

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF GRANTING A)	ORDINANCE NO. 97-683
FRANCHISE TO PRIDE RECYCLING COMPANY)	
FOR THE PURPOSE OF OPERATING A)	Introduced by Mike Burton,
SOLID WASTE RELOAD FACILITY)	Executive Officer

WHEREAS, Section 5.01.030 of the Metro Code requires a Metro franchise for any person to own and operate a processing facility, transfer station or resource recovery facility; and

WHEREAS, Pride Recycling Company has applied for a non-exclusive franchise to own and operate a solid waste reload facility located at 13980 S.W. Tualatin-Sherwood Road (Edy Road), Sherwood, Oregon for the purpose of consolidating solid waste from the franchisee's collection vehicles for transport to the Metro South Station and other Metro Designated Facilities, or by use of a Non-System License; and

WHEREAS, Pride Recycling Company has submitted a franchise application in compliance with Metro Code Section 5.01.060; and

WHEREAS issuance of a franchise to Pride Recycling Company is consistent with the policies set forth in the Regional Solid Waste Management Plan adopted November 1995 for solid waste reload facilities; and

WHEREAS, because Pride Recycling Company will not accept any solid wastes at the facility from other commercial haulers or the general public; no charges will be made for the use of the facility; no fee will be collected at the facility and Metro User Fees will be collected at time of disposal at the Metro South Station or other Metro Designated Facilities; regulation of rates setting requirements and collection of Metro User Fees pursuant to Section 5.01.150 is unnecessary; and

WHEREAS, the Executive Officer recommends that the Council grant the attached franchise to Pride Recycling Company; and

WHEREAS, the Council finds that it is necessary for the health, safety and welfare of the Metro area that this ordinance take effect immediately, because the franchise site consists of an

existing solid waste reload operation at which the Franchisee will continue operation of the solid waste reload facility; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The Council authorizes the Executive Officer to enter into the attached Franchise Agreement (Exhibit A) within ten days of the effective date of this ordinance.
2. Pride Recycling Company's operation of the franchised solid waste reload facility shall be exempt from Metro rate regulation and collection of User Fees at the facility because commercial haulers not owned by Pride will be prohibited from use of the facility and disposal of solid waste at the facility by members of the general public will be prohibited, and no rates or other charges will be made at the facility.
3. An emergency having been declared for the reasons stated above, this ordinance shall take effect immediately, pursuant to Section 39(1) of the 1992 Metro Charter.

ADOPTED by the Metro Council this _____ day of _____, 1997.

WITHDRAWN

Jon Kvistad, Presiding Officer

ATTEST:

Approved as to Form

Recording Secretary

Daniel B. Cooper, General Counsel

EXHIBIT A

SOLID WASTE FRANCHISE

issued by

METRO

600 NE Grand Avenue

Portland, Oregon 97232-2736

(503) 797-1700

FRANCHISE NUMBER: _____

DATE ISSUED: _____

AMENDMENT DATE: _____ N/A _____

EXPIRATION DATE: _____

ISSUED TO: _____ PRIDE RECYCLING COMPANY _____

NAME OF FACILITY: _____ PRIDE RECYCLING COMPANY SOLID WASTE RELOAD FACILITY _____

ADDRESS: _____ 13980 S.W. TUALATIN -SHERWOOD ROAD _____

CITY, STATE, ZIP: _____ SHERWOOD, OREGON 97140 _____

LEGAL DESCRIPTION: _____ (see application) _____

NAME OF OPERATOR: _____ PRIDE RECYCLING COMPANY _____

PERSON IN CHARGE: _____ MICHAEL L. LEICHNER, SR. _____

ADDRESS: _____ P.O. BOX 820 _____

CITY, STATE, ZIP: _____ SHERWOOD, OR 97140 _____

TELEPHONE NUMBER: _____ (503) 625-6177 _____

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FRANCHISE AGREEMENT

This Franchise is issued by Metro, a municipal corporation organized under ORS chapter 268 and the 1992 Metro Charter, referred to herein as "Metro," to Pride Recycling Company referred to herein as "Franchisee."

In recognition of the promises made by Franchisee as specified herein, Metro issues this Franchise, subject to the following terms and conditions:

1. DEFINITIONS

The definitions in Metro Code Section 5.01.010 shall apply to this Franchise, as well as the following definitions. Defined terms are capitalized when used. Where Metro Code, State or Federal law definitions are referenced herein, reference is to the definition as amended or replaced.

"Authorized Waste" or **"Authorized Wastes"** means those wastes defined as such in Section 5.2 of this Franchise.

"Battery" means a portable container of cells for supplying electricity. This term includes, but is not limited to, lead-acid car batteries, as well as dry cell batteries such as nickel cadmium, alkaline, and carbon zinc.

"Business" means a commercial enterprise or establishment licensed to do business in the state of Oregon.

"Clean Fill" means Inert material consisting of soil, rock, concrete, brick, building block, tile or asphalt paving, which do not contain contaminants which could adversely impact the waters of the State or public health. This term does not include Putrescible Wastes, Construction and Demolition Wastes or Industrial Solid Wastes.

"Commercial Solid Waste" or **"Commercial Waste"** means Solid Waste generated by stores, offices, including manufacturing and industry offices, restaurants, warehouses, schools, colleges, universities, hospitals, and other non-manufacturing entities, but does not include Solid Waste from manufacturing activities. Solid Waste from business, manufacturing or Processing activities in residential dwellings is also not included.

"Commingled Recyclables" means Source Separated Recyclables that have not been sorted by the generator (or have been only partially sorted) into individual material categories (e.g., cardboard, newsprint, ferrous metal) according to their physical characteristics.

"Conditionally Exempt Generator Waste" has the meaning specified in 40 C.F.R. § 261.

"Construction and Demolition Waste" means Solid Waste resulting from the construction, repair, or demolition of buildings, roads and other structures, and debris from the clearing of land, but does not include clean fill when separated from other Construction and Demolition Wastes and used as fill materials or otherwise land disposed. Such waste typically consists of materials including concrete, bricks, bituminous concrete, asphalt paving, untreated or chemically treated wood, glass, masonry, roofing, siding, plaster; and soils, rock, stumps, boulders, brush and other similar material. This term does not include Industrial Solid Waste, Residential Solid Waste or Commercial Solid Waste.

"Contaminated Soils" means soils resulting from the clean-up of a spill that are not Hazardous Waste.

"DEQ" means the Oregon Department of Environmental Quality, which includes the Oregon Environmental Quality Commission.

"Disposal Site" has the meaning specified in ORS 459.005.

“Facility” means the site where one or more activities that the Franchisee is authorized to conduct occur.

“Friable Asbestos” means the asbestiform varieties of serpentine (chrysotile), riebeckite (crocidolite), cummingtonite-grunerite (amosite), anthophyllite, actinolite and tremolite, but only to the extent that such materials, when dry and subjected to hand-pressure, can be crumbled, pulverized or reduced to powder.

“General Purpose Landfill” means any land disposal facility that is required by law, regulation, or permit to utilize a liner and leachate collection system equivalent to or more stringent than that required for municipal solid waste landfills under Subtitle D of the Resource Conservation and Recovery Act and is authorized by law to accept more than incidental quantities of Putrescible Waste.

