro's Resource Recovery Project for evaluation of proposals to be received January 30, in response to the Request for Proposals issued last fall. The RC will include members of the Metro Council Solid Waste Committee, namely Jim Gardner, Chairperson, Sharron Kelley, Gary Hansen and Tom DeJardin, as well as the Executive Officer's representatives and a member of SWPAC.

The RC will be responsible for 1) evaluation of all proposals received, 2) involvement in interviews and 3) recommendations to the Metro Council on top-ranked firms. Metro Staff and advisors will provide technical assistance to the RC that will include analysis of and comparisons between the proposals on each of the evaluation categories including technical feasibility, economic impact and responsiveness to priorities (hierarchy) in ORS 459.015.

Please review the attached staff report that describes the evaluation process and criteria and go over the evaluation instrument itself, which is also attached. Review with a mind to which representative of SWPAC will have the time and interest to devote to this undertaking. Interviews with proposers will take place March 23-26. In addition, a briefing will be held for the RC prior to January 30; tentatively scheduled for January 27. A number of meetings will precede and succeed the interviews with proposers, in order to formulate preliminary assessments and ultimately to determine which are the top-ranked proposals.

At your upcoming meeting, I will distribute a detailed work plan designed for the Resource Recovery Project Team covering evaluation of proposals through preliminary negotiations. This will help you to understand the project schedule, the tasks to be accomplished, and the make-up of the work groups (Metro Staff and advisors) who will be performing the preliminary analytical review.

If you have questions concerning this material, please call me at 221-1646, ext. 232.

Sincerely,

Debbie Gorham Allmeyer

Resource Recovery Project Manager

Dellie Griham Ollmuyer

DGA:shc

Metro Council
Richard Waker
Presiding Officer
District 2

Jim Gardner Deputy Presiding Officer District 3

Bob Oleson District 1

Corky Kirkpatrick District 4

Tom DeJardin District 5

George Van Bergen District 6

Sharron Kelley District 7

John Frewing District 8

Hardy Myers District 9

Larry Cooper District 10

Marge Kaloury District 11

Gary Hansen District 12

EX

Executive Officer Rick Gustafson

STAFF REPORT

Agenda Item No. 9.1

Meeting Date Jan. 8, 1987

CONSIDERATION OF EVALUATION PROCESS AND CRITERIA FOR RESPONSES TO REQUEST FOR PROPOSAL FOR RESOURCE RECOVERY PROJECT

Date: December 19, 1986

Presented by: Debbie Gorham Allmeyer

FACTUAL BACKGROUND AND ANALYSIS

In July 1986 Council authorized six firms to receive a Request for Proposal (RFP) for Metro's Resource Recovery Project.

On October 8, 1986, a RFP (RFP #1) was issued to mass incineration and RDF vendors. On October 24, 1986, an RFP (RFP #2) was issued to mass composting vendors.

The Process and Criteria

An evaluation process and evaluation criteria has been developed by staff, with the assistance and oversight of the Solid Waste Committee of Council. This process, and evaluation instrument, is intended for review and evaluation of the proposals received from the mass incineration, RDF and mass composting project proposals to be received January 30, 1987.

The evaluation process will include analysis conducted by Metro and Metro advisors, as well as a Review Committee. Evaluation will cover three major categories of concern: 1) technical feasibility, 2) economic feasibility, and 3) responsiveness to priorities stipulated in ORS 459.015 (hierarchy). The categories are rated according to evaluation of criteria and subcriteria within each category.

The three major categories, as well as the criteria and subcriteria within each category will be rated "Superior, Acceptable, Poor, or Unacceptable." Criteria considered more important than others have been weighted accordingly.

Proposals will be evaluated on the written submittal and an interview. Each Proposer will be granted an interview.

1. Metro staff and advisors will evaluate proposals using the 11 criteria within the three major categories: technical feasibility, economic feasibility, and hierarchy.

