



MSD BOARD OF DIRECTORS

MINUTES OF THE NOVEMBER 14, 1975 MEETING

BOARD MEMBERS IN ATTENDANCE

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

ADVISORS IN ATTENDANCE

Dean Gisvold, Attorney
John Cooper, Coates Field Service
Bob Brown, DEQ

GUESTS IN ATTENDANCE

List attached.

STAFF IN ATTENDANCE

Charles Kemper
Merle Irvine
Cordell Ketterling
Jean Woodman

There being a quorum present, the Board considered the following items of business:

75-413 MINUTES

Commissioner Gordon moved to approve the minutes of the October 24, 1975 Board meeting. Mayor Duris seconded the motion. The motion carried unanimously by roll call vote.

(Commissioner McCready and Councilman Becker were not present during this agenda item.)

75-414 PUBLIC COMMUNICATIONS

Commissioner Schumacher asked if there was anyone in the audience that wished to address the Board on matters not listed on the meeting agenda. Mr. Kemper stated that staff had received a letter from the City of Gaston requesting information on the possible impact Ordinance No. 33 may have on the city. It was agreed that Mayor Duris would respond to the City of Gaston's request.

75-415 ACCOUNTS PAYABLE

Commissioner Gordon moved to approve the Accounts Payable list Vouchers No. 270 through 287 in the total amount of \$11,950.67. Mayor Duris seconded the motion. The roll was called and the motion carried unanimously.

(Councilman Becker was not present during this agenda item.)

75-416 MSD SOLID WASTE MANAGEMENT AND OPERATION PROGRAM
RATE SCHEDULE ORDINANCE NO. 33 - Second Public Hearing

Commissioner Schumacher opened the public hearing for consideration of Ordinance No. 33, an ordinance establishing a user fee for the administration, implementation and operation of the areawide solid waste management program and prescribing an effective date.

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

Motion 75-416.A Commissioner McCready moved to read Ordinance No. 33 by title only. Mayor Robnett seconded the motion. The motion carried by a roll call vote.

The clerk read Ordinance No. 33 by title.

Mr. Irvine reviewed the ordinance stating that this was the first phasing of the rate schedules which had been developed in response to the Legislature's direction for assurance of the State's loan payback. Phase I will cover the period from

approval of the DEQ Grant/loan Offer and Acceptance document to activation of the first facility in Oregon City and the transfer station in Washington County. Phase II rate schedule will continue from that point to activation of the second processing facility in North Portland, and Phase II will continue thereafter. Staff anticipated that if MSD receives Emergency Board approval of the loan in January, the first payback to the State would be scheduled for October 1976. Mr. Irvine also reviewed the rate determination summary which showed an 8¢ per can per month increase to the homeowner as a result of Ordinance No. 33, and stated that during Phase I, while the fee would be collected at the landfill, MSD would not actually handle waste disposal.

Ordinance No. 33 has been reviewed by the Solid Waste Committee with the recommendation that the ordinance be adopted after a third public hearing. In recommending the third hearing, the Solid Waste Committee expressed concern that the hearings had not been properly advertised. As a result of their concern, notices were published in the Oregonian and Oregon Journal and news releases sent to 13 local papers in the area. These notices were published in addition to staff's compliance with the Open Meeting Law of publishing and posting the intent to hold a public hearing.

Mr. Irvine read a written statement from Harold Lavelle into the record, which requested that Ordinance No. 33 not be implemented without the support of a public vote. (Letter attached.)

Mayor Robnett questioned the impact this ordinance would have on the homeowner in relation to the increase that will be necessary from the City of Portland's attempt to stabilize the economic situation at the St. Johns Landfill. Commissioner McCready answered that the City anticipated a 14¢ per can per month increase to the homeowner.

Commissioner Schumacher requested comments from the public and the following testimony was received:

1. Mr. W. F. Brown
2416 NE 18th Avenue
Portland, Oregon

Mr. Brown addressed the Board speaking against the construction of processing facilities to separate wastes for reuse. He felt that the wastes should be segregated at their source

and that the money to be used for construction would be better used for supplying homeowners with the necessary additional cans for source separation. The Board members answered that source separation of metals and glass would result in only about 11% of the wastes being removed with the remainder still to be dealt with. Commissioner Gordon stated that a source separation program would not be viable without assured markets for the material and assuring these markets was the responsibility of MSD.