“Hazardous Waste” has the meaning specified in ORS 466.005.

“Household Hazardous Waste” has the meaning specified in Metro Code Section 5.02.015(f).

“Industrial Solid Waste” or **“Industrial Waste”** means:

(1) Solid Waste generated by manufacturing or industrial processes that is not a hazardous waste regulated under ORS chapters 465 and 466 or under Subtitle C of the Federal Resource Conservation and Recovery Act. Such waste may include, but is not limited to, the following wastes or wastes resulting from the following processes:

- (a) electric power generation;
- (b) fertilizer/agricultural chemicals;
- (c) food and related products and by-products;
- (d) inorganic chemicals;
- (e) iron and steel manufacturing;
- (f) leather and leather products;
- (g) nonferrous metals manufacturing/foundries;
- (h) organic chemicals;
- (i) plastics and resins manufacturing;
- (j) pulp and paper industry;
- (k) rubber and miscellaneous plastic products;
- (l) stone, glass, clay and concrete products;
- (m) textile manufacturing;
- (n) transportation equipment;
- (o) water treatment;
- (p) timber products manufacturing;

(2) This term does not include :

- (a) Putrescible Waste, or office or lunch room waste from manufacturing or industrial facilities;
- (b) Construction and Demolition Waste
- (c) Contaminated Soils

“Inert” means containing only constituents that are biologically and chemically inactive and that, when exposed to biodegradation and/or leaching, will not adversely impact the waters of the state or public health.

“Infectious Medical Waste” or **“Infectious Waste”** has the meaning specified in ORS 459.386(2).

“Low Level Solid Waste Materials Recovery” or **“Low Level Recovery”** means those Solid Waste Materials Recovery activities that are (1) conducted at a Solid Waste Reload Facility, and (2) are specifically authorized under the Franchise Agreement’s Operating Procedures Plan.

“Metro Regional User Fee” has the meaning specified in Metro Code Section 5.02.015(e).

“Metro Transfer Station” means the Metro South Station, Metro Central Station and Forest Grove Transfer Station.

“Operating Procedures Plan” means the description of the Facility activities and procedures used at the Franchised facility and required as a submittal under Section 7.3.2 of this Franchise.

“Prohibited Wastes” has the meaning set forth in Section 5.3.1 of this Franchise.

“Putrescible Waste” means Solid Waste containing organic material that can be rapidly decomposed by microorganisms, and which may give rise to foul smelling, offensive products during such decomposition or which is capable of attracting or providing food for birds and potential disease vectors such as rodents and flies.

“Recoverable Material” means material that still has or retains useful physical, chemical, or biological properties after serving its original purpose(s) or function(s), and that can be reused or recycled for the same or other purpose(s).

“Recovered Material” means Recoverable Material that has been separated from Solid Waste at the Facility.

“Residential Solid Waste” means the garbage, rubbish, trash, and other Solid Wastes generated by the normal activities of households, including but not limited to, food wastes, ashes, and bulky wastes, but does not include Construction and Demolition Waste. This definition applies to multifamily structures of any size.

“Residue” means Solid Waste, resulting from Solid Waste Materials Recovery, that is transported from a franchised Facility to a Metro Designated Facility.

“Sludge” means any solid or semi-Solid Waste and associated supernatant generated from a municipal, commercial, or industrial wastewater treatment plant, water supply treatment plant or air pollution control facility or any other such waste having similar characteristics and effects.

“Solid Waste Materials Recovery” means the activity of manually or mechanically Processing Solid Wastes that separates materials for purposes of recycling or recovery.

“Solid Waste Reload Facility” means a facility franchised by Metro to conduct Solid Waste Reloading to serve areas distant from Metro Transfer Stations, and authorized to receive specific categories of Solid Waste only from the Franchisee. A Solid Waste Reload Facility conducts, as its primary operation, Solid Waste Reloading and may also conduct (1) Source Separated Recyclables Processing, (2) Low Level Solid Waste Material Recovery; and (3) Yard Debris Reloading.

“Solid Waste Reloading” means the primary activity of consolidating Solid Waste from the Franchisee’s collection vehicles into larger vehicles for transport to a Metro Designated Facility. All Solid Waste and Residue leaving the Facility must be delivered to a Metro Designated Facility, or by use of a non-system license, excepting that all material requiring disposal at a General Purpose Landfill must be transported to a Metro Transfer Station.

“Source Separate” or “Source Separating” or “Source Separation” means

- (1) The setting aside of recyclable materials at their point of generation by the generator; or
- (2) That the person who last uses recyclable material separates the recyclable material from Solid Waste.

“Source-Separated Recyclables” means material that has been Source-Separated for the purpose of recycling, recovery, or reuse. This term includes recyclables that are Source-Separated by material type (i.e., source-sorted) and recyclables that are mixed together in one container (i.e., commingled).

"Source-Separated Recyclables Processing" means the activity of reloading, Processing or otherwise preparing Source-Separated Materials for transport to third parties for reuse or resale.

"Special Waste" has the meaning specified in Metro Code Section 5.02.015(s).

"Unacceptable Waste Incident Tracking Form" means the form attached to this Franchise as Attachment 1.

"Yard Debris Reloading" means the activity of consolidating yard debris -- with or without compaction, chipping or grinding -- for transport to a Transfer Station, Processing Facility or Resource Recovery Facility. Reloading of yard debris specifically excludes Composting.

2. TERM AND APPLICABILITY OF FRANCHISE

- 2.1 This Franchise is issued for a term of five years from the date of execution by the Executive Officer and following approval by the Metro Council.

3. LOCATION OF FACILITY

- 3.1 The franchised Facility is located at 13980 S.W. Tualatin-Sherwood Road, Sherwood, Oregon. Tax Lots 101 and 103, Section 28, Township 2 South, Range 1 West, W.M.; Washington County.

4. OPERATOR AND OWNER OF FACILITY AND PROPERTY

- 4.1 The owner of the Facility is Cynthia Leichner and Michael L. Leichner. Franchisee shall submit to Metro any changes in ownership of the facility in excess of five percent of ownership, or any change in partnership, within 10 days of the change.
- 4.2 The owner of the property underlying the Facility is Lorry Leichner and Iva Leichner. Franchisee warrants that it has obtained the owner's consent to operate the Facility as specified in the Franchise
- 4.3 The operator of the Facility is Pride Recycling Company. Franchisee may contract with another person or entity to operate the Facility only upon 90 days prior written notice to Metro and the written approval of the Executive Officer.

5. AUTHORIZED AND PROHIBITED ACTIVITIES AND WASTES

- 5.1 Subject to the following conditions, Franchisee is authorized to operate and maintain a Solid Waste Reload Facility and to conduct the following activities: (a) Solid Waste Reloading ; (b) Low Level Solid Waste Materials Recovery as described in Section 5.2. and in accordance with Section 7.3; (c) Source Separated Recyclables Processing.
- 5.1.1 The Franchisee shall accept only Authorized Wastes. Franchisee is prohibited from receiving, Processing or disposing of any Solid Waste not authorized in this Franchise.
- 5.1.2 No Solid Waste shall be received at the Facility from any commercial collection vehicles not operated by the Franchisee or hauling or disposing of Solid Waste from any area not included in the boundaries of a solid waste collection franchise granted to the Franchisee. Solid wastes may not be received at the Facility from members of the general public.