- 2. A Preliminary Evaluation Report will be provided the Review Committee. The report will include ratings "Superior, Acceptable, Poor, Unacceptable" for each proposal in the 11 criteria, and corresponding subcriteria, as well as backup documentation covering every criterion, for each proposal.
- 3. After receipt of the Preliminary Evaluation Report, interviews will be conducted with each Proposer.
- 4. All Review Committee members will participate in the interview process, as will key technical advisors.
- 5. A Final Evaluation Report will then be prepared by Metro staff and advisors and will be submitted to the Review Committee. The Final Evaluation will include ratings on all subcriteria, criteria, and the three major categories.
- 6. The Review Committee will rate the proposals in the ll criteria, and then assign overall ratings in the three major categories, utilizing the Final Evaluation Report.
- 7. Combinations of top rated proposals will then be evaluated in order to select the best potential resource recovery "system." This "system" may be composed of one or more facilities, using one or more technologies. The Committee will then select those top rated Proposer(s) that comprise the best resource recovery system, for negotiation of the Memorandum of Understanding(s) (MOU). The MOU is preliminary to contract negotiation.
- 8. If the MOU is successfully executed, the Review Committee will recommend to the full Council that contract negotiation of a long-term service agreement begin with the top rated Proposer (s).

The Review Committee

The Review Committee will be established by Metro staff and will include members of Council, the Executive Officer or representative of the Executive Officer, staff people, and consultants hired to advise Metro on the Resource Recovery Project.

The Review Committee advisors will include, but not be limited to, representatives listed below:

Robert Zier, Gershman, Brickner, and Bratton, Inc.
Harvey Gershman, Gershman, Brickner and Bratton, Inc.
Dean Gisvold, McEwen, Gisvold, Rankin and Stewart
Rebecca Marshall, Government Finance Associates
Paul Atanasio, Salomon Brothers
Gina France Brakebill, Shearson Lehman Brothers
Robert Schoenhofer, Alex. Brown and Company
Ed Einowski, Stoel, Rives, Boley, Fraser and Wyse

A copy of the Evaluation Process and Evaluation Criteria instrument is attached as Exhibit A.

Action Requested

Approval of evaluation process and evaluation criteria for Resource Recovery Project proposals.

DGA/g1 6724C/491-2 12/29/86

EVALUATION CRITERIA AND EVALUATION FORM FOR RESPONSES TO MASS INCINERATION, RDF AND COMPOST REQUEST FOR PROPOSAL

EVALUATION PROCESS

INTRODUCTION

The evaluation of proposals submitted to Metro by January 8, 1987, will involve review of proposals and interviews with each firm, by a Review Committee. The Review Committee (RC) will be established by Metro staff.

All firms submitting a proposal by January 30, 1987, will be interviewed. In the interview, the RC will seek clarification to any outstanding questions related to the proposal. Information may be solicited to clarify or complete a Proposal, but no negotiation will occur during the interview.

The RC will incorporate findings from the interview into their evaluation forms. Metro and Metro advisors will prepare matrices depicting information from the proposals to assist the RC in the evaluation process.

Combinations of top rated proposals will then be evaluated in order to select the best potential resource recovery "system." This "system" may be composed of one or more facilities, using one or more technologies.

The RC will then select the top rated Proposer(s) with whom to negotiate a Memorandum of Understanding (MOU). This preliminary negotiation precedes contract negotiation for a long-term service contract.

A recommendation will be made by the RC to the Metro Council as to which Proposer(s) with whom to negotiate a long-term service contract(s).

EVALUATION CATEGORIES

The evaluation will center around three categories of concern:

1) economic impact, 2) technical feasibility, and 3) responsiveness to the priority given different techniques for waste disposal (the "hierarchy") in Oregon Revised Statutes 459.015(2).

RATING SYSTEM

Each category includes criteria and subcriteria to be rated for thorough evaluation of the category. All criteria and subcriteria are weighted. An overall rating for each firm in each category will be established through evaluation of these criteria. Firms will then be compared on the basis of overall ratings in each of the three categories.

The ratings are Superior ("S"), Acceptable ("A"), Poor ("P"), and Unacceptable ("U"). A rating of "U" in any category will be considered cause for elimination.

WEIGHTING SYSTEM

Asterisks are used to indicate greater or lesser weight given to each criterion within each category. Four asterisks is not intended to indicate that a criterion is four times as important as a criterion with only one asterisk, but rather to convey that it is more important. An example from everyday life that illustrates similar use of such symbols is the critical review of movies symbolized by stars. A movie with four stars is considered a better film than a two star film, but not necessarily two times as good.