2. Ken Ferrell
Plew's Land Reclamation

Mr. Ferrell addressed the Board questioning the public benefit derived from the MSD program Phase I landfill fee to compensate for the administrative and overhead costs listed in the summary determination. Mr. Ferrell felt that the \$307,000 budgeted for the first year was excessive and only anticipated additional staff members to create an additional bureaucracy and an additional burden to the collection industry. He stated that the number of employees operating the MSD program was not necessary citing the smaller operating budget of Plew's as an example. Mr. Irvine reviewed the proposed budget figures for Mr. Ferrell explaining the contract services portion such as legal fees, consulting engineering, soils tests, public information program, auditing services and financial costs. He also explained that the anticipated increase in staff would include one draftsman and a construction engineer to oversee construction of the facilities and to be retained only for the duration of construction. Commissioner Gordon stated that the Metropolitan Area needed a regional agency to manage and regulate the system on behalf of the public.

3. Dave Yett
Lavelle and Yett, Inc.

Mr. Yett addressed the Board stating that he was opposed to the rate ordinance because of the magnitude of the fee and the method of collection. He felt that computing the fee by the size of the load to add to the disposal fee would cause widespread dissatisfaction and delays at the landfill and would not benefit the landfill operators. Mr. Yett proposed development of methane gas at the land-

fill site as an alternative to the transfer/processing station system. The Board indicated that their direction from the DEQ did not allow for additional landfills and that public opinion for particular locations has always been against additional sites. Commissioner Schumacher directed Mr. Yett to submit a plan to the MSD for development of methane gas for their further review.

4. Margaret Koskee
Portland, Oregon

Mrs. Koskee stated that she was against this additional fee and the increase in her garbage bill that this ordinance would cause.

5. Carl Miller
Miller's Sanitary Service

Mr. Miller addressed the Board stating that he had made a motion during the November 10, 1975, Solid Waste Committee meeting to request that the State defer repayment of the loan monies until the transfer/processing system was in operation. Mr. Irvine stated that staff is pursuing this request.

Commissioner Schumacher asked if there was further testimony to be received and there was no response.

The Board indicated that they would have no objection to a third public hearing prior to action on the ordinance. It was their feeling that the hearing had been well publicized. Commissioner Schumacher requested some assurance from staff on the effective date of the ordinance to provide the collection industry adequate time for approaching their jurisdictions for rate increases to meet the additional costs. Mr. Kemper assured the Chairman that it was staff's intention to give adequate notice and communication to the local jurisdictions prior to implementing the ordinance.

Mayor Duris questioned if a third hearing would impact the Emergency Board submittal schedule and it was staff's feeling that it would not. Staff was attempting to meet a January 9, 1976, Emergency Board date for hearing which will require submittal to the State no later than December 19, 1975; however if the third hearing was set for November 28, 1975, there would be no adverse affect on this submittal.

Motion 75-416.B Commissioner Gordon moved to set November 28, 1975, as the third hearing date for Ordinance No. 33. Mayor Duris seconded the motion. The roll was called and the motion carried unanimously.

75-417 MSD/PARKER NORTHWEST DRAFT CONTRACT

The Board received a draft copy of the MSD/Parker Northwest contract for design and operation of the transfer processing system. The contract is in draft form and the terms have not been agreed upon by either party. Mr. Gisvold reviewed the following major sections of the contract: Presentation, Conditions, Payments, Operation of the Processing Station, General Provisions, Acceptable Wastes, Equipment, Arbitration, Penalty Clauses, and Price Adjustments. Mr. Gisvold stated that some resolution on these items should be forthcoming by Thursday, November 20, 1975.

Mr. Parker, of Parker Northwest, addressed the Board stating that after his initial skepticism of the program, he was now convinced of the viability and flexibility of the plan. He felt that this system would afford new types of technology in the future and eliminate the need for many and expensive landfills.