5.1.3 This Franchise authorizes the amount and types of Solid Waste that may be received each year at the Facility as listed in Section 5.2.1 of this Franchise. Upon written request from the Franchisee, the Executive Officer may increase the amount and add types of waste Franchisee is authorized to receive for activities authorized at the Facility. Franchisee may receive the designated amount of Solid Waste consistent with (1) applicable law, (2) the terms of this Franchise, and (3) any other applicable permits and licenses obtained from governmental or regulatory entities.

5.2 Authorized Activities, Waste Types and Waste Quantities

5.2.1 Franchisee is authorized to conduct the following activities and receive the following categories of wastes according to the tonnage limits specified below:

5.2.1.1 Solid Waste Reloading and Low Level Recovery of Commercial, Industrial, Construction and Demolition and Residential Wastes, including Yard Debris, up to a combined total of 25,000 tons per year.

5.2.1.2 Low Level Recovery from Commercial and Industrial Wastes containing Putrescible Waste or Residential Wastes shall be limited to the removal of easily recoverable materials from those wastes such as manual "dump and sort" and other low-technology methods (consistent with RSWMP provisions for reload facilities). These activities shall be consistent with the approved Operating Procedures Plan submitted under Section 7.3.2.

5.2.1.3 Loads of Solid Waste from customers or routes known to contain substantial proportions of Putrescible Waste shall either be reloaded without processing and transported to Metro South Station or hauled directly to Metro South Station.

5.2.1.4 All Solid Waste and Residuals leaving the Facility must be delivered to a Metro Designated Facility, excepting that all material requiring disposal at a General Purpose Landfill must be transported to the Metro South Station.

5.2.1.5 Source-Separated Recyclables Processing of the following categories of Solid Waste with no limit on the tonnage allowed per year:

5.2.1.5.a Used oil collected as a Source-Separated Material from residential curbside programs operated by the Franchisee.

5.2.1.5.b Source-Separated Recyclables excluding Yard Debris.

5.3 Prohibited Wastes

5.3.1 Franchisee shall not knowingly accept or retain any material amounts of the following types of Solid Waste, unless specifically authorized in Sections 5 or 7 of this Franchise

5.3.1.1 Materials contaminated with or containing Friable Asbestos;

5.3.1.2 Batteries

5.3.1.3 Liquid waste;

5.3.1.4 Oil, other than as specified in 5.2.1.2.a.

- 5.3.1.5 Sludge;
 - 5.3.1.6 Vehicles;
 - 5.3.1.7 Infectious Waste;
 - 5.3.1.8 Special Waste or any sub-stream of Special Waste unless authorized elsewhere within this Franchise;
 - 5.3.1.9 Hazardous Waste;
 - 5.3.1.10 Conditionally Exempt Generator Waste;
 - 5.3.1.11 Household Hazardous Waste;
- 5.3.2 Prohibited Wastes received at the Facility shall be: (1) isolated from other materials at the Facility or (2) removed from the Facility. Franchisee shall transport any Prohibited Waste other than Hazardous Waste to a Disposal Site authorized to accept such waste, unless an alternate Disposal Site or method has been approved by DEQ. Non-hazardous Prohibited Wastes shall be managed pursuant to Section 7.3.2.3 of this Franchise. In the event that Franchisee determines or suspects that discovered waste constitutes Hazardous Waste, Franchisee shall immediately initiate procedures to identify the waste and the generator (see Section 7.3.2 herein) and shall, within 48 hours of receipt of the waste initiate procedures to remove the waste. Hazardous Waste must be removed from the Facility within 90 days after receipt unless an alternate disposal method and additional storage period has been approved by DEQ. Franchisee shall implement and conduct temporary storage and transportation procedures in accordance with DEQ, OSHA and DOT rules. Franchisee shall record receipt of Prohibited Wastes on Metro's Unacceptable Waste Incident Tracking Form (Attached as Attachment 1).

6. MINIMUM REPORTING REQUIREMENTS

- 6.1 Franchisee shall collect and transmit to Metro, according to the timetable in Section 6.2, accurate records of the following information
- 6.1.1 Tons of solid waste received - monthly total
 - 6.1.2 Number of commercial collection vehicles - monthly total
 - 6.1.3 Outgoing tons of solid waste destined for disposal at other than Metro South Station - monthly total.
 - 6.1.4 Outgoing tons of solid waste destined for disposal at Metro South Transfer Station - monthly total.
 - 6.1.5 Receipt of any materials encompassed by Section 5.3.2 of this Franchise, utilizing Metro's Unacceptable Waste Incident Tracking Form.
- 6.2 Records required under Section 6.1 shall be reported to Metro no later than fifteen (15) days following the end of each month, in a format approved by Metro. A cover letter shall accompany the data which certifies the accuracy of the data and is signed by an authorized representative of Franchisee.
- 6.3 The Franchisee shall participate in an annual review with Metro of the Facility's performance. Within one year after the Facility begins operations, and each year thereafter, Metro will contact Franchisee to schedule the annual review meeting. Metro will provide at least three business weeks advance notice of

this meeting. At least one business week prior to this meeting, Franchisee shall submit to the Franchise Administrator a summary, in letter format, addressing the above-listed topics. The review will include:

- 6.3.1 Receipt or release of Hazardous Waste or Infectious Waste at the Facility; nuisance complaints as recorded in the log required under Section 7.4.1.2; changes to site equipment, hours of operation and/or staffing; and other significant changes in the Facility's operations that occurred during the previous year; and
 - 6.3.2 Any modifications under Section 18 of this Franchise.
- 6.4 Franchisee shall provide the Metro Regional Environmental Management Department 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. In addition, Franchisee shall send to Metro, upon receipt, copies of any notice of non-compliance, citation, or enforcement order received from any local, state or federal entity with jurisdiction over the Facility.
- 6.5 Authorized representatives of Metro shall be permitted to inspect information from which all required reports are derived during normal working hours or at other reasonable times with 24-hour notice. Metro's right to inspect shall include the right to review, at an office of Franchisee located in the Portland metropolitan area, records, receipts, books, maps, plans, and other like materials of the Franchisee that are directly related to the Facility's operation.
- 6.6 Any periodic modification by Metro of the reporting forms themselves shall not constitute any modification of the terms of Section 6.1 of this Franchise, nor shall Metro include within the reporting forms a request for data not otherwise encompassed within Section 6.1.

7. OPERATIONAL REQUIREMENTS

7.1 General Requirements

- 7.1.1 The Franchisee shall provide an operating staff which is qualified to perform the functions required by this Franchise and to otherwise ensure compliance with the conditions of this Franchise.
- 7.1.2 A copy of this Franchise shall be displayed on the Facility's premises, and in a location where it can be readily referenced by Facility personnel.