The criteria within each category are as follows:

I. Economic Impact

Cost Proposal
Performance Guarantees
Contract Proposal
Financing Plan

II: Technical Feasibility

Technical Proposal
Management Proposal
Changes to Qualifications Evaluation

III. Hierarchy

Material Recovery
Compost
RDF/Mass Burn Replacing Conventional Fuel
**
RDF/Mass Burn Yielding Electricity
**

- a. A rating of "S" (Superior)), "A" (Acceptable), "P" (Poor) or "U" (Unacceptable) will be given each subcriterion.
- b. Underlined subcriterion are more important than those not underlined, and will be given more emphasis.
- c. An overall rating of "S," "A," "P," or "U" will be determined for each criterion from ratings given subcriteria.
- d. An overall rating of "S," "A," "P," or "U" will be given each category, determined from ratings given criteria.

EVALUATION CRITERIA FOR CATEGORY "ECONOMIC IMPACT"

S A P U

I. Evaluation of Cost Proposal

33

- A. Competitiveness of Service Fees relative to other Proposals and alternative disposal methods in the Metro Area on a life-cycle cost, net present value basis;
- B. Impact on total disposal system cost;
- C. Revenue-sharing approach between Metro and the Proposer;
- D. Reasonableness of capital and operating cost estimates;
- E. Willingness to participate in the financing plan;
- F. Proposer's desired return on investment/involvement in the Project;
- G. Desired return on equity contribution in Project;
- H. Demonstrated ability to obtain an investment grade rating and secure financing; and
- I. Demonstrated recognition of potential cost issues with respect to environmental and permitting matters and Facility performance.
- II. Evaluation of Performance Guarantees
 - A. Minimizing risk to Metro;
 - B. Fiscal capability and financial strength of the Proposer to back offered guarantees and other commitments;
 - C. Competitiveness of offered guarantees relative to the other Recovered Materials Market(s), Proposals;
 - D. Markets for the Recovered Materials Market(s), and the Energy Market(s);

- E. Residue generation and landfill consumption guarantees;
- F. Thermal efficiency;
- G. Recovered Materials production;
- H. Electricity production;
- I. Steam production;
- J. RDF production;
- K. Optimum Operating Proposal;
- L. Proposer's degree of acceptance of the business terms in Section 4; and

- M. Consonance of Performance Guarantees with information supplied with respect to the reference plant.
- III. Evaluation of Contract Proposal

Evaluate the Contract Proposal on the basis of:

- A. Position on contract terms and questions raised in Section 4; and
- B. Overall congruency of offered contract terms with Metro's position.
- C. Allocation of Project economic risk;
- D. Percentage share of Energy and Recovered Materials Revenues between Metro and Proposer;
- E. Insurance and performance bonds;
- F. Exception to risk allocation items shown in Section 4.9;
- IV. Evaluation of Financing Plan

Evaluation the Financing Plan on the basis of:

A. The financeability of the proposed financing plan;

- B. The Contractor's investment banker's acceptance of the relationship to be established with Metro's designated investment banker;
- C. Congruency of plan with the responses to specific contract Proposal questions;
- D. The bond rating claimed for the financing, and the rational/justification for same; and
- E. Adequacy of equity contribution.

EVALUATION CRITERIA FOR CATEGORY "TECHNICAL FEASIBILITY"

S A P U

I. Evaluation of Technical Proposal

Evaluate the Technical Proposal on the basis of:

- A. Site Feasibility;
- B. Compliance with, or exceeding all environmental regulations;
- C. Process residue: quantity and quality;
- D. Overall soundness of the Facility design and integration of separate elements of the Facility (e.g., Residue removal, and Recovered Materials handling);
- E. Technical feasibility of equipment and unit processes;
- F. Soundness of operations and maintenance plans including feasibility of the system with regard to fluctuations of quantity and composition in the Acceptable Waste stream and contingency capabilities of the system;
- G. Reliability/availability of system;
- H. Ability to produce Recovered Material and steam, electricity, and/or RDF (as applicable) for sale to the appropriate market(s);
- I. Aesthetics of architectural design and Facility Site plan configuration;
- J. Energy and water conservation measures indicated in design and operation;

Assess the requested information on the reference plant relative to:

K. Degree of technical demonstration of the reference facility as compared to the proposed Facility; and

- L. Technical feasibility of the Proposal, based on the Proposer's experience with a similar operating system.
- II. Evaluation of Management Proposal

Evaluate the Management Proposal on the basis of:

- A. Techniques of controls for Project management (i.e., reporting procedures, audits, payment and monitoring responsibilities;
- B. Maintenance philosophy and policies;
- C. Reasonableness of construction schedule and payments;
- D. Safety policies;
- E. Soundness of shakedown and acceptance testing procedures;
- F. Proposed working/operational relationship and procedures with:
 1) Metro, 2) the Recovered Materials
 Markets, and 3) the Energy Market(s);
- G. Parent company and subcontractor staff support;
- H. Willingness to meet the development and implementation schedule; and
- I. Willingness to consider innovative techniques to increase efficiency and maximize Recovered Materials and Energy Production to decrease disposal costs.
- III. Evaluation of Changes to Qualifications
 Evaluation

To the extent that the qualifications are changed from the response to the RFQ/I evaluate:

A. Experience

Experience as full-service
 Contractor in resource recovery;

- 2. Experience in negotiating and developing projects for financing; and
- 3. Experience in implementing project financings of a similar in type.

B. Management Capability

- 1. Parent company and subcontractor(s) staff experience in similar assignments and extent of human resources upon which to draw for this type of project;
- 2. Demonstrated capability to perform all required tasks;
- 3. Techniques and controls for Project management;
- 4. Past record to complete construction on time and within budget/price;
- 5. Maintenance philosophies, policies, and practices; and
- 6. Past record in meeting ??
 Performance Guarantees at similar plants.

C. Technical Reliability

- 1. Proven reliability of proposed
 technology;
- 2. Proven performance that the technology can reliably meet applicable environmental regulations/emission levels; and
- 3. Track record of reference plant in meeting similar technical, operational, and environmental performance levels contemplated for this project.

D. Financial Condition and Resources

 Credit rating adequate to make the Project financeable; and 2. Sufficient financial resource of the Contractor, its parent, or joint venture partner to support their guarantees through construction and operation; and a statement as to their willingness to commit these resources for the guarantees.

EVALUATION CRITERIA FOR CATEGORY "HIERARCHY"

The hierarchy in ORS 459.015(2) stipulates the order of waste disposal to be reduce, reuse, recycle, recover and landfill so long as each method is economically and technically feasible. This applies to resource recovery technologies as well.

Metro Council has interpreted the statute such that compost is a means of recycling, with preference over incineration technologies as a method to dispose of material that cannot be source separated for recycling, nor recovered through material recovery systems. The technological preference then, is 1) Compost, and 2) Incineration.

Further, where incineration yields steam, thereby replacing a conventional fuel, greater preference is shown over a technique that yields electricity. Incineration to yield electrical power is the least attractive due to the overabundant, local power supply.

Material recovery is categorized as a means of recycling, and proposals incorporating front and/or backend material recovery will be given credit for so doing.

TECHNOLOGY

Material Recovery
Compost
RDF/Mass Burn replacing conventional fuel **
RDF/Mass Burn yielding electrical power *

- 1. Each proposal will be reviewed to ascertain percent of waste disposed through any of these technologies. Percent of total throughput, as well as actual tonnage, will be noted.
- 2. Proposals will be rated according to quantity of waste, and percent of total throughput managed by technologies high on the hierarchy.

S A P U

How much matrial will be processed via Material Recovery?

Compost?

RDF/Mass Burn replacing conventional fuels?

RDF/Mass Burn yielding electricity?

DGA/g1 6725C/481-2 12/29/86

SOLID WASTE PLANNING POLICY COMMITTEE Minutes January 8, 1987

The meeting was called to order by Chair Jim Gardner. The following were present:

Members and Alternates

Jim Gardner, Metro
Shirley Huffman, Hillsboro
Barbara Sullivan, Gresham
Bill Bach, Portlof Portland (for Dawn Pavitt)
Ramsey Weit, Multnomah County (for Polly Casterline)
Steve Larrance, Washington County
Dale Harlan, Clackamas County
Steve Greenwood, Department of Environmental Quality (for Fred Hansen)

Bill Stark, Wilsonville John Lang, City of Portland (for Bob Koch) Clifford Clark, Forest Grove

Interested Parties

Harry Bodine, The Oregonian

Metro Staff, Consultants, Technical Committee Representatives

Rich Owings Vickie Rocker Roosevelt Carter Robert Newman Leigh Zimmerman Bob Baldwin Joe Dills Mike McKeever Kathy Thomas Marilyn Matteson Becky Crockett Joe Dills Dan Cooper Mark Williams Jim Rapp Jim Shoemake

I. Citizen and Committee Member Communications

There were no communications from citizens or committee members.

