

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING AN)	ORDINANCE NO. 19-1434
INCREASED TONNAGE ALLOCATION AND)	
AUTHORIZING THE CHIEF OPERATING)	Introduced by Chief Operating Officer Martha
OFFICER TO ISSUE AN AMENDED SOLID)	Bennett in concurrence with Council
WASTE FACILITY FRANCHISE FOR GSS)	President Lynn Peterson
TRANSFER, LLC)	

WHEREAS, Metro Code Section 5.01.150 states that a Metro Solid Waste Facility Franchise is required for any person owning or controlling a facility that operates a transfer station; and

WHEREAS, GSS Transfer, LLC (“GSS Transfer”) operates a transfer station and holds Metro Solid Waste Facility Franchise Number F-019-16B, which sets an annual tonnage authorization for the franchisee; and

WHEREAS, Metro Council adopted a transfer system configuration policy via Resolution No. 16-4716 that directed Metro staff to establish a predictable and transparent framework for tonnage allocations; and

WHEREAS, Metro Council adopted Resolution No. 18-1426 to establish a framework for allocating the region’s putrescible waste tonnage to privately-owned transfer stations beginning in 2020; and

WHEREAS, Metro Code Section 5.01.230(a)(3) states that a franchisee is required to submit an application to Metro when seeking to modify conditions of its franchise; and

WHEREAS, on November 28, 2018, GSS Transfer applied for a change of authorization to its franchise seeking to increase its tonnage allocation; and

WHEREAS, GSS Transfer does not propose to alter any other activities that already occur at its transfer station site; and

WHEREAS, the Chief Operating Officer recommends amending the franchise to increase the tonnage authorization up to 49,000 tons of putrescible waste for calendar year 2019; and

WHEREAS, beginning in 2020, Metro will allocate the region’s putrescible waste tonnage to privately-owned transfer stations in accordance with Metro’s tonnage allocation methodology;

WHEREAS, beginning in 2020, Metro will require at least 40 percent of the region’s putrescible waste tonnage to flow to publicly-owned transfer stations; and

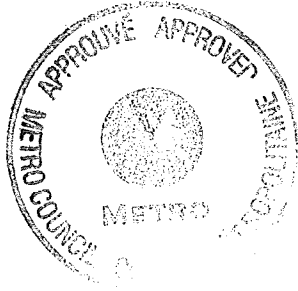
WHEREAS, the Metro Council finds that the terms, conditions, and limitations contained in Exhibit A to this Ordinance are appropriate; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The increased tonnage allocation for GSS Transfer is approved subject to the terms, conditions, and limitations contained in Exhibit A.

2. The Chief Operating Officer is authorized to issue to GSS Transfer an amended solid waste facility franchise substantially similar to the one attached as Exhibit A.

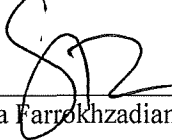
ADOPTED by the Metro Council this 11th day of April 2019.






Sam Chase, Deputy Council President

Attest:



Sara Farrokhzadian, Recording Secretary

Approved as to Form:



Nathan A. S. Sykes, Metro Attorney



SOLID WASTE FACILITY FRANCHISE
 No. F-019-16C

FRANCHISEE:	FACILITY NAME AND LOCATION:
GSS Transfer, LLC 2131 NW Birdsdale Av. Gresham, Oregon 97030 Tel. (503) 665-2424 Fax. (503) 666-0917	GSS Transfer, LLC 2131 NW Birdsdale Av. Gresham, Oregon 97030 Tel. (503) 665-2424 Fax. (503) 666-0917
OPERATOR:	PROPERTY OWNER:
GSS Transfer, LLC 2131 NW Birdsdale Av. Gresham, Oregon 97030 Tel. (503) 665-2424 Fax. (503) 666-0917	Michael & Deborah Miller PO Box 1560 Gresham, Oregon 97030 Tel. (503) 665-2424 Fax. (503) 666-0917

This franchise replaces and supersedes the provisions of Metro Solid Waste Facility Franchise No. F-019-16B. Metro grants this franchise to the franchisee named above. The franchisee is authorized to operate and maintain a solid waste facility and to accept the solid wastes and perform the activities authorized by and subject to the conditions stated in this franchise.

ISSUED BY METRO:

 Martha Bennett, Chief Operating Officer

 Date



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1.0	ISSUANCE	
1.1	Franchisee	GSS Transfer, LLC 2131 NW Birdsdale Av. Gresham, Oregon 97030 Tel. (503) 665-2424 Fax. (503) 666-0917
1.2	Corporate affiliation	Gresham Sanitary Service, Inc. 2131 NW Birdsdale Av. Gresham, Oregon 97030 Tel. (503) 665-2424 Fax. (503) 666-0917
1.3	Contact	Matt Miller Tel. (503) 665-2424 Fax. (503) 666-0917 e-mail: matt@gss-nw.com
1.4	Franchise number	When referring to this franchise, please cite: Metro Solid Waste Facility Franchise No. F-019-16C.
1.5	Term	The franchise originally commenced on December 13, 2016. The franchise will expire on December 31, 2019, unless amended, suspended, or revoked as provided in this franchise.
1.6	Renewal	The franchisee may apply for a franchise renewal as provided in Metro Code Chapter 5.01.
1.7	Facility name and mailing address	GSS Transfer, LLC. PO Box 1560 Gresham, Oregon 97030 Tel. (503) 665-2424 Fax. (503) 666-0917
1.8	Operator	GSS Transfer, LLC 2131 NW Birdsdale Av. Gresham, Oregon 97030 Tel. (503) 665-2424 Fax. (503) 666-0917



1.9	Facility premises description	Tax Lot Identification Nos. 1S3E05AD 01500, 01600, 01700, and 1S3E05DA 00100, City of Gresham, Multnomah County, State of Oregon
1.10	Property owner	Michael & Deborah Miller PO Box 1560 Gresham, Oregon 97030 Tel. (503) 665-2424 Fax. (503) 666-0917
1.11	Permission to operate	Franchisee has obtained the property owner's consent to operate the facility as specified in this franchise.

2.0	CONDITIONS AND DISCLAIMERS	
2.1	Guarantees	This franchise does not vest any right or privilege in the franchisee to receive specific quantities of solid waste at the direction of Metro during the term of the franchise.
2.2	Non-exclusive franchise	This franchise does not in any way limit Metro from granting other solid waste franchises within Metro's boundaries.
2.3	Property rights	This franchise does not convey any property rights in either real or personal property.
2.4	Amendment	Except as provided in Section 11.0, no amendment will be effective unless approved by the Metro Council.
2.5	No recourse	The franchisee will have no recourse whatsoever against Metro or its officials, agents or employees for any loss, costs, expense or damage arising out of any provision or requirement of this franchise or because of the enforcement of the franchise or in the event Metro determines that the franchise or any part thereof is invalid.
2.6	Indemnification	The franchisee must indemnify Metro, the Council, the Chief Operating Officer (COO), and any of their employees or agents and save them harmless from any and all loss, damage, claim, expense including attorney's fees, or liability related to or arising out of the granting of this franchise or the franchisee's performance of or failure to perform any of its obligations under the franchise or Metro Code Chapter 5.01, including without



		limitation patent infringement and any claims or disputes involving subcontractors.
2.7	Binding nature	This franchise is binding on the franchisee. The franchisee is liable for all acts and omissions of the franchisee's contractors and agents.
2.8	Waivers	To be effective, a waiver of any terms or conditions of this franchise must conform with Section 11.0 and be in writing and signed by the COO.
2.9	Effect of waiver	Waiver of a term or condition of this franchise does not waive nor prejudice Metro's right otherwise to require subsequent performance of the same term or condition or any other term or condition.
2.10	Choice of law	The franchise will be construed, applied, and enforced in accordance with the laws of the State of Oregon.
2.11	Enforceability	If a court of competent jurisdiction determines that any provision of this franchise is invalid, illegal or unenforceable in any respect, the validity of the remaining provisions contained in this franchise will not be affected.
2.12	Franchise not a waiver	This franchise does not relieve any owner, operator, or the franchisee from the obligation to obtain all required permits, franchises, or other clearances and to comply with all orders, laws, regulations, reports or other requirements of other regulatory agencies.
2.13	Franchise not limiting	This franchise does not limit the power of a federal, state, or local agency to enforce any provision of law relating to the facility.
2.14	Definitions	<ol style="list-style-type: none">1. "Mixed Non-Putrescible Waste" means a mixture of more than one type of non-putrescible waste, including commingled recyclables other than residential curbside recyclable material. This category includes construction and demolition waste but excludes Cleanup Materials Contaminated by Hazardous Substances, Source-Separated Recyclable Material, special waste, land clearing debris and yard debris.2. Unless otherwise specified, all other terms are as defined in Metro Code Chapter 5.00.