7.2 General Operating and Service Requirements

- 7.2.1 If Franchisee contemplates or proposes to close the Facility for 120 days or more, or proposes to close the Facility permanently, Franchisee shall provide Metro with written notice, at least 90 days prior to closure, of the proposed closure schedule and procedures.
- 7.2.2 If Franchisee contemplates or proposes a closure of the Facility for more than two business days but less than 120 days, Franchisee shall notify Metro and local government Solid Waste authorities of the closure and its expected duration at least 24 hours before the closure.
- 7.2.3 If any significant occurrence, including but not limited to equipment malfunctions, or fire, results in a violation of any conditions of this Franchise or of the Metro Code, the Franchisee shall:
 - 7.2.3.1 Immediately act to correct the unauthorized condition or operation;

- 7.2.3.2 Immediately notify Metro; and
- 7.2.3.3 Prepare, and submit to Metro within 10 days, a report describing the Franchise or Metro Code violation.

7.3 Operating Procedures

- 7.3.1 Unless otherwise allowed by this Franchise, all Reload and Low Level Recovery of wastes shall occur inside Facility buildings. Storage may occur outside, in an orderly manner, as specified in the Facility's Operating Procedures Plan.
- 7.3.2 Franchisee shall establish and follow an Operating Procedures Plan for accepting, managing, Solid Waste Reloading and Low Level Recovery of loads of Solid Waste received at the Facility. These procedures shall demonstrate compliance with the Franchise, and shall be submitted to Metro in writing for review and approval within 30 calendar days of the effective date of this Franchise. All proposed modifications to the Facility Operating Procedures Plan shall be submitted to the Metro Regional Environmental Management Department for review and approval, prior to implementation. The Operating Procedures Plan shall include at least the following:
 - 7.3.2.1 Methods of notifying generators not to place Hazardous Wastes, or other Prohibited Wastes in drop boxes or other collection containers destined for the Facility;
 - 7.3.2.2 Methods of inspecting incoming loads for the presence of Prohibited, Hazardous (including Infectious Waste) or Unauthorized Waste;
 - 7.3.2.3 Methods for managing and transporting for disposal at an authorized Disposal Site each of the Prohibited Wastes listed in Section 5 if they are discovered at the Facility;
 - 7.3.2.4 Emergency plans and procedures designed to minimize hazards to human health and the environment due to:
 - 7.3.2.4.a Fires
 - 7.3.2.4.b Explosions
 - 7.3.2.4.c Release of hazardous substances
 - 7.3.2.4.d Discovery of Unacceptable Waste
 - 7.3.2.4.e Power outages
 - 7.3.2.4.f Flooding
 - 7.3.2.5 Safety and emergency response training programs and procedures. Including but not limited to employee training in:
 - 7.3.2.5.a Methods of detecting Unacceptable Waste
 - 7.3.2.5.b Responding to incidents involving Unacceptable Waste
 - 7.3.2.5.c Documenting the generators of such waste
 - 7.3.2.5.d Facility safety program and emergency contingency plan
 - 7.3.2.5.e Hazard communication

7.3.2.5.f Basic personal safety instruction

- 7.3.2.6 Methods describing how activities authorized under Section 5 of this Agreement will be conducted in a manner to ensure that Putrescible Wastes do not contaminate Recoverable and Recovered Materials.
 - 7.3.2.7 Odor management methods that includes (but not limited to): (1) methods that will be used to minimize, manage, and monitor all odors of any derivation including malodorous loads received at the Facility; (2) procedures for receiving and recording odor complaints; and (3) procedures for immediately investigating any odor complaints in order to determine the cause of odor emissions, and promptly remedying any odor problem at the Facility.
 - 7.3.2.8 Methods for addressing all other operating requirements of Section 7.
- 7.3.3 All Authorized Solid Wastes received at the Facility must, within a 24-hour period from receipt, be either (1) properly disposed or (2) appropriately stored.
 - 7.3.4 Upon discovery, all Prohibited Wastes shall be removed or managed in accordance with Section 7.3.2.3 of this Franchise.
 - 7.3.5 Sorting and Low Level Recovery areas shall be cleaned on a regular basis, in compliance with the Operating Procedures Plan required under Section 7.3.2 of this Franchise.
 - 7.3.6 All vehicles and devices transferring or transporting Solid Waste from the Facility shall be constructed, maintained, and operated to prevent leaking, spilling, or blowing of Solid Waste on-site or while in transit.
 - 7.3.7 The Franchisee shall not mix any Source-Separated Recyclable materials brought to the Facility with any other Solid Wastes. Materials recovered at the Facility may be combined with Source-Separated Recyclable Materials for Processing and shipment to markets.
 - 7.3.8 The Franchisee shall reuse or recycle all uncontaminated Source-Separated Recyclable Materials brought to the Facility.
 - 7.3.9 Franchisee shall take reasonable steps to notify and remind haulers that all loaded trucks coming to or leaving the Facility must be covered to prevent any material from blowing off the load during transit.
 - 7.3.10 All recovered materials and Residue at the Facility must be stored in bales, drop boxes or otherwise suitably contained. Material storage areas must be maintained in an orderly manner and kept free of litter. Stored materials shall be removed at sufficient frequency to avoid creating nuisance conditions or safety hazards.
 - 7.3.11 Contaminated water and sanitary sewage generated on-site shall be disposed of in a manner complying with local, state and federal laws and regulations.
 - 7.3.12 Public access to the Facility shall be controlled as necessary to prevent unauthorized entry and dumping.

7.4 Nuisance Prevention and Response Requirements

- 7.4.1 Franchisee shall respond to all citizen complaints on environmental issues (including, but not limited to, blowing debris, fugitive dust or odors, noise, traffic, and vectors). If Franchisee receives a complaint, Franchisee shall:
 - 7.4.1.1 Attempt to respond to that complaint within one business day, or sooner as circumstances may require, and retain documentation of unsuccessful attempts; and
 - 7.4.1.2 Log all such complaints by name, date, time and nature of complaint. Each log entry shall be retained for one year.
- 7.4.2 To control blowing or airborne debris, Franchisee shall:
 - 7.4.2.1 Keep all areas within the site and all vehicle access roads within a 1/4 mile of the site free of litter and debris;
 - 7.4.2.2 Patrol the Facility and all vehicle access roads within a 1/4 mile of the site daily;
- 7.4.3 To control odor, dust and noise, the Franchisee shall:
 - 7.4.3.1 Install dust control and odor systems whenever excessive dust and odor occur, or at the direction of Metro. Alternative dust and odor control measures may be established by the Franchisee with Metro approval.
 - 7.4.3.2 Take specific measures to control odors in order to avoid or prevent any violation of this Franchise, which measures include (but are not limited to) adherence to the odor management methods required in Section 7.3.2.7 of this Franchise.
- 7.4.4 With respect to vector control, the Franchisee shall manage the Facility in a manner that is not conducive to infestation of rodents or insects. If rodent or insect activity becomes apparent, Franchisee shall initiate and implement supplemental vector control measures as specified in the Facility Operating Procedures Plan or as a modification to such procedures, and bear all the costs thereof.
- 7.4.5 The Franchisee shall operate and maintain the Facility to prevent contact of Solid Wastes with stormwater runoff and precipitation.

8. ANNUAL FRANCHISE FEES

- 8.1 Franchisee shall pay an annual franchise fee, as established under Metro Code Section 5.03.030. Metro reserves the right to change its franchise fees at any time, by action of the Metro Council, to reflect franchise system enforcement and oversight costs.

