



METROPOLITAN SERVICE DISTRICT

6400 S.W. CANYON COURT PORTLAND, OREGON 97221 (503) 297-3726

MSD BOARD OF DIRECTORS

MINUTES OF SEPTEMBER 13, 1974 MEETING

BOARD MEMBERS IN ATTENDANCE

James Robnett, Vice Chairman
Miller Duris
Charles Becker
Connie McCreedy
Robert Schumacher
Mel Gordon

APPROVED METROPOLITAN
SERVICE DISTRICT
BOARD OF DIRECTORS

ACTION NO. 74-208

ADVISORS IN ATTENDANCE

Mike Kennedy, COR-MET
Bill Culham, SWC
Art Schlack, SWC
Gary Grimes, DEQ
Bob Brown, DEQ

DATE 9-27-74

BY *Jean M. Woodman*
CLERK OF THE BOARD

GUESTS ADDRESSING THE BOARD

Dale Harlan, Industry Attorney
Larry Burrigh, Oregon Recycling
Lee Kell, CWSI Attorney

STAFF IN ATTENDANCE

Charles C. Kemper
Merle Irvine
Rena Smith
Jean Woodman

There being a quorum present, the Board considered the following items of business. Mayor Robnett chaired the meeting.

I. MINUTES AND ACCOUNTS PAYABLE

Mayor Duris moved to approve the minutes of August 30, 1974 as submitted. Commissioner McCreedy seconded the motion. The motion carried unanimously.

Councilman Becker moved to approve the Accounts Payable for the month of August 1974 in the amount of \$49,482.50. Commissioner McCready seconded the motion. The motion carried unanimously.

II. PUBLIC COMMUNICATIONS

Mayor Robnett asked if anyone in the audience wished to address the Board on an item of business not specifically listed on the agenda. There was no response.

III. ORDINANCE NO. 19 - FIRST PUBLIC HEARING

Mayor Robnett opened the public hearing to receive testimony on Ordinance No. 19, amending Ordinance No. 3 stating the intent of MSD toward state and local laws, ordinances, zoning regulations that apply to tire carrier or tire processing center permits authorized by MSD.

Mayor Robnett asked if there was anyone in the audience that wished a copy of the ordinance and there was no response.

Mayor Duris moved to read Ordinance No. 19 by title only. Commissioner McCready seconded the motion. The motion carried unanimously.

Mr. Kemper read Ordinance No. 19 by title and then in its entirety. The following testimony was received.

A. Dale Harlan

Testimony attached.

Mr. Harlan did not feel that the ordinance language was specific enough and that it should state that a permit is contingent upon complying with the appropriate ordinances of the cities and counties.

Mr. Harlan's input will be reviewed by the MSD legal counsel.

B. Larry Burrright
Oregon Recycling

Statement attached.

Mr. Burrright was concerned that Ordinance No. 19 would require him to deal directly with the individual collectors in his areas to allow him to haul scrap tires. The Board members did not feel that this was an accurate interpretation of the intent of the ordinance and that Mr. Burrright would merely be placed on notice that local laws, ordinances and franchises did exist governing the hauling of scrap tires, and that it was local government's responsibility to enforce these laws.

The hearing on Ordinance No. 19 was called to a close. The second public hearing for consideration of the ordinance will be on September 27, 1974.

IV. EMERGENCY ORDINANCE NO. 20 - PUBLIC HEARING

Mayor Robnett opened the public hearing for consideration of Ordinance No. 20 approving the MSD/CRAG contract.

Mayor Robnett asked if there was anyone in the audience that did not have a copy of the ordinance and wished one. There was no response.

Mayor Duris moved to have the ordinance read by title only. Commissioner McCready seconded the motion. The motion carried unanimously.

Mr. Kemper read the ordinance by title and also in its entirety.

Commissioner Schumacher reviewed the action taken by the MSD/CRAG sub-committee on September 12, 1974 as regards the MSD/CRAG contract. It was agreed at this meeting that Attachment A to the contract be deleted and that MSD should be allowed to borrow money from CRAG without interest only on a short-term basis. Further contract revisions could be made at the staff level as long as the contract intent remained intact.

Mayor Robnett asked if there was anyone in the audience that wished to testify to Ordinance No. 20. Mr. Grimes, of DEQ, asked for a clarification on items 2.e and 2.f of the contract, and Commissioner McCready stated that the Board was approving month to month cash flow with CRAG.

As there was no further testimony to be heard, Mayor Robnett closed the public hearing.

Commissioner McCready moved to adopt Emergency Ordinance No. 20 with amendments to the contract. Commissioner Gordon seconded the motion. The motion carried unanimously.