3.0	AUTHORIZATIONS	
3.1	Purpose	This section of the franchise describes the wastes that the franchisee is authorized to accept at the facility and the waste-related activities the franchisee is authorized to perform at the facility.
3.2	General conditions on solid waste	The franchisee is authorized to accept at the facility only the solid wastes described in Section 3.0 of this franchise. The franchisee is prohibited from knowingly receiving any solid waste not authorized in this section.
3.3	General conditions on activities	The franchisee is authorized to perform at the facility only those waste-related activities that are described in Section 3.0 of this franchise.
3.4	Acceptance and management of putrescible solid waste	<ol style="list-style-type: none">1. The franchisee is authorized to accept putrescible waste for reload and transfer to an appropriate destination as provided in Section 12.2. The franchisee also is authorized to accept putrescible waste for material recovery.2. The franchisee must receive, manage, store, reload, and transfer all putrescible waste on an impervious surface, for example asphalt or concrete, and inside a roofed building that is enclosed on at least three sides or alternatively, inside watertight covered or tarped containers or within covered or tarped transport trailers.3. The franchisee is authorized to accept putrescible waste generated inside the Metro region only from persons who are franchised or permitted by a local government unit to collect and haul putrescible waste.
3.5	Acceptance and management of mixed non-putrescible solid waste	<ol style="list-style-type: none">1. The franchisee is authorized to accept loads of mixed non-putrescible solid waste for reload and transfer to a facility authorized by Metro to perform material recovery.2. Except as provided below in Subsections (a) and (b), the franchisee must receive, sort, store, reload, and transfer all mixed non-putrescible solid waste on an impervious surface, for example asphalt or concrete, and inside a roofed building that is enclosed on at least three sides.<ol style="list-style-type: none">a. Unusually large vehicles, for example 30-foot tippers, may tip wastes outside, provided the tipped wastes are moved under cover prior to processing, within 12 hours



		<p>of receipt, or by the end of the business day, whichever is earlier.</p> <p>b. Public self-haul customers may tip waste outside, provided that such waste is tipped directly into watertight containers that are covered or tarped within 12 hours of receipt, or by the end of the business day, whichever is earlier.</p> <p>3. The franchisee must reload and remove all mixed non-putrescible waste from the site within 48 hours of receipt.</p>
3.6	Acceptance of source-separated recyclable materials	<p>1. The franchisee must provide a place for collecting source-separated recyclable materials on the facility premises.</p> <p>2. The franchisee is authorized to accept source-separated recyclable materials for the purpose of sorting, classifying, consolidating, baling, temporary storage, transfer and other similar functions related to preparing these materials for reuse or recycling.</p>
3.7	Acceptance of yard debris	<p>The franchisee is authorized to accept source-separated yard debris that has not reached a state of decomposition sufficient to produce malodors detectable beyond the boundaries of the facility. The franchisee may accept yard debris for grinding and reloading to authorized facilities for composting, use as hogged fuel, or other useful purposes as described in an operating plan and approved in writing by the COO.</p>
3.8	Acceptance of source-separated food waste	<p>The franchisee is authorized to accept source-separated food waste that has not reached a state of decomposition sufficient to produce malodors detectable beyond the boundaries of the facility. The franchisee may accept source-separated food waste only for reloading to authorized facilities for composting or other useful purposes as described in an operating plan and approved in writing by the COO.</p>
3.9	Acceptance of untreated wood	<p>The franchisee is authorized to accept for processing and reloading, source-separated, untreated and unpainted wood waste, for example untreated lumber and wood pallets. The franchisee may accept clean wood waste for grinding and reloading to authorized facilities for composting, use in paper production, use as hogged fuel, or other useful purposes as described in an operating plan and approved in writing by the COO.</p>



3.10	Acceptance of painted and treated wood	The franchisee is authorized to accept painted and treated wood waste for grinding and reloading to authorized facilities for use as hogged fuel or other useful purposes as described in an operating plan and approved in writing by the COO. The franchisee must not use or incorporate painted or treated wood into mulch, animal bedding, compost feedstock, or any other product unless otherwise described in an operating plan and approved in writing by the COO.
3.11	Acceptance of electronics devices	The franchisee is authorized to accept source-separated electronic devices for the purpose of sorting, classifying, consolidating, baling, temporary storage, transfer, and other similar functions related to preparing these materials for reuse, recycling, or disposal as required by the Oregon Department of Environmental Quality (DEQ).
3.12	Acceptance of inert material	The franchisee is authorized to accept inert materials for purposes of classifying, consolidating, transfer, and other similar functions related to preparing these materials for useful purposes.
3.13	Production of hogged fuel	<ol style="list-style-type: none"> 1. As authorized by Section 3.0, the franchisee is authorized to accept and process only untreated wood, painted wood, and incidental quantities of treated wood for delivery to facilities with industrial boilers for use as hogged fuel. 2. The franchisee is prohibited from mixing any other solid waste with the wood wastes described above in Section 3.15.1 for the production of hogged fuel.

4.0	LIMITATIONS AND PROHIBITIONS	
4.1	Purpose	This section of the franchise describes limitations and prohibitions on the wastes handled at the facility and activities performed at the facility.
4.2	Tonnage allocation	<ol style="list-style-type: none"> 1. In calendar year 2019, beginning on January 1 and ending December 31, 2019, the franchisee is authorized to accept up to 49,000 tons of putrescible waste generated inside the Metro region. 2. Metro bases its tonnage allocations on its <i>Solid Waste Forecast</i>. Although Metro makes every effort to include accurate and reliable information in its forecast, Metro may



		adjust tonnage allocations based on tonnage trends and actual solid waste generation.
4.3	Waste hauler access	<p>It is in the public's best interest that transfer stations located inside the Metro region maintain adequate capacity to accommodate solid waste generated within the region and provide adequate access to waste haulers that collect solid waste within the geographic proximity of the facility. Therefore:</p> <ul style="list-style-type: none">a) The franchisee must not accept solid waste generated outside the Metro region if to do so would limit the franchisee from accepting any putrescible or non-putrescible waste generated inside the Metro region;b) The franchisee should not accept solid waste collected outside of the geographic proximity of the facility if to do so would deny access to waste haulers that collect solid waste within the geographic proximity of the facility;c) The franchisee must not deny access to any unaffiliated waste hauler without due cause or written notice 30-days in advance. Due cause includes, but is not limited to, load contamination, failure to pay, or risk of exceeding the franchise tonnage allocation; andd) The COO may require the franchisee to provide a written explanation of its rationale if the facility denies access or refuses service to a waste hauler.
4.4	Prohibited waste	<p>The franchisee must not knowingly receive, process, reload, or dispose of any solid waste not authorized by this franchise. The franchisee must not knowingly accept or retain any material amounts of the following types of waste: materials contaminated with or containing friable asbestos; lead acid batteries; liquid waste for disposal; vehicles; infectious, biological or pathological waste; radioactive waste; hazardous waste; or any waste prohibited by the DEQ.</p>
4.5	Prohibition on mixing	<ul style="list-style-type: none">1. The franchisee must not mix or commingle any source-separated recyclable materials, source-separated yard debris or wood wastes brought to the facility with any unprocessed solid wastes or solid wastes destined for disposal.2. The franchisee must not mix or commingle putrescible solid waste with non-putrescible solid waste or source-separated



		<p>recyclable materials, including without limitation wood waste and yard debris.</p> <p>3. The franchisee must not mix or commingle non-putrescible solid waste with putrescible solid waste or source-separated recyclable materials, including without limitation wood waste and yard debris.</p>
4.6	Prohibition of size reduction on non-putrescible waste	The franchisee must not crush, grind or otherwise reduce the size of non-putrescible waste except when such size reduction constitutes a specific step in the facility's material recovery operations, reload operations, or processing residual consolidation or loading operations, and such size reduction is described in an operating plan and approved by the COO.
4.7	No disposal of recyclable materials	The franchisee must not transfer source-separated recyclable materials to a disposal site, including without limitation landfills and incineration facilities.
4.8	Composting prohibited	The franchisee must not keep yard debris on site long enough for more than negligible biological decomposition to begin.
4.9	Limits not exclusive	This franchise will not be construed to limit, restrict, curtail, or abrogate any limitation or prohibition contained elsewhere in this franchise document, in Metro Code, or in any federal, state, regional or local government law, rule, regulation, ordinance, order or permit.