9. INSURANCE

- 9.1 Before the effective date of this Franchise, Franchisee shall purchase and maintain the following types of insurance, insuring Franchisee, its employees, and agents:
- 9.1.1 Broad form comprehensive general liability insurance covering personal injury, property damage, and personal injury with automatic coverage for premises, operations, and product liability. The policy must be endorsed with contractual liability coverage; and
- 9.1.2 Automobile bodily injury and property damage liability insurance.
- 9.2 Insurance coverage shall be a minimum of \$500,000 per occurrence, \$100,000 per person, and \$50,000 property damage. If coverage is written with an annual aggregate limit, the aggregate limit shall not be less than \$1,000,000.
- 9.3 Metro, its elected officials, departments, employees, and agents shall be named as Additional Insureds. Notice of any material change or policy cancellation shall be provided to Metro 30 days prior to the change or cancellation.
- 9.4 Franchisee and contractors of Franchisee, if any, and all employers working under this Franchise, are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide Workers' Compensation coverage for all their subject workers. Franchisee shall provide Metro with certification of Workers' Compensation insurance including employer's liability.

10. INDEMNIFICATION

- 10.1 Franchisee shall indemnify and hold METRO, its agents, employees, and elected officials harmless from any and all claims, demands, damages, actions, losses and expenses, including attorney's fees, arising out of or in any way connected with Franchisee's performance under this Franchise, including patent infringement and any claims or disputes involving subcontractors or Subfranchisees.

11. SURETY BOND/CONDITIONAL LIEN

- 11.1 Before this Franchise shall become effective, Franchisee shall provide a surety bond or letter of credit in the amount of One Hundred Thousand Dollars (\$100,000), in a form acceptable to Metro, or at its option may provide a conditional lien on the franchised property in a form satisfactory to Metro.

12. COMPLIANCE WITH LAW

- 12.1 Franchisee shall fully comply with all federal, state, regional and local laws, rules, regulations, ordinances, orders and permits pertaining in any manner to this Franchise, including all applicable Metro Code provisions whether or not those provisions have been specifically mentioned or cited herein. All conditions imposed on the operation of the Facility by federal, state or local governments or agencies having jurisdiction over the Facility are part of this Franchise by reference as if specifically set forth herein. Such conditions and permits include those attached as exhibits to this Franchise, as well as any existing at the time of issuance of this Franchise and not attached, and permits or conditions issued or modified during the term of this Franchise.

13. METRO ENFORCEMENT AUTHORITY

- 13.1 Enforcement of this Franchise shall be as specified in the Metro Code.
- 13.2 Authorized representatives of Metro shall be permitted access to the premises of the Facility at all reasonable times for the purpose of making inspections and carrying out other necessary functions related to this Franchise. Access to inspect is authorized:
- (a) During all working hours;
 - (b) At other reasonable times with 24 hours notice;
 - (c) At any time without notice when, in the opinion of the Metro Regional Environmental Management Department Director, such notice would defeat the purpose of the entry. In such instance, the Director shall provide a written statement of the purpose for the entry.
- 13.3 The power and right to regulate, in the public interest, the exercise of the privileges granted by this Franchise shall at all times be vested in Metro. Metro reserves the right to establish or amend rules, regulations, fees, or standards regarding matters within Metro's authority, and to enforce all such legal requirements against Franchisee.
- 13.4 At a minimum, Metro may exercise the following oversight rights in the course of administering this Franchise: (1) perform random on-site inspections; (2) conduct franchise audits to assess compliance with operating requirements in this Franchise; (3) conduct an annual audit of Franchisee's inventory and billing records; (4) analyze monthly transaction data; (5) invoice Franchisee for any fees or penalties arising under this Franchise; (6) perform noncompliance investigations; (7) inspect and visually characterize incoming and outgoing loads for the purpose of assessing Prohibited Waste; (8) maintain regular contact with the Franchisee; and (9) review the Franchisee's operating plan and amendments to the plan. In all instances Metro shall take reasonable steps to minimize disruptions to operations at the Facility.
- 13.5 Nothing in this Franchise shall be construed to limit, restrict, curtail, or abrogate any enforcement provision contained in the Metro Code, nor shall this Franchise be construed or interpreted so as to limit or preclude Metro from adopting ordinances that regulate the health, safety, or welfare of any individual or group of individuals within its jurisdiction, notwithstanding any incidental impact that such ordinances may have upon the terms of this Franchise or the Franchisee's operation of the Facility.

14. DISPOSAL RATES AND FEES

- 14.1 All Solid Waste and Residue leaving the Facility must be delivered to a Metro Designated Facility, or under the authority of a Non-System License, excepting that all material requiring disposal at a General Purpose Landfill must be transported to the Metro South Station.
- 14.2 Franchisee shall charge no rates or collect any fees for the use of the facility. In accordance with Metro Code, this facility shall be exempt from Metro rate setting.

15. GENERAL CONDITIONS

- 15.1 Franchisee shall be responsible for ensuring that its contractors and agents operate in complete compliance with the terms and conditions of this Franchise.

- 15.2 Neither the Franchisee nor the parent company of the Franchisee, if any, or their subsidiaries nor any other Solid Waste facilities under their control shall knowingly accept Metro area Solid Waste at their non-designated facilities, if any, except as authorized by a non-system license issued by Metro.
- 15.3 The granting of this Franchise shall not vest any right or privilege in the Franchisee to receive specific quantities of Solid Waste during the term of the Franchise.
- 15.4 Neither this Franchise nor the Franchisee may be conveyed, transferred or assigned without the prior written approval of Metro.
- 15.5 To be effective, a waiver of any term or condition of this Franchise must be in writing and signed by the Executive Officer. Waiver of a term or condition of this Franchise shall not waive nor prejudice Metro's right otherwise to require performance of the same term or condition or any other term or condition.
- 15.6 This Franchise shall be construed, applied, and enforced in accordance with the laws of the State of Oregon and all pertinent provisions of the Metro Code.
- 15.7 If any provision of the Franchise shall be found invalid, illegal, or unenforceable in any respect, the validity of the remaining provisions contained in this Franchise shall not be affected.

16. NOTICES

- 16.1 All notices required to be given to the Franchisee under this Franchise shall be delivered to:

Michael L. Leichner Sr.
President
Pride Recycling Company
P.O. Box 820
Sherwood, OR 97140

- 16.2 All notices required to be given to Metro under this Franchise shall be delivered to:

Metro Franchise Administrator
Regional Environmental Management Department
Metro
600 N.E. Grand Avenue
Portland, Oregon 97232-2736

- 16.3 Notices shall be in writing, effective when delivered, or if mailed, effective on the second business day after mailed, postage prepaid, to the address for the party stated in this Franchise, or to such other address as a party may specify by notice to the other.

17. REVOCATION

Suspension, modification or revocation of this Franchise shall be as specified herein and in the Metro Code. (See especially Sections 12 and 13 and Metro Code Chapter 5.01.)

18. MODIFICATION

- 18.1 At any time during the life of this Franchise, either the Executive Officer or the Franchisee may propose amendments or modifications to this Franchise. Except as specified in the Metro Code and Section 5.1.2 of

this Franchise, no amendment or modification shall be effective unless it is in writing, approved by the Metro Council, and executed by the Franchisee and the Executive Officer.