V. PUBLIC/PRIVATE PARTICIPATION IN THE MSD SOLID WASTE PROGRAM

Mr. Kemper reviewed the history of the public/private participation question in the MSD Solid Waste Program, stating that the Solid Waste Committee has been considering the issue for several months and that the Board also has discussed it on different occasions. Mr. Kemper also stated that the DEQ was requiring a decision by MSD prior to the September funding request.

Mr. Culham and Mr. Schlack, of the Solid Waste Committee, presented the committee's findings and recommendations which calls for MSD responsibility for land and building ownership; private industry responsibility for design and construction; and, private industry lease arrangement for operation of the facilities with MSD retaining policy formulation control.

Staff recommendation was as follows:

1. Design and construction: public or private
2. Long-term assets: public
3. Short-term assets: public or private
4. Operate facilities: private
5. Market plant products: private
6. Percentage of revenues from resource recovery: public

Mr. Schlack stated that the definition between short-term assets and long-term assets and the depreciation time involved was the one area that the committee did not have a consensus.

Commissioner McCready left the meeting.

Commissioner Gordon raised the question of industry representation on the Solid Waste Committee and his concern that the people making the decisions on the committee might also be involved in implementation of the program. Mr. Culham reviewed the Solid Waste Committee roster indicating which members were from industry. He stated that it was the habit of these members to abstain from voting on such issues.

The Board members discussed the SWC recommendation for private industry design and construction of the facilities using MSD specifications and whether or not it would be more appropriate to use private enterprise specifications with MSD approval. Mr. Culham stated that in consideration that MSD would acquire the property, the specifications for building the stations would have to conform to the acquired property and appropriate equipment.

Mr. Grimes, DEQ, discussed marketing of products with state-wide goals in mind, stating that the MSD should attempt to stabilize the market in the Portland area. Mr. Kemper stated that the assumption was that there would be one public agency marketing the materials; but that if the Service District became involved in marketing it would be through long-term contracts. He also felt that these long-term contracts could be obtained at a later date with a higher dollar per ton amount than contracting at the present time. Commissioner Gordon felt that freight rates between raw and recycled materials was a consideration in marketing the product, and when the time comes that the rates are comparable, the markets would become steady.

Commissioner Schumacher moved to approve the staff recommendation outlined on Page 25 of the staff report amended to show private or public responsibility on marketing plant products. Commissioner Gordon seconded the motion. The motion carried unanimously.

VI. CONSOLIDATED WASTE SYSTEMS, INC. PROPOSAL

Mr. Kemper reviewed staff's report on the Consolidated Waste Systems, Inc. proposal, indicating that MSD was not at this time requesting applications. Formal requests for proposals will be issued as soon as some criteria for evaluating them is developed. Mr. Kell, CWSI Attorney, was present to answer the concerns of the Board members regarding membership of CWSI as a corporation and the stock control involved. The Board was in agreement that a decision on one proposal could not be made at this time without receiving other proposals for comparison and without openly soliciting from other members of private industry.

The Solid Waste Committee recommendation is that the MSD Board receive and acknowledge the CWSI proposal and direct staff to work with this applicant as well as other applicants in developing necessary details to be submitted at future dates.

Commissioner Gordon moved to accept the Solid Waste Committee recommendation. Councilman Becker seconded the motion. The motion carried unanimously.

VII. SUMMARY OF PRIVATE MANUFACTURING INDUSTRY INPUT

Mr. Kemper reviewed the summary of input received from private manufacturing industry responding to a letter from MSD. The industry input provided a cursory view of the cost for implementing the Solid Waste Action Plan. A letter will be sent to the participating firms thanking them for their input.

VIII. FIRST OBLIGATION FUNDING REQUEST - FINANCIAL INFORMATION

The Board considered an extension to the COR-MET contract to supply a financial evaluation for the MSD First Obligation request from the State. The extension would authorize \$10,000 to be expended from the MSD budget for this analysis.

Commissioner Gordon moved to approve the staff recommendation for approval of the COR-MET contract extension in the amount of \$10,000. Commissioner Schumacher seconded the motion. The motion carried unanimously.

IX. OTHER BUSINESS

Mr. Kemper stated that the Emergency Board schedule called for a date of September 27, 1974 for submittal of information on the MSD application; however, this schedule would limit committee and Board review of the material to be submitted. Staff is now suggesting a one month delay in submittal of the application and DEQ concurs. The Board was in agreement with this change in time schedule.

There being no further business to come before the Board, the meeting adjourned at 4:15 P.M.