5.0	OPERATING CONDITIONS	
5.1	Purpose and general performance goals	<p>This section of the franchise describes criteria and standards for the operation of the facility. The franchisee must operate in a manner that meets the following general performance goals:</p> <ul style="list-style-type: none"> a) Environment. The franchisee must design and operate the facility to avoid undue threats to the environment including, but not limited to, stormwater or groundwater contamination, air pollution, and improper acceptance and management of hazardous waste, asbestos and other prohibited wastes. b) Health and safety. The franchisee must design and operate the facility to avoid conditions that may degrade public health and safety including, but not limited to, fires, vectors, pathogens and airborne debris.



		<p>c) Nuisances. The franchisee must design and operate the facility to avoid nuisance conditions including, but not limited to, litter, dust, odors, and noise.</p>
5.2	Qualified operator	<ol style="list-style-type: none">1. The franchisee must, during all hours of operation, provide an operating staff employed by the facility and qualified and competent to carry out the functions required by this franchise and to otherwise comply with Metro Code Chapter 5.01.2. Facility personnel, as relevant to their job duties and responsibilities, must be familiar with the relevant provisions of this franchise and the relevant procedures contained within the facility's operating plan.3. A qualified operator must be an employee of the facility with training and authority to reject prohibited waste that is discovered during load checks and to properly manage prohibited waste that is unknowingly received.
5.3	Fire prevention	<p>The franchisee must provide fire prevention, protection, and control measures, including but not limited to, adequate water supply for fire suppression, and the isolation of potential heat sources and/or flammables from processing and storage areas.</p>
5.4	Adequate vehicle accommodation	<p>The franchisee must:</p> <ol style="list-style-type: none">a) Provide access roads of sufficient capacity to adequately accommodate all on-site vehicular traffic. The franchisee must maintain access roads to allow the orderly egress and ingress of vehicular traffic when the facility is in operation, including during inclement weather.b) Take reasonable steps to notify and remind persons delivering solid waste to the facility that vehicles must not park or queue on public streets or roads except under emergency conditions or as provided by local traffic ordinances.c) Post signs to inform customers not to queue on public roadways.d) Provide adequate off-street parking and queuing for vehicles, including adequate space for on-site tarping and untarping of loads.



5.5	Managing prohibited wastes	<ol style="list-style-type: none">1. The franchisee must reject prohibited waste upon discovery and must properly manage and dispose of prohibited waste when unknowingly received.2. The franchisee must implement a load-checking program to prevent accepting prohibited waste. This program must include at a minimum:<ol style="list-style-type: none">a) Visual inspection. As each load is tipped, a qualified operator must visibly inspect the load to prevent the acceptance of waste that is prohibited by the franchise.b) Containment area. A secured or isolated containment area for the storage of prohibited wastes that are unknowingly received. Containment areas must be covered and enclosed to prevent leaking and contamination.c) Record maintenance. The franchisee must maintain records of the training of personnel in the recognition, proper handling, and disposition of prohibited waste and make those records available for review by Metro.d) Upon discovery, the franchisee must remove all prohibited or unauthorized wastes or manage the waste in accordance with DEQ requirements and procedures established in the operating plan. All such wastes the franchisee unknowingly receives must be removed from the site and transported to an appropriate destination within 90 days of receipt, unless required to be removed earlier by the DEQ or local government.
5.6	Storage and exterior stockpiles	<p>The franchisee must:</p> <ol style="list-style-type: none">a) Manage, contain, and remove at sufficient frequency stored materials and solid wastes to avoid creating nuisance conditions, vector or bird attraction or harborage, or safety hazards;b) Maintain storage areas in an orderly manner and keep the areas free of litter;c) Position exterior stockpiles within footprints identified on the facility site plan or operating plan; andd) Not stockpile recovered or source-separated materials for longer than 180 days (6 months).



5.7	Dust, airborne debris and litter	<p>The franchisee must operate the facility in a manner that minimizes and mitigates the generation of dust, airborne debris and litter, and must prevent its migration beyond property boundaries. The franchisee must:</p> <ul style="list-style-type: none">a) Take reasonable steps, including signage, to notify and remind persons delivering solid waste to the facility that all loads must be suitably secured to prevent any material from blowing off the load during transit;b) Maintain and operate all vehicles and devices transferring or transporting solid waste from the facility to prevent leaking, spilling or blowing of solid waste on-site or while in transit;c) Maintain and operate all access roads and receiving, processing, storage, and reload areas in such a manner as to minimize dust and debris generated on-site and prevent such dust and debris from blowing or settling off-site;d) Keep all areas within the site and all vehicle access roads within ¼ mile of the site free of litter and debris generated directly or indirectly as a result of the facility's operation;e) Maintain on-site facility access roads to prevent or control dust and to prevent or control the tracking of mud off-site; andf) Provide access to the facility for the purpose of uncovered load enforcement. During all times that solid waste or recyclable materials are being accepted, authorized representatives of Metro, including law enforcement personnel on contract to Metro, must be permitted access to the premises of the facility for the purpose of making contact with individuals they have observed transporting uncovered loads of solid waste or recyclable materials on a public road right-of-way in violation of Section 5.09.040 of the Metro Code.
5.8	Odor	<ol style="list-style-type: none">1. The franchisee must operate the facility in a manner that prevents the generation of odors that are detectable off-site.2. The franchisee must establish and follow procedures in the operating plan for minimizing odor at the facility.



5.9	Vectors (e.g. birds, rodents, insects)	<ol style="list-style-type: none">1. The franchisee must operate the facility in a manner that is not conducive to harboring rodents, birds, insects, or other vectors capable of transmitting, directly or indirectly, infectious diseases to humans or from one person or animal to another.2. If vectors are present or detected at the facility, the franchisee must implement vector control measures.
5.10	Noise	The franchisee must operate the facility in a manner that avoids noise sufficient to cause adverse off-site impacts and to the extent necessary to meet applicable regulatory standards and land-use regulations.
5.11	Water contaminated by solid waste and solid waste leachate	The franchisee must operate the facility consistent with an approved DEQ stormwater management plan or equivalent and must: <ol style="list-style-type: none">a) Operate and maintain the facility to prevent contact of solid wastes with storm water runoff and precipitation; andb) Dispose of or treat water contaminated by solid waste generated on-site in a manner complying with local, state, and federal laws and regulations.
5.12	Access control	<ol style="list-style-type: none">1. The franchisee must control access to the facility as necessary to prevent unauthorized entry and dumping.2. The franchisee must maintain a gate or other suitable barrier at potential vehicular access points to prevent unauthorized access to the site when an attendant is not on duty.
5.13	Signage	The franchisee must post signs at all public entrances to the facility. The signs must comply with local government signage regulations. These signs must be easily and readily visible, and legible from off-site during all hours and must contain at least the following information: <ol style="list-style-type: none">a) Name of the facility;b) Address of the facility;c) Emergency telephone number for the facility;d) Operating hours during which the facility is open for the receipt of authorized waste;e) Fees and charges;



		<ul style="list-style-type: none"> f) Metro’s name and telephone number (503) 234-3000; g) A list of authorized and prohibited wastes; h) Vehicle / traffic flow information or diagram; i) Covered load requirements; and j) Directions not to queue on public roadways.
5.14	Nuisance complaints	<ol style="list-style-type: none"> 1. The franchisee must respond to all nuisance complaints in timely manner (including, but not limited to, blowing debris, fugitive dust or odors, noise, traffic, and vectors), and must keep a record of such complaints and any action taken to respond to the complaints, including actions to remedy the conditions that caused the complaint. 2. If the facility receives a complaint, the Franchisee must: <ul style="list-style-type: none"> a) Attempt to respond to that complaint within one business day, or sooner as circumstances may require, and retain documentation of its attempts (whether successful or unsuccessful); and b) Log all such complaints as provided by the operating plan. The franchisee must retain each log entry for one year and it must be available for inspection by Metro.
5.15	Access to franchise document	The franchisee must maintain a copy of this franchise on the facility’s premises, and in a location where facility personnel and Metro representatives have ready access to it.

6.0	OPERATING PLAN	
6.1	Purpose	This section lists the requirements associated with preparing and implementing a facility operating plan, and lists the procedures that must be included in the required facility operating plan.
6.2	Plan compliance	The franchisee must operate the facility in accordance with an operating plan approved in writing by the COO. The operating plan must include sufficient detail to demonstrate that the facility will be operated in compliance with this franchise. The franchisee may amend or revise the operating plan from time to time, subject to written approval by the COO.



