



METROPOLITAN SERVICE DISTRICT

NEW ADDRESS: 527 SW Hall, Portland, Oregon 97201 222-3671

SPECIAL MEETING

MSD BOARD OF DIRECTORS

MINUTES OF JUNE 6, 1975 MEETING

BOARD MEMBERS IN ATTENDANCE

Robert Schumacher, Chairman
Miller Duris, Vice Chairman
Burton Wilson
Jim Robnett
Charles Becker
Connie McCready
Mel Gordon

ADVISORS IN ATTENDANCE

Al Bannon, MSD Attorney
Bob Brown, DEQ
Mike Kennedy, COR-MET

GUESTS IN ATTENDANCE

List attached

STAFF IN ATTENDANCE

Charles Kemper
Merle Irvine
Jean Woodman

SOLID WASTE COMMITTEE MEMBERS
IN ATTENDANCE

Bill Culham, Chairman
Harold Lavelle
Carl Phillips
Gus Mohr
Dick Howard
Nancy Hoover
Carl Miller
Art Schlack
Marlin Nelson
Dave Phillips
Merrie Buel
Nick Brajavich
Dick Glanz
Molly Kohnstamm

APPROVED METROPOLITAN
SERVICE DISTRICT
BOARD OF DIRECTORS

ACTION NO. 75-363

DATE 7/11/75

BY *Jean Woodman*
CLERK OF THE BOARD

MSD SOLID WASTE PROGRAM OPTIONS

Commissioner Schumacher was not present at the beginning of the meeting and Vice Chairman, Mayor Duris, called the meeting to order. The Solid Waste Committee members introduced themselves and stated their area of representation.

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Mr. Culham reviewed the Solid Waste Committee's recommendation to proceed with preparation for a revenue bond election for financing of the Proposal Evaluation Team recommendations and to amend the Board structure to include directly elected members. The committee also felt that work should be done on byproducts market clarification, coordination with the collection industry, and completion of the local jurisdictions agreements. An alternative recommendation from the Solid Waste Committee was to approach the Emergency Board requesting \$12.5 million for construction of one transfer/processing station and one transfer station.

Mr. Kemper reviewed the six options set out by staff (attached) and an open discussion between the Board members and Solid Waste Committee members followed. Due to MSD's recent experience with the 1975 State Legislature, several members expressed concern as to MSD's ability to satisfy the Emergency Board's request in the event MSD approached them for the \$12.5 million construction funds. Mr. Kemper felt they would like to see detailed marketing contracts and rate ordinances set up as a method for repayment of the construction loan. Mrs. Buel stated that if the Emergency Board members were made aware that MSD was developing rate ordinances they would accept that and react at least semi responsibly and would consider this a positive element. Commissioner McCready felt that the public was not aware that a problem existed that would affect them, and that the issue was being considered by industry as a short-term self-interest rather than long-term public interest.

Mrs. Hoover submitted a written statement outlining the League of Women Voters position on the MSD Solid Waste Program. (attached). The League felt MSD should concentrate on locating another landfill site, on obtaining signed resolutions of support from the jurisdictions and adopting an ordinance declaring MSD's intent not to enter the collection area. The League was also requesting that MSD budget an on-going public information program to inform the public of the problems facing them with limited landfill space. In conclusion, the League felt that MSD should take decisive action with the support of local government, the public and the solid waste collection industry.

Mayor Duris stated that MSD was taking decisive action, and that a position had been adopted by the Board which indicated their intent not to enter the collection field. Mr. Howard stated that Multnomah County's resolution was being processed and MSD would receive a response shortly. Commissioner Wilson also

indicated that Washington County's resolution of support would be forthcoming. Mrs. Buel stated that the Solid Waste Committee did consider industry's possible role in the Solid Waste Program and that this should have been clear to the League. She also stated that MSD's position regarding collection had been set and that the League should be aware of what is rumor and what is fact.

The Board and Advisory Committee discussed concerns of the small collection businesses in gate fees, concerns over ownership of wastes, and removal of some types of wastes from the waste stream and the resulting effect on the system. Mr. Brajavich felt that the profit from the system is the wastes that will be taken from the stream before entering the transfer/processing system and the Legislature, knowing this, is asking how the loans will be paid back. He felt that this was the reason MSD's request for construction funding was denied by the Ways and Means Committee. Industry did not feel there was a market for byproducts and Mr. Glanz cited past attempts to recycle wastes that failed. Commissioner Schumacher questioned industry's desire to become involved in the transfer/processing system if they felt that markets for the byproducts were not available to MSD, and Mr. Glanz stated that there was a market, but that market was somewhere in the future.