Mr. John Knapp, of Resource Recovery Byproducts, addressed the Board submitting a written proposal to provide what he felt was a more sophisticated recovery system for mixed loads. Commissioner Schumacher stated that the Board would consider Mr. Knapp's proposal.

Mr. Ferrell addressed the Board questioning the State Statute authorizing MSD to put the system out for private contracting. Mr. Gisvold stated that the existing law for competitive bidding on public improvement requires the construction portion of the system to be put to bid.

The Board will consider the MSD/Parker Northwest contract for action on November 28, 1975.

75-418 FERROUS BYPRODUCT CONTRACT FORM

The Board received a rough draft of the ferrous contract proposed for use in prospective detinning use of the metal by-products. Staff requested Board review for action at the November 28, 1975, Board meeting. (Commissioner Gordon left the meeting.)

75-419 LANDFILL REPORT

Mr. Ketterling presented the Board with a revised draft copy of the MSD Landfill Report. The report is presently being reviewed by the Solid Waste Committee and staff is requesting action by the December 12, 1975, meeting.

75-420 COOPERS & LYBRAND AUDIT CONTRACT FOR FY 75-76

Mr. Irvine reviewed the contract before the Board for auditing services for the FY 75-76. The contract from Coopers & Lybrand has been reviewed and approved by the MSD Attorney.

Commissioner McCready moved to approve the FY75-76 audit contract with Coopers & Lybrand and authorize the Chairman to sign. Mayor Duris seconded the motion. The roll was called and the motion carried unanimously.

75-421 LEGISLATIVE PROGRAM COORDINATOR

Staff requested direction from the Board on coordination work needed for a successful approach to the State Emergency Board in January. It was staff's feeling that time and resources did not allow a major staff effort in this area.

The Board members recognized the necessity of lobbying work for the Emergency Board meeting and determined to make this effort themselves.

75-422 CITIZEN APPOINTMENT TO MSD SOLID WASTE COMMITTEE

The Board considered the resignation of Mr. Bill Culham from the Solid Waste Committee as technical representative for the City of Portland and as Chairman of the Committee. Mr. Culham's resignation resulted from his retirement from the City of Portland. It was staff's recommendation to re-appoint Mr. Culham in a citizen capacity and replace him as Chairman by a jurisdictional technical representative.

Commissioner Schumacher appointed Mr. Culham to the Solid Waste Committee as a citizen representative from the City of Portland and appointed Mr. Dave Phillips of Clackamas County as the Solid Waste Committee Chairman.

75-423 RESOURCE RECOVERY BYPRODUCT ENVIRONMENTAL ASSESSMENT

Mr. Ketterling presented an Environmental Assessment of a site in North Portland presently being operated by Resource Recovery Byproducts. The location is presently being considered as an alternative to the site indicated in the MSD Solid Waste Action Plan as a transfer/processing center. Staff plans to use the Environmental Assessment for determining whether the original North Portland location developed in the Plan should be maintained or whether this would be a more feasible location. No action was requested.

75-424 EXECUTIVE SESSION

The Chairman stated that under the authority of ORS 192.660(2)(A) the Board would retire to Executive Session to consider the purchase of real property in the Oregon City Area. Commissioner Schumacher requested that the public leave the room and instructed members of the press that wished to remain that the material discussed was to be undisclosed.

Commissioner Schumacher stated that as the real property being considered was a specific location in Clackamas County and may require some action at the County level, he would absent himself from the Executive Session and the reconvened public meeting.

Commissioner Schumacher left the Board meeting.

After the Executive Session the Board reconvened in open meeting.

Mayor Robnett moved to authorize staff to make a top offer at the figure discussed in Executive Session to Mr. Jack Parker for purchase of 11 acres of land to be used for the South site processing center. Commissioner McCready seconded the motion. The roll was called and the motion carried unanimously.

There being no further business to come before the Board, the meeting adjourned at 5:30 P.M. All testimony received is recorded on tape and is retained in the MSD files. All records of motion votes are also retained in the MSD files.