6.3	Plan maintenance	The franchisee must revise the operating plan as necessary to keep it current with facility conditions, procedures, and requirements. The franchisee must submit amendments and revisions of the operating plan to the COO for written approval prior to implementation.
6.4	Access to operating plan	The franchisee must maintain a copy of the operating plan on the facility premises and in a location where facility personnel and Metro representatives have ready access to it.
6.5	Procedures for inspecting loads	The operating plan must establish: <ul style="list-style-type: none">a) Procedures for inspecting incoming loads for the presence of prohibited or unauthorized wastes;b) Procedures for identifying incoming and outgoing loads for waste classifications;c) A set of objective criteria for accepting and rejecting loads; andd) An asbestos testing protocol for all materials that appear to contain friable asbestos.
6.6	Procedures for processing and storage of loads	The operating plan must establish procedures for: <ul style="list-style-type: none">a) Processing authorized solid wastes;b) Reloading and transfer of authorized solid wastes;c) Managing stockpiles to ensure that they remain within the authorized weights, volumes and pile heights;d) Storing authorized solid wastes; ande) Minimizing storage times and avoiding delay in processing of authorized solid wastes.
6.7	Procedures for managing prohibited wastes	The operating plan must establish procedures for managing, reloading, and transferring to appropriate facilities or disposal sites each of the prohibited or unauthorized wastes if they are discovered at the facility. In addition, the operating plan must establish procedures and methods for notifying generators not to place hazardous wastes or other prohibited wastes in drop boxes or other collection containers destined for the facility.
6.8	Procedures for odor prevention	The operating plan must establish procedures for preventing objectionable odors generated at the facility from being detected off the premises of the facility. The plan must include:



		<ul style="list-style-type: none">a) A management plan that will be used to monitor and manage odors of any derivation including malodorous loads delivered to the facility; andb) Procedures for receiving and recording odor complaints, immediately investigating all odor complaints to determine the cause of odor emissions, and remedying promptly all odor problems at the facility.
6.9	Procedures for dust prevention	<p>The operating plan must establish procedures for preventing dust from blowing off the premises of the facility. The plan must include:</p> <ul style="list-style-type: none">a) A management plan that the franchisee will use to monitor and manage dust of any derivation; andb) Procedures for receiving and recording dust complaints, immediately investigating all dust complaints to determine the cause of dust emissions, and remedying promptly all dust problems at the facility.
6.10	Procedures for emergencies	<p>The operating plan must establish procedures that the franchisee will follow in case of fire or other emergency.</p>
6.11	Procedures for nuisance complaints	<ul style="list-style-type: none">1. For every nuisance complaint (for example odor, dust, vibrations, and litter) received, the franchisee must record:<ul style="list-style-type: none">a) The nature of the complaint;b) The date the complaint was received;c) The name, address and telephone number of the person or persons making the complaint; andd) Any actions taken by the operator in response to the complaint (whether successful or unsuccessful).2. The franchisee must make records of such information available to Metro upon request. The franchisee must retain each complaint record for a period of not less than one year.
6.12	Closure protocol	<p>The franchisee must establish protocol for closure and restoration of the site in the event of a long-term cessation of operations as provided in Metro Code Section 5.01.072(c)(3).</p>
6.13	Financial assurance	<p>The financial assurance requirement is waived as provided in Metro Code Chapter 5.01</p>



7.0	FEES AND RATES	
7.1	Purpose	This section of the franchise specifies fees payable by the franchisee, and describes rate regulation by Metro.
7.2	Annual fee	The franchisee must pay an annual franchise fee, as established in Metro Code Chapter 5.01. Metro reserves the right to change the franchise fee at any time by action of the Metro Council.
7.3	Rates	<ol style="list-style-type: none">1. The rates charged by the franchisee for accepting solid waste are not subject to regulation by Metro unless the Metro Council adopts an ordinance that establishes Metro's rate regulation authority.2. Notwithstanding the provision above, the rates charged by the franchisee must not exceed the rates posted at the facility as described in Section 5.13.
7.4	Metro fee and tax imposed on disposal	The franchisee is liable for payment of the Metro Regional System Fee, as provided in Metro Code Title V, and the Metro Excise Tax, as provided in Metro Code Title VII, on all solid wastes delivered to a disposal site.
7.5	Metro community enhancement fee imposed on waste received	The franchisee must collect and remit to Metro a community enhancement fee, as provided in Metro Code Chapter 5.06, in an amount equal to \$1.00 per ton for all putrescible waste including food waste and residential yard debris mixed with food waste. The franchisee must remit the community enhancement fees to Metro on a monthly basis in conjunction with fees remitted in Section 7.4

8.0	RECORD KEEPING AND REPORTING	
8.1	Purpose	This section of the franchise describes record keeping and reporting requirements. The franchisee must effectively monitor facility operation and maintain accurate records of the information described in this section.
8.2	Record keeping requirements	For all solid waste and materials the franchisee is authorized to accept under Section 3.0, the franchisee must keep and maintain accurate records of the amount of authorized materials the franchisee accepts, recovers, recycles, reloads, and disposes. These records include the information specified in the Metro



		document titled, <u><i>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements.</i></u>
8.3	Reporting requirements	The franchisee must transmit to Metro records required under Section 8.0 no later than fifteen days following the end of each month in a format prescribed by Metro.
8.4	Account number listing	Within five business days of Metro's request, franchisee must provide Metro with a listing that cross-references the account numbers used in the transaction database with the company's name and address.
8.5	Transactions based on scale weights	Except for minimum fee transactions for small, lightweight loads, the franchisee must record each inbound and outbound transaction electronically based on actual and accurate scale weights using the franchisee's on-site scales.
8.6	DEQ submittals	The franchisee must provide Metro with copies of all correspondence, exhibits, or documents submitted to the DEQ relating to the terms or conditions of the DEQ solid waste permit or this franchise within two business days of providing such information to DEQ.
8.7	Copies of enforcement actions provided to Metro	The franchisee must ensure Metro receives copies of any notice of violation or noncompliance, citation, or any other similar enforcement actions issued to the franchisee by any federal, state, or local government (other than Metro) related to the operation of the facility.
8.8	Unusual occurrences	<ol style="list-style-type: none">1. The franchisee must keep and maintain accurate records of any unusual occurrences (such as fires or any other significant disruption) encountered during operation, and methods used to resolve problems arising from these events, including details of all incidents that required implementing emergency procedures.2. The franchisee must notify Metro within 24 hours of any breakdown of the franchisee's equipment if the breakdown will substantially impact the facility's ability to comply with this franchise or with Metro Code, or which will create off-site impacts.3. The franchisee must report any facility fires, accidents, emergencies, and other significant incidents to Metro within 12 hours of the discovery of their occurrence.



<p>8.9</p>	<p>Changes in ownership</p>	<ol style="list-style-type: none"> 1. Any change in control of franchisee or the transfer of a controlling interest of franchisee requires prior written notice to Metro. "Transfer of a controlling interest of franchisee" includes without limitation the transfer of 10% or more of the ownership of franchisee to or from a single entity. Metro may amend this franchise under Section 11.3 to require the new ownership of franchisee to assume all the rights and obligations of this franchise. 2. The franchisee may not lease, assign, mortgage, sell, or otherwise transfer control of the franchise unless the franchisee follows the requirements of Metro Code Section 5.01.076.
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<p>9.0</p>	<p>INSURANCE REQUIREMENTS</p>	
<p>9.1</p>	<p>Purpose</p>	<p>This section describes the types of insurance that the franchisee must purchase and maintain at the franchisee's expense, covering the franchisee, its employees, and agents. The franchisee must provide Metro with documentation demonstrating that it holds all of the required insurance coverage described in Section 9.0.</p>
<p>9.2</p>	<p>General liability</p>	<p>The franchisee must carry the most recently approved ISO (Insurance Services Office) Commercial General Liability policy, or its equivalent, written on an occurrence basis, with limits not less than \$1,000,000 per occurrence and \$1,000,000 aggregate. The policy will include coverage for bodily injury, property damage, personal injury, death, contractual liability, premises and products/completed operations. Contractor's coverage will be primary as respects Metro.</p>
<p>9.3</p>	<p>Automobile</p>	<p>The franchisee must carry automobile bodily injury and property damage liability insurance.</p>
<p>9.4</p>	<p>Coverage</p>	<p>Insurance coverage must be a minimum of \$1,000,000 per occurrence and \$1,000,000 aggregate.</p>
<p>9.5</p>	<p>Additional insureds</p>	<p>Metro, its elected officials, departments, employees, and agents must be named as ADDITIONAL INSURED.</p>
<p>9.6</p>	<p>Worker's Compensation Insurance</p>	<p>The franchisee, its subcontractors, if any, and all employers working under this franchise, are subject employers under the Oregon Workers' Compensation Law must comply with ORS 656.017, which requires them to provide Workers' Compensation</p>



		coverage for all their subject workers. The franchisee must provide Metro with certification of Workers' Compensation insurance including employer's liability. If the franchisee has no employees and will perform the work without the assistance of others, a certificate to that effect may be attached in lieu of the certificate showing current Workers' Compensation.
9.7	Notification	The franchisee must give at least 30 days written notice to the COO of any lapse or proposed cancellation of insurance coverage.