II. Minutes

It was moved and seconded to approve the minutes of the December 11th meeting. Passed unanimously.

III. <u>Discussion of Interim Washington County Transfer Station</u>

Rich Owings explained that the owner of the Forest Grove Transfer Center has requested Metro to allow expansion of the current facility. Rich handed out a list of West Transfer Criteria for the Committee to review in light of this request.

Steve Larrance distributed copies of the Washington County Garbage Coordinating Committee's "GOALS AND OBJECTIVES" and a "SUMMARY OF PROCEEDINGS OF DECEMBER 3, 1987 MEETING" to the Committee. In reviewing salient points of these documents, he emphasized that Washington County's garbage awareness level had increased over the past several years and expressed concern that the regional perspective may not be the same as the Washington County perspective.

Washington County concerns are summarized as follows:

- 1) Washington County prefers a logical system of satellite collection and transfer sites.
- Washington County envisions a financially independent and decentralized county system within the regional network.
- 3) \| Washington County supports the involvement of haulers in the transfer solution.

Specifically, Washington County wants to have a better understanding of revenue information from Metro for further evaluation. S. Larrance suggested that the solution for Washington County would be to go on a fast track for both short and long term solutions. He then directed a question to Jim Gardner as follows: "What can we do to modify the planning process?"

Gardner responded that he thought the process could accommodate Washington County's needs through the Technical Committee and Subcommittees.

Rich Owings responded that he will discuss the question with the Technical Committee and Subcommittees. A presentation on revenue needs and uses will be included as part of the next meeting. The Committee agreed to refer the issue to the Technical Committee for further consideration.

Clifford Clark and Shirley Huffman supported Larrance's statements and felt that a "Washington County Plan" could be included in the overall planning process and that solid waste problems could still be solved.

Dale Harlan stated that he hoped Washington County would not sidetrack the planning process. Jim Gardner stated that the Washington County proposal would be suggested to the Technical Committee and its Subcommittees as soon as possible.

Jim Gardner interjected that the Metro Council representation on the Policy Committee may be changed, as the Council Solid Waste Committee chairperson is the chair for the Policy Committee and that position is currently in transition.

IV. East Transfer Station Policy Issues

A. Private versus Public Ownership of the East Station

Mark Williams, Chair for the Facilities Subcommittee, requested that the Policy Committee recommend to the Metro Council that the East Transfer and Recycling Center should be privately owned and operated. The three primary reasons for the recommendation are all related to time constraints. They are:

- 1) Site selection process
- 2) Land use permit process
- 3) Public bid process

Dale Harlan felt that the reasons given were inadequate to support the recommendation. Further discussion occurred with John Lang expressing conditional approval of the recommendation provided 1) cost criteria or comparisons are used when evaluating proposals, and 2) that opportunity be provided for area/neighborhood comment.

The group also discussed public hearing requirements and the degree of public involvement that is desirable. Rena Cusma stated that public involvement will occur when the permit is issued and when the public bid is reviewed by Metro.

MOTION:

Dale Harlan moved to recommend to the Metro Executive Officer and Metro Council that the East Transfer and Recycling Center should be privately owned and operated. The motion was seconded by Shirley Huffman.

AMENDMENT AND VOTE ON AMENDMENT:

John Lang moved to amend the recommendation to include good cost comparison/evaluation and public input. Clifford Clark seconded the amendment to the motion. The amendment was accepted unanimously.

Further discussion of the motion revealed that the rationale checklist in the staff report supported a foregone conclusion rather than stating both advantages and disadvantages to privatization. They agreed to delete the rationale section on the privatization recommendation request.

The group agreed that conclusions drawn were accurate, but they did not support the rationale behind them.

AMENDMENT AND VOTE ON AMENDMENT:

It was moved and seconded to delete the rationale section from the Technical Committee's request to the Policy Committee to recommend private ownership and operation of the East Transfer Station.

VOTE ON MOTION:

The vote was all ayes, excepting one abstention by Jim Gardner. Motion carried.

IV. B. Separation of Request for Proposals (RFPs) for East Transfer

Kathy Thomas presented Technical Committee and Facilities Subcommittee recommendations that separate Requests for Proposals (RFPs) be issued simultaneously for the transportation/depot RFP and the transfer station RFP. She reviewed the options and the pros and cons of this recommendation.