18.2 The Executive Officer shall review the Franchise annually, consistent with Section 6 of this Franchise, in order to determine whether the Franchise should be changed and whether a recommendation to that effect needs to be made to the Metro Council. While not exclusive, the following criteria and factors may be used by the Executive Officer in making a determination whether to conduct more than one review in a given year:

- 18.2.1 Franchisee's compliance history;
- 18.2.2 Changes in waste volume, waste composition, or operations at the Facility;
- 18.2.3 Changes in local, state, or federal laws or regulations that should be specifically incorporated into this Franchise;
- 18.2.4 A significant release into the environment from the Facility;
- 18.2.5 A significant change or changes to the approved site development plan and/or conceptual design;
- 18.2.6 Any change in ownership that Metro finds material or significant.

- 18.2.7 Community requests for mitigation of impacts to adjacent property resulting from Facility operations.

PRIDE RECYCLING COMPANY

METRO

Mike Burton, Metro Executive Officer

Date

Date

WM:clk
S:SHAREMETZ\MRF\PRIDE\PRIDE02.CLN



Regional Environmental
Management
600 NE Grand Ave
Portland, OR 97232-2736
(503) 797-1650
Fax (503) 797-1795

Unacceptable Waste Incident Tracking Form

Item Number: _____ Date Discovered: _____

Description of Unacceptable Waste: _____

Generator (if known): _____

Waste Hauler: _____

Waste was determined to be: Hazardous Non-Hazardous

Disposition: _____

Date Disposed: _____

cash/metro/unaccept.pm6

original = Franchise Administrator
yellow = Franchisee
pink = file



June 1996
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STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 97-683 FOR THE PURPOSE OF GRANTING A FRANCHISE TO PRIDE RECYCLING COMPANY FOR THE PURPOSE OF OPERATING A SOLID WASTE RELOAD FACILITY

Date: March 3, 1997

Presented by: Bill Metzler
Doug Anderson

INTRODUCTION

The purpose of this report is to provide the information necessary for the Metro Council to act on the recommendation that Pride Recycling Company be awarded a new solid waste franchise to continue to operate a reload facility located in Sherwood, Oregon. The proposed franchise agreement is attached to Ordinance No. 97-683 as Exhibit A.

Pride Recycling Company (Pride) is requesting a new Metro franchise for its existing solid waste reload facility. Pride is franchised by the City of Sherwood to collect solid waste and source-separated recyclables. It also is franchised to collect in King City, a portion of Tigard and a portion of unincorporated Washington County. The facility conducts reloading of solid waste from the company's collection vehicles into 40 yard drop boxes for disposal at the Metro South Transfer Station or other Metro Designated Facilities. In addition to reloading solid waste, the facility processes mixed solid waste for the purposes of recovering recyclable materials and dry waste diversion. The facility is also used to store recyclables from Pride's collection programs.

This report is divided into three main parts: (a) a description of the facility, its operations and other relevant applicant information, including requests for variances to the franchise code; (b) staff analysis of the application and whether the facility meets the criteria as specified in Metro Code in order to be awarded a franchise; and (c) staff's recommendations and specific conditions to be contained in the franchise agreement.

Key Findings and Recommendations Include:

- The operations and activities conducted at the Pride reload facility have evolved since the original franchise was granted in 1991 - from a simple dump-and-pick operation (sorting out recyclables from dry waste on the tipping floor), to a more sophisticated system that processes mixed solid waste over a mechanized conveyor system, with material recovery sorting stations.
- In order to ensure that the facility will continue to operate in accordance with the purpose of Metro's franchise system to protect public health and safety and maintain consistency with the RSWMP, staff has recommended terms and conditions related to the processing of wastes containing putrescibles.
- The facility would be authorized to receive and process up to 25,000 tons per year of mixed solid waste.
- Under the terms and conditions of the franchise, the facility will continue to assist the region in accomplishing the goals and objectives of the Regional Solid Waste Management Plan.

I. FACILITY AND APPLICANT INFORMATION

Resolution No. 91-1348, dated January 10, 1991, granted a franchise (No. 8) to Pride to operate a reload facility for the purpose of consolidating solid waste from the franchisee's collection vehicles into transfer vehicles for transport to Metro South Station.

On June 30, 1995, Pride Disposal submitted a franchise renewal application to Metro for a solid waste reload facility. The facility's franchise expired on January 10, 1996.

Location:

13980 S.W. Tualatin-Sherwood Road (Edy Road), Sherwood, Oregon 97140
Tax Lots 101 and 103, Section 28, Township 2 South, Range 1 West, W.M.; Washington County

Zoning and Permitting:

The site is zoned Light Industrial (LI). A conditional use permit (CUP 89-2) was issued by the City of Sherwood on July 18, 1989 for a reload and recycling facility. On August 6, 1996 the Planning Commission of the City of Sherwood, approved an application (Case No. SP 96-5) by Pride to expand the existing building.

The applicant was issued a DEQ Solid Waste Disposal Permit #422 on March 16, 1993.

Customers and Area Served:

The facility accepts loads of commercial and residential solid waste only from its own hauling company. Pride is franchised by the City of Sherwood to collect solid waste and source-separated recyclables. It also is franchised to collect in King City and a portion of Tigard and unincorporated Washington County.

General Facility Description:

The site is approximately 8.85 acres in size. The reload operations are currently conducted in an enclosed 12,000 square foot building (120'x100'). The City of Sherwood recently approved a 12,800 square foot expansion of the existing building, which will also include a 608 square foot expansion of the employee lunch room. The expansion is scheduled for completion in February/March 1997. The plant addition will bring the total reload facility building area to approximately 25,408 square feet.

Mixed solid waste is brought to the reload facility by Pride's collection vehicles. In addition to the primary activities as a reload facility, manual and mechanical separation of recyclable materials from solid wastes also takes place at the facility. The material recovery activities include processing dry mixed solid waste and the processing of other wastes containing some amounts of putrescible waste to extract recyclable materials.

The mixed solid waste is either reloaded into 40 cubic yard drop boxes and hauled to the Metro South Transfer Station, or processed over a conveyor belt for the sorting of recyclables. Dry solid waste is also removed from the putrescible fraction and is disposed at a Metro Designated Facility (Lakeside Reclamation Landfill). The balance of the solid wastes are disposed at the Metro South Transfer Station.

The receiving area for the recovery line consists of a small bunker into which the collection vehicles directly dump mixed solid waste. The solid waste is transported up and across a mechanized conveyor where loads of mixed solid waste are processed in the sequence that they are delivered (commercial and residential). Currently both putrescible solid waste and dry

mixed waste are being passed across the same conveyor for processing. Typically, loads containing large amounts of putrescible waste are reloaded directly and not processed across the conveyor picking line. Pride also sends collection vehicles directly to Metro South Station, Lakeside Reclamation Landfill or Hillsboro Landfill depending on the characteristics of the solid waste collected.

When loads are targeted for processing, the mixed solid waste travels up an incline conveyor, where plastic garbage bags containing mixed solid waste (residential and commercial) are manually broken open in order to expose any potentially recoverable material. The mixed solid waste is then moved across a shaker screen where both one-inch minus and four-inch minus fines are extracted for use as inert landfill cover or disposed, depending on levels of contamination.