10.0	ENFORCEMENT	
10.1	Generally	Metro will enforce this franchise as specified in Metro Code Chapter 5.01.
10.2	Authority vested in Metro	The power and right to regulate, in the public interest, the exercise of the privileges granted by this franchise is at all times vested in Metro. Metro reserves the right to establish or amend rules, regulations or standards regarding matters within Metro's authority, and to enforce all such requirements against franchisee.
10.3	No enforcement limitations	This franchise may not be construed to and does not limit, restrict, curtail, or abrogate any enforcement provision contained in Metro Code or administrative procedures adopted pursuant to Metro Code Chapter 5.01, nor does this franchise limit or preclude Metro from adopting ordinances that regulate the health, safety, or welfare of any person or persons within the District, notwithstanding any incidental impact that such ordinances may have upon the terms of this franchise or the franchisee's operation of the facility.
10.4	Penalties	Each violation of a franchise condition is punishable by penalties as established in Metro Code Chapter 5.01. Each day a violation continues constitutes a separate violation.

11.0	AMENDMENT, SUSPENSION, AND REVOCATION	
11.1	Amendment by agreement	At any time during the term of the franchise, either the COO or the franchisee may propose amendments to this franchise. If either the COO or the franchisee proposes amendments to this franchise,



		both parties will make good faith efforts to arrive at consensus on the intent and implementing language of said amendments.
11.2	Amendment by Metro Council action	<p>Except as provided in Section 11.3, the provisions of this franchise will remain in effect unless the Metro Council:</p> <ul style="list-style-type: none">a) Amends the Metro Code, amends the Regional Solid Waste Management Plan, or implements other legislation of broad applicability that affects the class of facilities of which this franchisee is a member; andb) Adopts an ordinance amending this franchise to implement the policy, code or process specified by said ordinance. <p>If, in the course of considering an ordinance amending this franchise as provided in (b) above, the franchisee provides evidence that the amendment will result in significant capital cost to the franchisee, the Metro Council will include capital cost and the ability of the franchisee to achieve a reasonable rate of return on any additional investment required as factors when considering whether to adopt the ordinance.</p>
11.3	Amendment, suspension or revocation by Metro for cause	<p>The COO may, at any time before the expiration date, amend, suspend, or revoke this franchise in whole or in part, in accordance with Metro Code Chapter 5.01, for reasons including but not limited to:</p> <ul style="list-style-type: none">a) Violation of the terms or conditions of this franchise, Metro Code, or any applicable statute, rule, or standard;b) Changes in local, regional, state, or federal laws or regulations that should be specifically incorporated into this franchise;c) Failure to disclose fully all relevant facts;d) A significant release into the environment from the facility;e) Significant change in the character of solid waste received or in the operation of the facility;f) Any change in ownership or control;g) A request from the local government stemming from impacts resulting from facility operations;h) Compliance history of the franchisee; andi) Changes in regional tonnage trends or actual solid waste generation.



12.0	GENERAL OBLIGATIONS	
12.1	Compliance with law	The franchisee must fully comply with all applicable local, regional, state and federal laws, rules, regulations, ordinances, orders and permits pertaining in any manner to this franchise, including all applicable Metro Code provisions and administrative procedures adopted pursuant to Chapter 5.01 whether or not those provisions have been specifically mentioned or cited herein. All conditions imposed on the operation of the facility by federal, state, regional or local governments or agencies having jurisdiction over the facility are deemed part of this franchise as if specifically set forth herein. These conditions and permits include those cited within or attached as exhibits to the franchise document, as well as any existing at the time the franchise is issued but not cited or attached, and permits or conditions issued or amended during the term of the franchise.
12.2	Deliver waste to appropriate destinations	The franchisee must ensure that solid waste transferred from the facility goes to the appropriate destinations under Metro Code Chapters 5.01 and 5.05, and under applicable local, state and federal laws, rules, regulations, ordinances, orders and permits.
12.3	Right of inspection and audit	Authorized representatives of Metro may take photographs, collect samples of materials, and perform any inspection or audit as the COO deems appropriate. The franchisee must allow authorized representatives access to the premises of the facility at all reasonable times during business hours with or without notice or at such other times upon giving reasonable advance notice (not less than 24 hours). Metro inspection reports, including site photographs, are public records subject to disclosure under Oregon Public Records Law. Subject to the confidentiality provisions in Section 12.4, Metro's right to inspect includes the right to review all information from which all required reports are derived including all books, maps, plans, income tax returns, financial statements, contracts, and other similar written materials of franchisee that are directly related to the operation of the facility.
12.4	Confidential information	The franchisee may identify as confidential any reports, books, records, maps, plans, income tax returns, financial statements, contracts and other similar written materials of the franchisee that are directly related to the operation of the facility and that are submitted to or reviewed by Metro. The franchisee must prominently mark any information that it claims confidential with



		<p>the mark "CONFIDENTIAL" prior to submittal to or review by Metro. Metro will treat as confidential any information so marked and will make a good faith effort not to disclose such information unless Metro's refusal to disclose such information would be contrary to applicable Oregon law, including, without limitation, ORS Chapter 192. Within five days of Metro's receipt of a request for disclosure of information identified by franchisee as confidential, Metro will provide franchisee written notice of the request. The franchisee will have three days within which time to respond in writing to the request before Metro determines, at its sole discretion, whether to disclose any requested information. The franchisee is responsible for any costs incurred by Metro as a result of Metro's efforts to remove or redact any such confidential information from documents that Metro produces in response to a public records request. This Section 12.0 does not limit the use of any information submitted to or reviewed by Metro for regulatory purposes or in any enforcement proceeding. In addition, Metro may share any confidential information with representatives of other governmental agencies provided that, consistent with Oregon law, those representatives agree to continue to treat the information as confidential and make good faith efforts not to disclose the information</p>
12.5	Compliance by agents	<p>The franchisee is responsible for ensuring that its agents and contractors comply with this franchise.</p>

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 19-1434 FOR THE PURPOSE OF APPROVING AN INCREASED TONNAGE ALLOCATION AND AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE AN AMENDED SOLID WASTE FACILITY FRANCHISE FOR GSS TRANSFER, LLC.

Date: March 21, 2019
Department: Property and Environmental Services
Meeting Date: April 4, 2019

Prepared by: Hila Ritter, 503-797-1862, hila.ritter@oregonmetro.gov
Presenters: Roy Brower and Hila Ritter
Length:

ISSUE STATEMENT

GSS Transfer, LLC, (partner company of Gresham Sanitary Service) a Metro-franchised transfer station located in the city of Gresham, seeks to increase the tonnage allocation authorized under its solid waste facility franchise. Metro Code Section 5.01.180 states that the Metro Council may determine whether to approve or deny an application for a solid waste franchise.

ACTION REQUESTED

Staff recommends approval of Ordinance 19-1434 which will authorize the Chief Operating Officer to amend the solid waste facility franchise for GSS Transfer, LLC to increase the amount of putrescible waste that the transfer station may accept in 2019. Approval of this ordinance will increase GSS Transfer's tonnage authorization from 23,687 tons to 49,000 tons for calendar year 2019.

IDENTIFIED POLICY OUTCOMES

Approval of this ordinance will support the goals of the 2030 Regional Waste Plan adopted by Metro Council on March 7, 2019, via Ordinance No. 19-1431.¹ It will also help achieve the transfer system configuration policy objectives that Council adopted in 2016 via Resolution No. 16-4716. The staff report to Ordinance 19-1434 provides a fuller description of these expected policy outcomes.

POLICY QUESTION

Does the Metro Council grant the Chief Operating Officer authority to amend the franchise for GSS Transfer to increase the amount of waste that the facility may accept in calendar year 2019 according to the provisions of Metro Code Chapter 5.01.230 and as described in the ordinance?