The recommendation was discussed. John Lang noted that Bob Koch did not support the recommendation if the proposal was for two (separate) facilities in the same area/neighborhood. He also questioned how Metro would address the problem of two sites in close proximity.

Kathy Thomas responded that these issues could be addressed in the RFP and in an analysis of how facilities will affect the total system cost. Rena Cusma indicated that these concerns can also be addressed when the final recommendation goes to the Metro Council.

MOTION AND VOTE:

It was moved by Shirley Huffman and seconded by Steve Larrance to adopt the Technical Committee's recommendation that separate Requests for Proposals be issued simultaneously for the transportation/depot RFP and the transfer station RFP. The motion was unanimously carried.

IV. C. Transfer of Commercial and Private Haul to East Transfer Station

Kathy Thomas presented the Technical Committee's recommendation that the East Transfer Station should handle both commercial and self-haul waste. The Technical Committee felt that, despite the self-haulers' generation of traffic and litter, it was politically unacceptable not to provide service to them.

A discussion followed which considered alternatives for monitoring self-haulers and motivating them to participate in a more positive fashion. Clifford Clark suggested that Metro should conduct a study on limitations to self-hauling.

MOTION AND VOTE:

It was moved by Shirley Huffman and seconded by John Lang to support the Technical Committee's recommendation that the East Transfer Station provide service for both commercial and self-haul waste. The motion was carried unanimously.

IV. D. <u>Recommendation on One or Two Transfer Stations</u>

This issue was returned to the Technical Committee at the request of the Facilities Subcommittee, and thus removed from the Policy Committee's agenda.

IV. E. Timing of Land Use Permits

Jim Rapp, Chair of the Land Use Subcommittee, presented the Technical Committee's recommendation that a notice be sent to potential proposers in January 1988, which indicates that they need to obtain land use permits for eligible sites by June 1, 1988.

The rationale for this recommendation is in extending the opportunity to potential proposers to qualify in the

selection process, and to maximize the number of potential sites.

MOTION AND VOTE:

Ramsey Weit moved and Rena Cusma seconded that the Policy
Committee support the Technical Committee's recommendation that a notice be sent to potential proposers in January 1988 to obtain land use permits for eligible sites by June 1, 1988. The motion was carried unanimously.

IV. F. Proposal Evaluation for East Transfer Station

Jim Rapp presented the Technical Committee's recommendation that an Evaluation Committee be established comprised of representatives from the Technical Committee and staff. This committee would complete the initial review and rating of proposals. These ratings would be presented to the Policy Committee for review and finalization, and their recommendations would be forwarded to the Metro Council through the Council Solid Waste Committee.

The rationale for this recommendation was largely based on developing a group of a workable size because of the large number of people within the Technical Committee.

MOTION:

Dale Harlan moved and Rena Cusma seconded the Technical Committee's recommendation that an Evaluation Committee be established to review and rate proposals received for the East Transfer Station.

There was discussion of the recommendation and a request for clarification of why the committee was needed and of whom the committee would be composed. Rena Cusma reminded the Policy Committee that it was necessary to maintain a regional perspective on the issues at hand. She explained that ultimately Metro Council will decide on the East Transfer Station proposal.

VOTE:

The motion was carried unanimously.

IV. G. Transfer Station/Depot RFP Schedule and Process

Becky Crockett presented the tentative schedule for the Transfer Station/Depot RFP Process.

V. Next Meeting - February 12, 1988

The next meeting was confirmed for February 12, 1988. The meeting was adjourned.

-07



January 6, 1988

TO: WASHINGTON COUNTY GARBAGE COORDINATING COMMITTEE & INTERESTED PARTIES

FROM: STEVE LARRANCE, WASHINGTON COUNTY COMMISSIONER

RE: SUMMARY OF PROCEEDINGS OF DECEMBER 3, 1987 MEETING OF THE WASHINGTON COUNTY GARBAGE COORDINATING COMMITTEE

I. Assessment of Regional Proceedings to Date

A. Metro staff seems to be the major initiator of policy initiatives.

B. Policy group not initiating direction of policy initiatives.

C. The landfill siting; barge/rail depot and transportation to landfill; and the Multnomah County initial transfer site all are on a "fast track" process instead of the 18 month agreed upon Solid Waste Management Plan (SWMP) update timeline.

