



MSD BOARD OF DIRECTORS

MINUTES OF DECEMBER 19, MEETING

S P E C I A L

BOARD MEMBERS IN ATTENDANCE

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

ADVISORS IN ATTENDANCE

Dean Gisvold, Attorney  
Bob Brown, DEQ

GUESTS IN ATTENDANCE

List attached.

STAFF IN ATTENDANCE

Charles Kemper  
Merle Irvine  
Cordell Ketterling  
John Hanke  
Bruce Henderson  
Jean Woodman

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

75-444 JOHNSON CREEK DRAINAGE PROGRAM PRESENTATION

Mr. Hanke presented the "Drainage Management in the Johnson Creek Basin" report to the Board members, reviewing the report's history and the Drainage Committee's work. The report is the result of Phase I of the Johnson Creek Program which dealt with public involvement and public feelings for a solution to the flooding problem on Johnson Creek. Staff was recommending that

the Board adopt the implementation schedule as outlined on Page 7 of the report. Approval of the implementation schedule would allow staff to conduct public hearings for consideration of long-term solutions, cleaning the creek of debris on a continuing annual basis, buying permanent easements along the creek, and coordinating the Corps of Engineers and CRAG's detailed management plans for the basin.

The Board members viewed a slide show outlining possible solutions developed by the Corps of Engineers, the Soil Conservation Commission and the MSD staff. Mr. Henderson of the MSD staff, discussed the physical characteristics of the basin with the use of descriptive slides. There was also some discussion on the proposed assessment of property owners in the basin to fund improvements and maintenance on the creek.

Mr. Jerry Bell addressed the Board stating that he felt several things were missing from the report, and proposing that the Board implement a one-time charge of \$25 per property parcel for improvements and maintenance. He felt that this amount would be sufficient to implement the Corps of Engineers proposal for channelization of the creek and leave some funds for recreation.

Commissioner Gordon moved to approve the implementation schedule as outlined on Page 7 of the "Drainage Management in the Johnson Creek Basin" report allowing staff to conduct public hearings for consideration of proposed solutions and funding. Councilman Becker seconded the motion. The motion carried unanimously by roll call vote.

#### 75-445 MSD/PUBLISHERS' PAPER CO. CONTRACT

Mr. Irvine stated that the MSD/Publishers Paper Contract for sale of the light fuel fraction was still in the negotiation stages and would be brought before the Board in January.

Mr. Gisvold felt that under new legislation effective January 1st, the contract for light fuel fraction would either have to be put out to bid under the old law, put out to bid under the new law, or an exemption requested from the bidding process from the Contract Review Board.

75-446 MSD/FERROUS CONTRACT

Mr. Irvine stated that a mailgram had been received from M & T Chemical proposing purchase of the light guage ferrous metals at a price of \$30 per gross ton F.O.B. their Seattle plant, plus 50% of the amount of the average price quoted for No. 2 bundle ferrous scrap. M & T is in basic agreement with the contract approved by the Board on December 12, 1975, on a 10-year term with the price renegotiated every two years. In response to Commissioner Gordon's question of the net price due MSD in consideration of the F.O.B. Seattle, Mr. Irvine answered that the net would be \$22.50 per ton.

Mr. Irvine reviewed a second proposal received from Acme Trading & Supply Company, in Portland, with a purchase price of \$25 per ton F.O.B. the MSD Oregon City facility, plus one-half the amount of the average price quoted in Iron Age Magazine for No. 2 bundle. The Acme Trading & Supply Company contract also called for space to be provided by MSD at the processing station for further processing by Acme of the ferrous metal.

Staff requested approval for further negotiations with Acme Trading and Supply Company as the apparently better priced contract. In discussing the specifications, Mr. Irvine stated that Acme would be obliged to produce the same specifications as contained in the Parker Northwest contract. In response to Commissioner Gordon's question as to review of the Acme contract, Mr. Irvine stated that it has not been reviewed by staff, that it was just received, and the staff recommendation for approval was based solely on purchase price and location of Acme's facility. Mr. Irvine also stated that the question staff would be concerned with was the Acme proposal for space at the MSD facility for further processing of the ferrous material.

Commissioner McCreedy moved to authorize the Chairman to sign the Acme Trading and Supply Company contract for sale of light gauge iron scrap subject to review and approval by staff and legal counsel, at the price quoted in the December 19, 1975, letter from Acme Trading and Supply Company; further, that if negotiations break down with Acme Trading and Supply Company, that staff be authorized to proceed with negotiations with M & T Chemical. Mayor Robnett seconded the motion. The motion carried unanimously by roll call vote.

75-447 MSD/PARKER NORTHWEST CONTRACT

The Board received the third draft of the MSD/Parker Northwest contract developed for operation and construction of the South site transfer/processing station. Mr. Kemper stated that the intent of terms in the agreement had been reached, however, the cost information was not included. Mr. Kemper also stated that ~~this was~~ the last Board meeting of the month, and the contract had to be signed prior to January 1st, to avoid new legislation requiring bidding on the system. Staff anticipated inclusion of the costs ~~by the 23rd of December,~~ and requested authorization for the Chairman to sign the contract at that time. An alternative to authorization at this time would be to hold a special Board meeting prior to January 1st.

Mayor Robnett moved to schedule a Special Board meeting for December 29, 1975, at 12:00 Noon for consideration of the MSD/Parker Northwest contract; and if a quorum is not present, to authorize the Chairman to sign the contract with approval of the Board members present and legal counsel. Commissioner McCready seconded the motion. The motion carried unanimously by roll call vote.

75-448 AMENDMENT TO ORDINANCE NO. 32 AND 33

Mr. Ken Novack, of Schnitzer Industries, approached the Board requesting an amendment to Ordinances No. 32 and 33 as follows: "A person in the business of collecting, processing and/or selling ferrous and/or non-ferrous scrap for re-use and/or further processing and/or re-sale is exempt from the operation of this ordinance to the extent that person is engaged in such business." Mr. Novack felt that the wording of the two ordinances may be construed to prohibit the private operation of scrap ferrous processing plants. ~~and that~~

Commissioner Schumacher directed that the amendment be considered on a January agenda under an ordinance number which would be required for amending Ordinances No. 32 and 33.

The agenda items completed the Board adjourned at 4:20 P.M. All testimony and discussion are retained on tape in the MSD files.