¹ Goals 12, 13, 16 and 18 as described in the strategic context section of this report.

POLICY OPTIONS FOR COUNCIL TO CONSIDER

1. Approve the ordinance as proposed to authorize the Chief Operating Officer to amend the franchise to increase the tonnage authorization up to 49,000 tons for 2019.
2. Amend the ordinance to grant a different tonnage authorization than that requested by the applicant.
3. Do not approve the ordinance.

STAFF RECOMMENDATIONS

Staff recommends adoption of Ordinance No. 19-1434 to approve the increased tonnage allocation requested by the applicant. If Council approves this ordinance, the new tonnage allocation will become effective during the calendar year and will apply to 2019 in its entirety.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

The 2030 Regional Waste Plan, adopted by Metro Council on March 7, 2019, sets the policy direction to shape the future of the solid waste system to better attain public benefits and improved sustainability. A major component of this plan is to take a broad look at the role, configuration, and services offered by publicly and privately-owned transfer stations. Prior to this, on July 21, 2016, the Metro Council adopted a transfer system configuration policy. The primary objectives of the policy are to: 1) ensure that the region's transfer system provides maximum public benefit, 2) maintain the current configuration of publicly and privately-owned transfer stations, 3) ensure that an adequate amount of putrescible waste flows to publicly owned stations (at least 40 percent of the region's putrescible tons), 4) limit the amount of putrescible waste that any one company may accept for transfer within the region (no more than 40 percent), and 5) improve rate transparency. The configuration policy also seeks to promote efficient off-route transport of waste to reduce greenhouse gas and provide opportunities for small, locally based businesses to participate in the region's solid waste system.

In addition to the objectives above, the configuration policy shifts Metro away from its current "tonnage cap" approach, in which the Metro Council establishes annual facility tonnage limits, to a more systematic and predictable "tonnage allocation" system, in which tonnage authority is proportionally allocated to privately owned stations each year beginning in 2020. Staff is developing the detailed methodology for future tonnage allocations for adoption as administrative rules later this year, which will be effective in 2020. This proposed 49,000-ton allocation amount for GSS Transfer is intended only for calendar year 2019. In the future, Metro will determine and adjust tonnage allocations for all privately-owned transfer stations in the region, including GSS Transfer, by applying a percentage-based allocation methodology currently being developed using the allocation framework that Metro Council adopted in November 2018 under Ordinance No. 18-1426.

This proposed ordinance is consistent with Metro's transfer system configuration policy and the 2030 Regional Waste Plan (goals 12, 13, 16, and 18) because it promotes efficient off-route travel which reduces environmental impacts (goal 12), continues to support investment in the host community by way of the Community Enhancement Grant program

(goal 13), implements the configuration policy (goal 16.7), and supports a small, locally-based business that is part of the region's solid waste system (goal 18).

Known Opposition/Support/Community Feedback

Metro posted notice and provided an opportunity for the public to review and submit comments on the change of authorization application. A detailed description of the community response is provided in the *Public Comment Report* included as Attachment 2 to this staff report. Overall, the comments that Metro received indicated general support for the proposed tonnage increase requested by GSS Transfer for calendar year 2019.

In addition to posting the application for public review and comment, staff also attended a meeting of the Northwest Neighborhood Association (NWNNA) on January 28, 2019, to discuss GSS Transfer's application. As explained further in the *Public Comment Report*, NWNNA currently considers GSS Transfer's operations reasonable, but has some concerns about expanded transfer station operations. The city of Gresham staff supports the proposed increase at GSS Transfer because the facility's rates are on par with those at the publicly-owned transfer stations, and it allows their licensed haulers to increase route efficiencies which keep rates stable for its ratepayers.

Staff finds that GSS Transfer has a good compliance history and adequately demonstrated that it will appropriately manage the increased tonnage without creating negative off-site impacts. Staff finds it is in the public's interest to authorize an increased tonnage amount for GSS Transfer for calendar year 2019.

Legal Antecedents

Metro Code Chapter 5.01, entitled "Solid Waste Facility Regulation." Specifically, section 5.01.230(a)(3) states that a franchisee must submit an application to Metro when the franchisee requests to modify other limiting conditions of the applicant's franchise.

GSS Transfer submitted a complete change of authorization application to Metro on November 28, 2018, including the \$100 application fee.

Anticipated Effects

Adoption of Ordinance No. 19-1434 will authorize an increase from 23,687 to 49,000 tons for GSS Transfer for calendar year 2019. If the proposed ordinance is adopted, the amended franchise will become effective 90 days after the date of adoption. Upon adoption, the tonnage allocation of 49,000 tons applies to calendar year 2019 in its entirety.

Financial Implications (current year)

GSS Transfer is seeking a change of authorization to its franchise to increase the amount of waste it is authorized to accept by an additional 25,313 tons of putrescible waste for calendar year 2019. While approval of this ordinance is expected to reduce the amount of putrescible waste received at Metro's transfer stations, it is not expected to decrease Metro's share of the overall putrescible waste tonnage in the region by a commensurate amount. A portion of the tonnage that the applicant plans to divert from other transfer stations (including Metro Central and South) will likely be backfilled, at least in part, by the

subsequent shifting of tons in order to fully utilize the regional system. Notwithstanding, staff expects that Metro Central and South will experience a slight decrease in putrescible waste tonnage through direct diversion to GSS Transfer. Whenever Metro stations receive lower tonnage amounts, it results in higher per unit processing costs in the short term. Therefore, approval of the proposed ordinance is expected to impact Solid Waste Fund operating costs and revenues in the short term until rates are adjusted to account for future tonnage amounts. Furthermore, beginning in 2020, as part of Metro's tonnage allocation methodology, Metro will require that at least 40 percent of the region's putrescible waste tonnage flows to publicly owned transfer stations (Metro Central and South).

The full amount of GSS Transfer's proposed tonnage increase was not included in the forecast for FY2019-20, nor factored into the FY2018-19 rates. This would have resulted in an increase of approximately \$0.50 per ton to the mixed solid waste fee charged at Metro Central and South. Any shortfall this fiscal year can be recouped by Metro by adjusting its tonnage charge for mixed solid waste in FY2020-21.

Community enhancement committee in the city of Gresham could receive up to an additional \$25,313 per year under the proposed tonnage increase – for a total of up to \$49,000 for 2019. As a result of this action, the city of Troutdale enhancement committee might experience a reduction in funds based on potential tonnage shifts from Troutdale to Gresham. In addition, it is likely that the Metro Central and South community enhancement committees would also experience a reduction in fees from any tonnage diverted to other facilities.

Staff is developing an administrative rule that sets forth a detailed process for determining and adjusting future tonnage allocations. Staff notes that this prescribed tonnage allocation process, beginning in 2020, may result in a different, not yet determined, tonnage allocation for GSS Transfer.

BACKGROUND

The applicant, GSS Transfer, is a partner company of Gresham Sanitary Service, Inc. - a local, family-owned waste collection business established in 1948. Gresham Sanitary began operations as an "exempt" solid waste reload facility in 1992 at its base of operations located at 2131 NW Birdsdale Avenue in Gresham. In 2016, the Metro Council authorized Gresham Sanitary to expand its operations from simply reloading waste to other transfer stations, to becoming a franchised transfer station that transports waste directly to a landfill.² Gresham Sanitary has collected putrescible waste from residential and commercial customers within the city of Gresham, East Multnomah County, and the Port of Portland for nearly 30 years. Gresham Sanitary also holds a solid waste transfer station permit issued by the Oregon Department of Environmental Quality (DEQ) in 2016.³

Metro has conducted seven inspections of GSS Transfer during the term of the current franchise. GSS Transfer is currently in compliance with Metro's requirements and it has

² Ordinance No. 16-1391-A

³ Solid Waste Disposal Site Permit No. 1392

not had any compliance issues during the term of its current franchise. In addition, DEQ and city of Gresham staff have reported that there are no enforcement or compliance issues associated with this site.

Currently, Gresham Sanitary collects waste from its routes in small trucks and transports it to its facility for consolidation and top-loading into transfer trailers. The consolidated waste is then transported to a landfill for disposal, primarily Wasco County Landfill.

The applicant seeks to continue its current practice of consolidating putrescible waste from its collection routes at its facility, but seeks increased tonnage allocation to ensure a more sustainable operation, expand its operation to allow third-party haulers, and avoid the added costs of travel time and tipping fees using other transfer stations.