The mixed waste is then moved along a 35 foot long sorting conveyor (picking line). Recyclables are manually pulled off the conveyor and dropped down into large containers. When full, these containers are shipped to markets. In addition, Pride conducts dry waste diversion, where dry mixed solid waste is segregated from waste containing putrescibles and disposed at a Metro Designated Facility (Lakeside Reclamation Landfill). The remainder of the solid waste drops off the end of the conveyor into a compactor for transport to Metro South Station.

Facility Expansion:

The proposed 12,800 square foot addition to the reload and processing building is scheduled for completion in February/March 1997. The addition will create considerably more floorspace, providing the opportunity to remove materials from the putrescible wastestream - before the solid waste is directed for consolidation and reload. In addition, the facility operator will be able to better select and direct only the dry mixed loads to the conveyor in-feed for processing. As soon as the facility expansion is complete, Pride will be required to provide Metro with a detailed facility layout site plan illustrating the interior operations.

Facility Activities:

The applicant requests authorization to perform the following activities:

Primary Operation:

- Solid waste reloading. Reloading of commercial and residential solid waste from collection vehicles and dropboxes into consolidated dropbox loads for transfer to Metro South Station.

Secondary Operations/Activities:

- Materials recovery from mixed solid waste. Recyclable materials are separated out of the mixed solid waste loads. Requested activities include processing of loads that contain putrescible waste and tearing open garbage bags to access materials that are either recyclable or qualify for dry waste diversion.
- Dry waste diversion. Dry mixed solid waste is mechanically and/or manually separated out of the loads of mixed solid waste, and diverted to a Metro Designated Facility for disposal (typically Lakeside Reclamation Landfill).
- Processing of source-separated recyclables from Pride's residential, commercial and industrial customers.

Variances from the Metro Code or other specific conditions requested by the applicant:

- The applicant has not requested any variances from the Metro Code. However, under the original franchise agreement, Metro Council granted the applicant an exemption from User Fees at the facility. It is expected that this facility will continue to qualify for this exemption, since all solid waste from this facility that is disposed will go to Metro Designated Facilities, where User Fees are collected.

II. ANALYSIS OF FRANCHISE APPLICATION

Completeness and Sufficiency of Application

Applicants for franchises are required to complete the application form and provide additional information as requested. The applicant submitted a franchise renewal request on June 30, 1995. At Metro's request, and as provided by Metro Code, Pride submitted updated application material necessary to construct a new franchise agreement. The additional information was required because of facility changes (operational activities and facility expansion) that have been implemented by Pride since the original 1991 franchise agreement was granted. Pride will be required to submit a facility operating procedures plan for Metro review and approval within 30 days of the effective date of the franchise agreement (reference the franchise agreement section 7.3.2).

Compliance with Code Requirements

In determining whether to recommend award of a franchise, Metro Code Section 5.01.070(b) requires the Executive Officer to formulate recommendations regarding:

- Whether the applicant is qualified,
- Whether the proposed franchise complies with the district's solid waste management plan,
- Whether the proposed franchise is needed considering the location and number of existing and planned disposal sites, transfer stations, processing facilities and resource recovery facilities and their remaining capacities, and
- Whether or not the applicant has complied or can comply with all other applicable regulatory requirements.

Applicant Qualifications

Pride Recycling Company, has been active in the solid waste industry in the Metro region for over 30 years. Michael L. Leichner, Sr., President of Pride has operated the franchised facility since 1991.

The applicant and its staff have an established record of operation. This, coupled with the applicant's experience in recycling, solid waste hauling, and disposal provides a reasonable level of assurance that the facility will be operated and managed competently and efficiently.

Compliance with the Regional Solid Waste Management Plan

In determining whether the applicant's facility is in compliance with the Regional Solid Waste Management Plan (RSWMP), staff asked the following questions:

- Is the facility and its current operations consistent with the RSWMP goals and objectives or recommended practices?
- Is the facility and its current operations in conflict with any RSWMP goals and objectives or recommended practices?

Consistency with the RSWMP

In assessing the facility for consistency with the Plan, staff determined that the continued operation of this facility is broadly consistent with the following RSWMP provisions:

- System-Wide Goals
 - **Goal 4 - Adaptability.** A flexible solid waste system exists that can respond to rapidly changing technologies, fluctuating market conditions, major natural disasters and local conditions and needs.
- Waste Reduction Goals and Objectives
 - **Goal 7 - Regional Waste Reduction Goal.** The regional waste reduction goal is to achieve at least a 53 percent recycling rate by the year 2005.
 - **Goal 8 - Opportunity to Reduce Waste.** Participation in waste prevention and recycling is convenient for all households and businesses in the urban portions of the region.
 - **Goal 9 - Sustainability.** Objective 9.3. Support an environment that fosters development and growth of reuse, recycling and recovery enterprises.
- Facilities and Services Goals
 - **Goal 11 -- Accessibility.** There is reasonable access to solid waste transfer and disposal services for all residents and businesses of the region.
 - **Goal 12 - Recovery Capacity.** A regionally balanced system of cost-effective solid waste recovery facilities provides adequate service to all waste generators in the region.
 - **Goal 15 -- Facility Regulation.** Metro's methods for regulatory control of solid waste facilities will include a system of franchising, contracting, owning and/or licensing to ensure that disposal and processing facilities are provided and operated in an acceptable manner.

Recommended Practices:

Solid Waste Facilities and Services - Transfer and Disposal System

Practice No. 4: Allow reload facilities sited, owned and operated by haulers for consolidation of loads for hauling to Metro transfer stations to serve areas distant from transfer stations.

Key Elements of the Recommended Practice:

- a) Addition of reload capacity to existing private processing facilities to serve areas distant from existing transfer stations or to address capacity problems at existing facilities.
- b) Reload options to be evaluated on a case-by-case basis depending on future tonnage and costs.
- c) New reload facility ownership and operation determined on a case-by-case basis.
- d) Low-level recovery activities ("manual dump and sort" activities and other low technology methods) at reload facilities.

Analysis of conflicts with the RSWMP

In assessing whether granting a franchise for the facility would be inconsistent with any provisions in the Plan, staff addressed the following:

Ensure that the facility operates as a solid waste reload facility, consistent with applicable RSWMP provisions.

The RSWMP contains provisions for reload facilities in the Recommended Practices for the Transfer and Disposal System. Under the Recommended Practices, the primary purpose is to allow reload facilities sited, owned and operated by haulers for consolidation of loads for hauling to Metro transfer stations to serve areas distant from transfer stations. Some material recovery is allowed. However, these activities are limited to "low level" recovery activities which are further defined as "manual dump and sort" and other low technology methods (reference: Element (d) - Key Elements of the Recommended Practice). This Element appears to limit the kind of recovery activities that may occur at reload facilities.

Pride was originally Franchised in 1991 to conduct solid waste reloading, recyclables storage, and recovery of cardboard and tin from commercial loads. Since then, facility operations have evolved considerably to include installation of a mechanized conveyor system with manual sorting stations to conduct materials recovery from commercial and residential mixed solid waste containing putrescibles. These activities include the practice of opening up garbage bags to access their contents for possible recovery or alternative disposal rather than reload to Metro South Station.