D. Technical subcommittees will shoulder majority of workload in SWMP

update.

E. How do these events impact Washington County policy initiatives?

II. We Have the Capability to Design a System That is Workable in Washington County

A. We need the opportunity to discuss our ideas more subjectively with the region.

With the region.

B. Our consensus goals can be followed to logical system of

satellite collection and transfer sites.

C. These financial issues need to be addressed as part of our planning process:

1. What revenue is now derived from the Metro Solid Waste System?

2. Washington County will pay for its decentralized system within the overall regional network. Is this compatible with Metro planning to date?

D. Transferring is a function of pickup and hauling, therefore should involve Washington County franchised haulers as part of our solution.

(3)

- E. The Washington County garbage now transferred to CTRC (Clackamas Transfer Site):
 - Is less than the amount that the facility is over their tonnage limit.

2. Must be eliminated soon.

- 3. Solution should be generated by franchised haulers from southeast portion of County now utilizing CTRC.
- 4. Solution should utilize the Washington County Garbage Coordinating Committee as the consensus building group and our agreed upon goals.
- F. Now is the time to approach the regional consensus building group with these issues.

III. Summary of Washington County Concerns

A. Policy

- 1. Washington County prefers a logical system of satellite collection and transfer sites.
 - 2. We envision a financially independent and decentralized county system within the regional network.
 - Washington County supports the involvement of the haulers in the transfer solution.

B. Process

- 1. Washington County requests that more subjective discussion opportunities be made available at the regional policy making level.
- 2. Washington County desires revenue information (relating to the Metro Solid Waste System) to further our policy alternatives evaluation.
- 3. Washington County wants to accomplish the above described policy goals as part of the SWMP update process.
- 4. Question for Committee Chair on January 9, 1988:

"Can this process be modified to accommodate our policy... initiatives?"

WASHINGTON COUNTY GARBAGE COORDINATING COMMITTEE

GOALS AND OBJECTIVES

GOAL: Adopt a policy of privatization of solid waste handling. Metro will then solicite thru an RFP process the necessary privately owned facilities and sites within Washington County. The following objectives should be considered in developing the RFP.

OBJECTIVES

FACILITY REQUIREMENTS

(3

- Conform to the needs of existing franchised haulers and the recycling industry.
- Function within the adopted Land Use regulations as much as possible.
- Utilize existing and planned transportation system.
- Spread impact throughout the County in order to facilitate implementation.
- 5. Consider public opinion which has favored siting facilities within areas of generation. i.e. handling ones own waste
- Locate waste generation centers (and potential centers). Site facilities to handle. This must include large industrially designated areas identifying sites or potential sites.
- Conditions within each jurisdictions land use regulations to properly condition sitings:
 - a) Transportation facilities
- e) Waste water disposal f) Site water runoff
- 1. Freeway proximity
- 2. Access potential of site
- g) Noise
- 3. Probable routing to and from site
- h) Odor 1) Pests
- 4. Truck traffic impacts

b) Buffering c) Proximity to other uses j) Litter

- d) Hours of operation
- 8. Citizen drop off points as separate facilities from professional hauler's facilities (all privately owned and operated).
- Differentiate between industrial and residential waste generators.
 - 1) Their outputs
 - 2) Recycling potential
 - 3) Other needs

GARBAGE COORDINATING COMMITTEE GOALS AND OBJECTIVES PAGE 2

GOVERNMENT REQUIREMENTS

- 1. Local governments to facilitate process of sitings.
- 3. Work with industry and Legislature to regulate plastic packaging at statewide level.

RECYCLING PROGRAM

- 1. Create market for recycled materials.
- 2. Expand public awareness of necessity and procedures for individual and group recycling.
- 3. Offer financial incentives to commercial entities and households for recycling.
- 4. Work toward consistency within countywide system of recycling process.

ALTERNATIVE TECHNOLOGIES

1. Examine alternatives to extensive use of landfills; i.e., burners and composting. Explore methods for disposal of ash and use of burner by-products: heat, electricity, ash.

METRO CONTRIBUTIONS

- 1. Re-affirmation of the regions! public dinformation program regarding "garbage awareness".
- 2. Breakdown of current operating costs of existing solid waste facilities vs revenues from the various entities (i.e. Washington County citizens) utilizing these services.