On November 28, 2018, the applicant submitted to Metro a complete solid waste facility change of authorization application accompanied by payment of the appropriate application fee. The applicant requested to both increase its annual franchise tonnage authorization from 23,687 tons to 49,000 tons and amend its non-system license (N-019-16E) to similarly increase the annual tonnage it is authorized to transport to Wasco County Landfill. The proposed non-system license amendment will be brought to Metro Council for consideration on April 11, 2019 under Resolution No. 19-4980.

ATTACHMENTS

- A. Exhibit A to Ordinance No. 19-1434: Draft Franchise No. F-019-16C
- B. Attachment 1 to Staff Report: Images
- C. Attachment 2 to Staff Report: Public comment report

Attachment 1: Images

Attachment 1 to Staff Report for Ordinance No. 19-1434

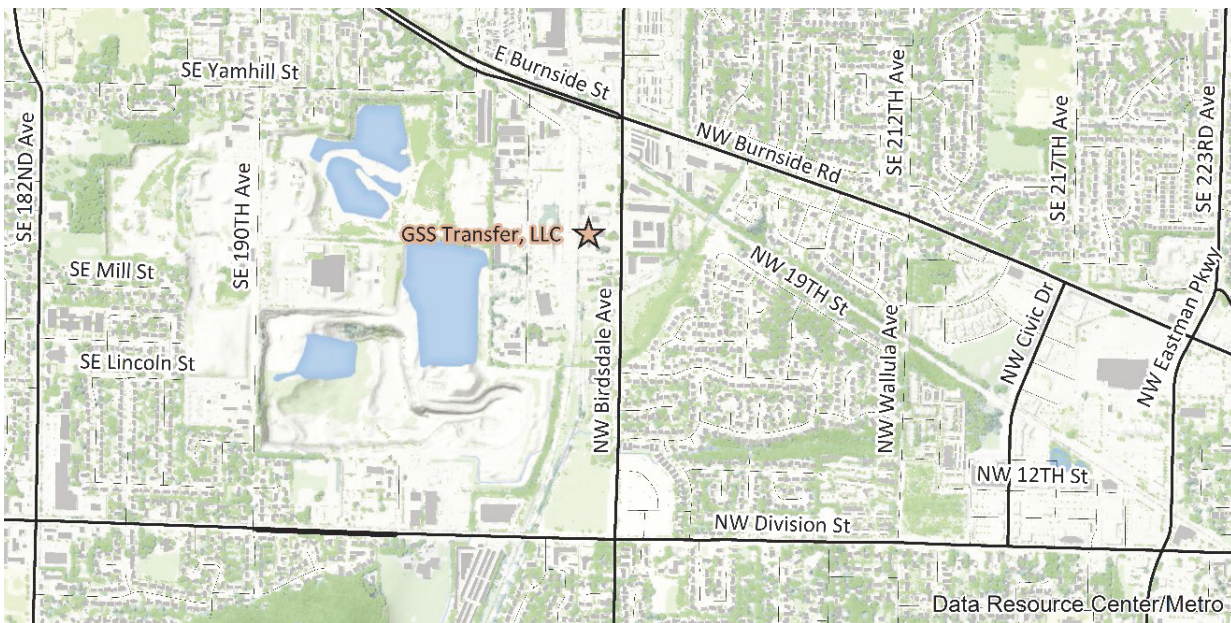


Photo 1: Map of GSS Transfer, LLC.



Photo 2: GSS Transfer located at 2131 NW Birdsdale Ave. in Gresham

Public comment report



600 NE Grand Ave.
Portland, OR 97232-2736

Attachment 2 to Staff Report for Ordinance No. 19-1434

March 21, 2019

Prepared by: Hila Ritter
503-797-1862

Background

Adoption of Ordinance No. 19-1434 will authorize the Chief Operating Officer (COO) to amend the solid waste facility franchise for GSS Transfer, LLC to increase the amount of waste accepted at its transfer station located in the city of Gresham and to transport that waste to the Wasco County Landfill.

GSS Transfer submitted a change of authorization application to Metro requesting to increase its annual tonnage authorization from 23,687 tons to 49,000 tons and amend its non-system license (N-019-16E) to similarly increase the annual tonnage it is authorized to transport to Wasco County landfill from 23,687 to 49,000 tons.

Public Notice and Opportunity to Comment

Metro posted notice and provided an opportunity for the public to review and submit comments on the change of authorization application. The public notice was posted on Metro's website, mailed to approximately 755 property owners and residents surrounding the proposed facility, and emailed to various other parties that are generally interested in solid waste issues. The 30-day public comment period began on December 28, 2018 and was extended an additional two-weeks at the request of the local neighborhood association (Northwest Neighborhood Association – Nwana), and closed on February 8, 2019.

Nwana invited Metro, DEQ, city of Gresham, and GSS Transfer to attend its monthly meeting on January 28, 2019 to discuss GSS Transfer's application. Metro staff and the aforementioned organizations described the tonnage increase request and answered questions with approximately 55 people in attendance. Subsequent to the meeting, the Nwana Board of Directors submitted a written comment as summarized below, and included in-full below with the other comments received during the public notice period.

GSS Transfer submitted a response to comments, which is also summarized below and attached in-full below.

Summary of written public comments on application

Metro received four comments during the public notice period. Three of the comments are in support of the proposed tonnage increases citing support for local business, reduced costs, improved environmental benefits, no necessary infrastructure improvements required for the change and the applicant's demonstrated ability to manage waste without causing adverse off-site impacts. Metro also received a comment from the Nwana Board of Directors expressing concern about the close proximity of GSS to projected infill residential and commercial customers. In summary, Nwana's letter outlines four areas of concern:

1. Traffic – the expected increase in trucks is between five to 15 additional trucks per day which will not significantly affect current traffic patterns. However, the area is projected to have

redevelopment from the locally approved urban renewal plan, and there is concern about how garbage and semi-trucks will impact neighborhoods.

2. Monitoring for negative off-site impacts – GSS’ current level of attentiveness to sanitation and safety is appreciated. However, increased access to Metro inspection reports is desired for comparison with neighborhood observations of off-site impacts such as: noise, odor, vectors, dust, litter and hazardous waste spills.
3. Best facility for public benefit – GSS is currently a good neighbor and provides an essential service. However, future evaluations of the location of transfer stations should be conducted and include impact to surrounding community and out-of-direction traffic routes in comparison to other transfer stations.
4. Economic benefits shared with ratepayers – it is unclear how an increased alliance between GSS and Waste Connections, who is based out of Texas, will benefit local ratepayers, haulers, and independent waste companies.

Applicant response to comments: GSS submitted a response to comments that generally describes its commitment to good housekeeping measures and maintaining a record of zero complaints and positive role in the community. It explains that most of the traffic associated with the facility utilizes a federally recognized freight-way, and that additional traffic impact is insignificant (.01% of total traffic). It addresses livability issues by pointing out that hazardous waste is not accepted at GSS and further acknowledges the oversight responsibilities of regulatory agencies along with underscoring its own responsibility to continue to mitigate off-site impacts. It then explains the economic benefits that could be shared by describing the process by which the City of Gresham performs an annual review process for determining rates and how that can result in reduced costs to the ratepayer. The second economic benefit it describes is the opportunity to accept increased waste from independent operators which are expected to benefit from disposal cost savings, reduced operating costs and lower environmental impacts from decreased transportation.

Metro response to comments: Thank you for the comments in support.

In regards to the concerns described by NWNA:

1. Traffic - Metro primarily relies on the local jurisdiction, in this case city of Gresham, to determine traffic allowances. Based upon the information that Metro received from city of Gresham staff, the proposed increase complies with the City’s traffic requirements. In addition, the increase in truck traffic is considered negligible, .01 percent of total traffic in the area.
2. Monitoring for negative off-site impacts – Metro employs two full time solid waste facility inspectors who are trained in environmental compliance and tasked with monitoring the 50+ solid waste facilities authorized by Metro in and around the region. The inspectors generally perform seven or eight inspections of a facility annually. When greater attention at a facility is merited, Metro performs an increased amount of both announced and un-announced facility inspections and complaint investigations in neighboring areas surrounding the facility. Metro has conducted eight inspections of GSS Transfer during the term of the current franchise. GSS Transfer is currently in compliance with Metro’s requirements and has not had any compliance issues during the term of its current franchise. In addition, DEQ and city of Gresham staff has reported that there are no enforcement or compliance issues associated with this site.