System Management Issues

There are a number of issues that must be addressed when a facility conducts post-collection material recovery from commercial and residential mixed solid waste containing putrescibles. Concerns about Pride's operation are primarily centered around whether or not recovery activities are in conflict with Key Element d) of the Recommended Practice. These concerns include: 1) health and safety, and 2) consistency with RSWMP provisions including potential for adverse impacts on the solid waste management hierarchy and source-separation programs.

1. **Health & Safety.** Mixed municipal solid waste is effectively a hazardous material, since the processor can never be certain what is in it.
 - There are significant health and safety risks associated with hazardous materials that are hidden in some loads of garbage. Intercepting this waste sometimes

leads to exposure to radiation, chemical leaks and/or reactions and other unhealthy, if not deadly, surprises.

- Some of the most prominent health risks can come from the organic and putrescible fraction of solid waste. Pathogenic bacteria, endotoxins, and human coliforms are always present (e.g. disposable diapers, medical waste).
2. Solid Waste Management Hierarchy. The RSWMP places a lower emphasis on post-collection recovery than on other solid waste management practices (e.g. source separation).
- Post-collection recovery is typically limited to recovering recyclables from mixed dry wastes. Mixed dry waste processing is primarily associated with business waste and construction materials.
 - Key Element d) of the Recommended Practice for reload facilities is intended to provide certain safeguards for the region's investment in waste prevention and reduction practices.

The Plan provisions described in Key Element d) may not have anticipated that recovery activities conducted at reload facilities would not necessarily cause negative impacts on source-separated recycling programs. Franchise agreements can be constructed in a manner that allows additional material recovery and recycling while protecting 1) health, safety and welfare, and 2) the solid waste management hierarchy and the regions investment in source separation programs.

Since mixed solid waste can be dangerous to handle, it is important to have a well-defined approach to solid waste management practices conducted at reload facilities. Staff recommends a flexible approach, authorizing the franchisee to conduct low-level recovery activities from mixed solid waste with certain conditions designed to prevent adverse impacts attributable to #1 and #2 above.

The authorization to conduct these activities is contingent upon the following key provisions in the franchise agreement:

Health & Safety

- Establish and follow an Operating Procedures Plan for accepting, managing, reloading, and conducting recovery from solid waste received at the facility. The plan will include procedures designed to minimize hazards to human health and the environment associated with manually and mechanically sorting through mixed solid waste (reference Section 7.3 of the franchise agreement).

RSWMP Consistency

- Low-level recovery from mixed solid waste containing putrescibles will be limited to removing easily recoverable materials. Low-level recovery activities are further defined and authorized in the Operating Procedures Plan to be submitted by Pride for Metro review and approval (reference Section 5.2.1.2 of the Franchise Agreement).
- Participating in an annual review of the facility's performance (reference Section 6.3 of the franchise agreement as well as provisions in paragraph 13.4 and Section 18).

Conclusion

Staff believes that the terms and conditions of the franchise agreement will effectively ensure that the facility will operate as a reload facility with adequate provisions to safeguard human health and safety, while allowing the applicant to conduct an appropriate level of recovery, consistent with the goals, objectives and recommended practices in the RSWMP.

Need for Facility

The RSWMP provision for reload facilities is to allow them to be owned and operated by haulers for consolidation of loads for hauling to Metro transfer stations to serve areas distant from transfer stations. Moreover, reload facilities are to be evaluated by Metro on a case-by-case basis and Metro will review service levels to determine need.

The facility assists in maintaining and improving existing service levels at the Metro South Transfer Station (*i.e.*, time spent waiting in line and time required to drive to a facility). By conducting reload services, the facility will help reduce the number of commercial packer trucks traveling to Metro South Transfer Station. Pride currently makes seven to eight trips per day to Metro South or to Lakeside Reclamation Landfill. Without this facility, approximately 12 trips per day would be made by its compactor trucks.

Compliance with Regulatory Requirements

The applicant has land use approval from the City of Sherwood and has a DEQ Solid Waste Disposal Permit (No. 422).

Variance Requests

- The applicant has not requested any variances. However, since the franchisee will not provide services to outside or third party haulers, this facility is exempt from Metro rate setting under Section 5.01.170 of the Metro Code.
- Additionally, in the original franchise agreement, Metro Council granted the facility an exemption from collection of User Fees at the facility because commercial haulers not owned by Pride will be prohibited from use of the facility. Moreover, no rates or other charges are made at the facility and disposal of solid waste at the facility by members of the public is prohibited. This exemption will be extended to the new franchise.

III. CONDITIONS OF THE FRANCHISE

The proposed franchise agreement ensures that the facility will continue to operate in accordance with the purpose of Metro's franchise system to protect public health and safety and maintain consistency with the RSWMP.

The franchise document was drafted to be generally consistent with Pride's previous franchise agreement, granted in 1991. However, since Pride's operations have evolved considerably over time, the franchise contains specific provisions for reload facilities that process mixed solid waste containing putrescibles. The franchise also incorporates new RSWMP provisions for reload facilities and the clarifications and improvements made in other recent franchises that make for better administration and enforcement of the agreement.

Specific conditions unique to this particular franchise include the following:

- Provide Metro with an Operating Procedures Plan that describe how procedures for accepting, managing, reloading and conducting recovery from loads of mixed solid

waste that contains putrescibles. The plan will describe procedures designed to minimize hazards to human health and will include employee safety training programs and procedures.

- Processing mixed solid waste containing putrescibles will be limited to removing easily recoverable materials (low-level recovery) from those wastes, such as manual dump and sort and other low-tech methods consistent with the RSWMP provisions for reload facilities.
- Loads of solid waste from customers or routes known to contain substantial proportions of putrescible wastes shall either be reloaded without processing and transported to Metro Transfer Stations or hauled directly to Metro Transfer Stations.
- All solid waste and residuals leaving the facility must be delivered to a Metro Designated Facility, with the exception that all waste requiring disposal at a general purpose landfill must be transported to the Metro South Station.

IV. BUDGET IMPACTS

Projected Quantity of Solid Waste to be Received

Pride estimates that they may increase the amount of waste they receive at the facility to 25,000 tons per year. It is expected that the recovery rate will remain relatively constant at about 10 percent, thereby recovering about 2,500 tons per year. These recovered/recyclable materials are not subject to Metro User Fees. If these materials were not recovered for recycling, it is likely that they would be diverted to a limited purpose landfill (Lakeside) and Metro would receive \$17.50 per ton. Therefore, the gross revenues that Metro might forgo could as much as:

Solid Waste:	2,500 tons	X	\$24.12	=	\$60,300
Excise Tax:	2,500 tons	X	\$4.96	=	\$12,400

The \$24.12 is the sum of the Tier I and Tier II (fixed-cost) portions of the \$75 Metro Tip Fee, net of excise tax. The \$4.96 is the excise tax portion of the Metro Tip Fee.

In reality, Metro would probably not feel the full impact of the amounts above, because the Metro rate model adjusts rate components for changes in tonnage (due to any cause) from year to year. The gross impacts above could be made up by an incremental increase in the rate on the tonnage that continues to be disposed.

V. STAFF RECOMMENDATIONS

Based on the forgoing analysis it is the opinion of staff that Pride Recycling Company should be granted a non-exclusive franchise in accord with the provisions of the draft franchise attached to Ordinance No. 97-683.

VI. EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 97-683.