Mr. John Knapp, of Resource Recovery Byproducts, addressed the Board stating that he operated an existing recycling station in North Portland, which is a location identified in the MSD Solid Waste Program. He felt that his facility had something to offer MSD, and that if he could obtain consistent quantities of corrugated and other recyclable wastes, he could firm his market contracts. Commissioner Gordon suggested that Mr. Knapp put his proposal in writing so that the Board might review it in more detail.

Mrs. Jane Cease addressed the Board with a statement that MSD should continue on the proposed Solid Waste Program. She felt that it was a viable program, and that if it did not continue, the \$600,000 expended to this point would be wasted. She recommended that the MSD Direction Committee report be given more consideration with regards to the Board structure, and that a tax base be requested in May of 1976.

Mr. Jack Parker, of Parker Northwest, stated that his firm has expended a considerable amount of money to respond to the Request for Proposal on the Solid Waste Program, as did two other companies. He felt that option No. 1 should be chosen by the Board, and negotiations begun with the selected bidder.

Mrs. Barbara Lucas, representing the League of Women Voters, offered the League's services in organizing a public information program, and the Board was in agreement with this suggestion.

Mr. Charlie Norton, of the Heil Company, indicated that markets for combustible fraction byproducts were available, and that Papers Publishers had written a letter to MSD to this effect. The Board was in agreement that the markets existed. Commissioner McCready requested that staff outline the reasons for not signing firm long-term contracts for sale of the byproducts at this point. Mr. Kemper stated that signing contracts at this time would tie down 60% of the material at a low dollar amount with the future dollar amount higher.

Commissioner Schumacher requested a roll call vote of the Board and Solid Waste Committee on which of the six options they prefer, and the following count was taken:

Mayor Duris - Option No. 1. Mayor Duris felt that the RFP bids should be respected and another attempt made to obtain money from the State Pollution Control Bonds.

Commissioner McCready - Option No. 1. Commissioner McCready stated that while she did not object to going to a vote of the people, she did not feel it was essential at this time. She also stated that if funds were not forthcoming from the Emergency Board, the City would work with Clackamas County, or would develop their own program

Mayor Robnett - Option No. 1 with an alternate of Option No. 3. He stated that MSD should obtain the signed resolutions from the jurisdictions prior to approaching the Emergency Board. He also recommended naming John Knapp to the MSD Solid Waste Committee.

Bill Culham - Option No. 1. Mr. Culham felt the Board had a commitment to the bid proposers. His concern was with the time schedule, and the bid bonds.

Molly Kohnstamm - Option No. 1

Al Bannon - Option No. 3. He stated that this option was Mr. Herb Hardy choice.

Marlin Nelson - Option No. 1. Mr. Nelson stated that he would like to see staff work with industry for a successful State application.

Dick Howard - Option No. 1. Mr. Howard commented that the Emergency Board should receive assurance that MSD will be asking for bonding authority from the people.

Gus Mohr - Option No. 1.

Dave Phillips - Option No. 3 with an alternative of No. 1.

Harold Lavelle - Option No. 1.- Mr. Lavelle stated that a time problem existed and the bidder should be asked to extend his bid bond.

Nancy Hoover - Option No. 1. Mrs. Hoover stated that the intergovernmental agreements should be signed and the facts put together for presentation to the Emergency Board.

Art Schlack - Option No. 1. Mr. Schlack felt that market clarification work should be done and the jurisdictional agreements completed.

Carl Miller - Option No. 4.

Nick Brajavich - Option No. 1.

Dick Glanz - Option No. 4.

Carl Phillips - Option No. 3.

Councilman Becker - Option No. 1. Councilman Becker felt that MSD should be concerned about the environment and recovery of the land, and that Option No. 1 would insure this.

Commissioner Gordon - Option No. 1. Commissioner Gordon stated that MSD would have to meet the criteria the Legislature requested. He also stated that the Emergency Board should be asked to provide \$100,000 to implement Option No. 3 as an alternate.

Commissioner Wilson - Option No. 4. Commissioner Wilson stated that industry was capable of handling the solid waste problem in the quickest and least expensive way.

Commissioner Schumacher - Option No. 1. Commissioner Schumacher felt that one more attempt should be made to obtain State Pollution Control Bonds and to safeguard the RFP bids. He also felt that if Option No. 1 failed Option No. 3 would be a viable recourse.

Mayor Robnett moved to accept Option No. 1 and to obtain the local governmental agreements prior to approaching the Emergency Board. Commissioner McCready seconded the motion. The motion carried unanimously.

Commissioner Gordon recommended requesting \$100,000 from the Emergency Board as a maximum expense for a special election; however, the Board did not feel the Emergency Board should be approached with an alternative. The Board felt that if it became necessary, funding for a special election could be obtained at a later date.

The meeting adjourned at 3:30 P.M.