3. Best facility for public benefit – It is not Metro’s intent to cause any facility to close — including GSS Transfer — due to regulation. Staff is developing administrative rules to further implement the configuration policy and future tonnage allocations for adoption later in 2019, which will be effective in 2020. This proposed amendment to the franchise for GSS Transfer is for the calendar year 2019 only. Future tonnage allocations for all transfer stations, including GSS Transfer, will be determined and adjusted applying the percentage based allocation methodology currently being developed.
4. Economic benefits shared with ratepayers – The functions of regional solid waste system are implemented by Metro, cities and counties, and many private for-profit businesses and non-profit organizations. This sharing of responsibilities means that Metro has a strong interest in the success of the private sector at creating, expanding, preserving and broadening efforts that advance waste prevention, reuse, recycling and energy recovery. In addition, Metro has a strong interest in the success of the local jurisdictions in the rate setting process for residents and businesses who depend on garbage and recycling collection services. At this time, Metro does not regulate rates that private facilities or haulers charge their customers, and is working to increase rate transparency at all facilities and throughout the region.

Comments are listed in the order in which they were received:

1. We are located in the neighborhood of this business. We hardly know this location exists. They are very considerate of our business. I see no reason why this expansion should not be approved. It seems it will benefit all of us and not create any burden on the area. I appreciate the professionalism I have encountered with this business and believe they have the best interests of community in mind. Please feel free to contact us with questions.
2. GreenWay Recycling, LLC supports GSS Transfer application on the basis that it supports local business.
3. On behalf of the Gresham Northwest Neighborhood Association [NWNA] membership, thank you for the opportunity to provide public comment While our neighborhood association has appreciated GSS as important, responsibly-operated partners in our business community, adjacent to our neighborhood association boundary (shared with the Rockwood NA boundary), we do have concerns regarding how expanded operations at the transfer station would impact West Gresham residents and property owners
Our Understanding of the Area and GSS Proposal
The most closely impacted neighbors are commercial and industrial properties -- including TriMet’s MAX yard on the west side of the Gresham/Fairview Trail The nearest residential neighbors are approximately 1,000 feet from the GSS facility To date we have not received any specific complaints from neighbors Neither have we witnessed any activities that would be considered hazardous or obtrusive We are nonetheless concerned about the close proximity of infill residential and commercial neighbors

In 2003, City of Gresham residents voted for a 20-year urban renewal plan authorizing over \$90 million in tax increment financing for redevelopment projects in Rockwood/West Gresham. These efforts have resulted in high-value infrastructure upgrades for one of the Metro region's most struggling communities. Urban renewal projects like this one encourage private investment opportunities which, in Rockwood's case, may vanish or become substantially reduced if 'urban' Rockwood's industrial neighbors directly or indirectly bring further hardship to the community.

Upon reviewing the application with GSS management, Metro, DEQ and City of Gresham staff, we understand the intention is

to 'spread out' the intake of putrescible waste during normal hours of operation. The extra truckloads will be arriving during currently under-utilized times of day. In theory, this would increase operating efficiencies without resulting in traffic bottlenecks, increases in on-site storage of waste or waste-related impacts noticeable from offsite. In other words, neighbors should be subjected to substantially the same level of impacts; which are currently considered reasonable.

Our Concerns about the GSS Proposal

In the interest of resident's health, safety and welfare; and the existing character and future development potential of Gresham neighborhoods, we respectfully raise the following points:

1 - Concern about traffic. Significant new residential development has occurred and additional residential development is planned near the transfer station. The neighborhood is concerned that increasing the use of this transfer station will result in both (local) garbage truck and (landfill-bound) semi-truck traffic through the neighborhood. According to GSS and City of Gresham staff, the majority of GSS traffic will be routed along E Burnside St / NW Burnside Rd, a federally recognized freight-way, which our neighborhood prefers. We understand that the permit anticipates approximately five --and up to fifteen -- additional daily truck trips dropping off waste at GSS. The anticipated increase in vehicles will not significantly affect current traffic patterns.

2 - Monitoring for negative impact. Neighbors appreciate GSS's current level of attentiveness to safety and sanitation. Adjustments in garbage transfer operations could potentially increase noise, odor and result in other impacts negatively affecting neighborhood livability — such as vector-borne disease, wind-blown dust and litter, and hazardous waste spillage. We understand Metro staff conducts six to eight surprise site inspections each year. Inspection results are available in staff reports made public as part of the license renewal procedures and are available through public records requests. Neighborhood members would like to review staff reports and will compare available data with neighbors' observations to ensure that emissions continue to meet acceptable standards, accidental discharges are properly contained and reported, and insects/rodents associated with waste are controlled within limits acceptable for the neighborhood.

3 - Best facility for public benefit. We feel confident that GSS has good intentions and will make every effort to continue being a good neighbor while providing an essential service to the broader community. However, if transfer operations do become untenable at the Birdsdale location, NWNA will appreciate efforts to re-evaluate and address the costs/benefits of waste transfer locations. Specifically, which locations offer 1) the least impact to residential and commercial neighbors; and 2) the least out-of-direction routings for local haulers and long-

distance landfill-bound transfer vehicles relative to other transfer facilities in the metro region Metro should consider whether other facilities, for example Waste Management's Commercial Transfer Station in Troutdale, which is nearer to I-84 (and further from established residential areas) would be more-appropriate for the increased waste handling and semi-truck transportation

4-From an economic perspective GSS has stated the requested changes will result in cost reductions and benefits to rate payers. A stronger alliance between GSS and Arrow Sanitary Service — which shares the same Texas-based parent company as Wasco County Landfill — should generate benefits for all players in the waste stream serviced by these companies How will rate payers, and other local haulers, especially independent operators, share the benefits of the proposed changes?

Thank you for considering these comments.

4. We fully support Gresham Sanitary's application to expand their transfer facility. It makes sense for two reasons. 1. It good for the environment in that other Gresham haulers don't have to go miles away to dump. Reduces traffic, wear and tear on the highway, exhaust and fuel saving benefit the environment. 2. Gresham Sanitary already has the capacity to handle the extra tonnage and triggers no new land or zoning permits for the City of Gresham. And, it has virtually no impact on the surrounding neighborhood. Please approve this application.

GSS Transfer response to comments:

Re: Response to public comment regarding GSS Transfer change of authorization.

Dear Ms. Ritter,

We understand that most of the comments received by Metro are positive in nature and do reflect our ongoing commitment to health and safety. As a heavy industrial property owner and a current transfer station licensee, we believe we are a good neighbor as well as an asset to our community.

To date we have not received any specific complaints from neighbors, and during our last DEQ unannounced inspection on January 4t11, 2019, "no violations were observed" and "litter control and waste organization was excellent."

The concern regarding traffic has been addressed. Most local and all landfill-bound traffic is routed along E Burnside St/ NW Burnside Rd which is a federally recognized freight-way. With the increased tonnage, total traffic impact is insignificant when compared to the overall traffic on the street. The added trips are less than .01% of total traffic at these locations.

The concern regarding livability has been addressed. Hazardous waste is prohibited from placement in solid waste and is not accepted at our facility. We believe the regulating authorities of the State of Oregon, Metro, DEQ, and the City of Gresham do a good job monitoring and enforcing rules and regulations in the best interest of the public. Our current operating plan, as well as current practices, address and mitigate any negative impacts to surrounding area, GSS Transfer's current level of attentiveness to safety and sanitation can be expected to continue.

Regarding the question about "How will rate payers, and other local haulers, especially independent operators, share the benefits of the proposed changes?"

Public comment report



Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Attachment 2 to Staff Report for Ordinance No. 19-1434

The City of Gresham reviews the solid waste system's financial performance and collection rates annually. City Staff, and an outside auditor, analyze the financial reports submitted by the City's licensed haulers. The adjusted composite results for the whole system are used as the basis for determining whether rate increases are necessary to cover future collection costs. The reduced disposal fees at GSS Transfer, as well as the decreased operating costs for the Haulers using the facility, will be passed on to the customers through this annual review process.

Regarding the sharing of these decreased costs for "independent operators," a significant portion of the increased tons will come from independent operators. Rockwood Solid Waste is using the GSS Transfer facility, and their trucks are based less than 1/4 mile from GSS Transfer. As a result, in addition to the significant disposal savings, Rockwood Solid Waste will also achieve reduced operating costs and lower its environmental impact.

We appreciate the feedback and comments regarding our proposal. It has given more people a better understanding about who we are, and hopefully clarified our level of commitment to excellence, especially toward our community and neighbors. We welcome continued dialog with stakeholders when desired and will always make ourselves available to do so.

-Matt Miller

Vice President - GSS Transfer