



MSD BOARD OF DIRECTORS

MINUTES OF JANUARY 9, 1976 MEETING

BOARD MEMBERS IN ATTENDANCE

Robert Schumacher  
Connie McCready  
Mel Gordon  
Miller Duris  
Ray Miller  
Charles Becker

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  
Jean Woodman

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

76-450 MINUTES

Commissioner Gordon moved to approve the minutes of the December 12, 1975, December 19, 1975, and December 29, 1975 Board meetings. Mayor Duris seconded the motion. The motion carried unanimously by roll call vote.

76-451 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. There was no response.

76-452 BOARD OFFICER ELECTIONS

Councilman Becker nominated Mayor Duris for Chairman and Commissioner Miller for Vice Chairman. Mayor Duris addressed the Board stating that he would withdraw from consideration as Chairman due to a pressing schedule which he felt would prevent him from giving proper concentration to the job.

Commissioner McCready suggested that recognizing the present Chairman's time involvement in his coming campaign year, the Board might still prevail upon Commissioner Schumacher to accept the Chairmanship until after the Emergency Board presentation. Commissioner Schumacher felt, however, that the MSD Bylaws required an election at this time for a Chairman to serve the entire year.

Commissioner Gordon nominated Commissioner Ray Miller as Chairman and Mayor Miller Duris as Vice Chairman. Councilman Becker seconded the nomination.

Commissioner Schumacher asked if there were further nominations and there were none. Mr. Kemper pointed out that both the nominations were representative of Washington County, and the Board indicated that this was not a concern.

The Board members voted on the nomination and Commissioner Miller and Mayor Duris were elected unanimously. Commissioner Miller continued the meeting as Chairman.

76-453 ACCOUNTS PAYABLE

Commissioner McCready moved to approve the Accounts Payable Vouchers No. 314 through 326 in the total amount of \$543.93. Commissioner Schumacher seconded the motion. The motion carried unanimously by roll call vote.

76-454 ORDINANCE NO. 34 - FIRST PUBLIC HEARING

An ordinance modifying the MSD Code, amending tire salvage center regulations, amending the MSD administrative fee, and providing for a processing center performance bond.

Commissioner Miller 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 76-454.A Commissioner Gordon moved to read Ordinance No. 34 by title only. Mayor Duris seconded the motion. The motion carried unanimously by roll-call vote.

Mr. Hankee read the ordinance title.

Mr. Hankee reviewed the amendments proposed for the MSD Tire Program, the first dealing with the 3¢ administrative fee. The current MSD ordinances reduce the 3¢ administrative fee on all processed and salvaged tires to 2¢ effective February 1976, and to 0¢ effective February 1977. Due to policing problems with the Tire Program, staff felt the continued 3¢ per tire would be required to maintain progress in solving these policing problems. The Solid Waste Committee recommended continuing the administrative fee up to 3¢ per scrap tire processed for the year 1976. ~~By staff~~

The second amendment proposed under Ordinance No. 34 requires that the processing and salvage centers acquire a \$10,000 performance bond in favor of the MSD, to assure disposal of stockpiled scrap tires in case of default by the center that would require MSD's disposal of stockpiled tires. The Solid Waste Committee recommended approval of the \$10,000 performance bond.

The third amendment to Ordinance No. 34 attempts to deal with the processing centers concern that under the present ordinances, salvage centers could be selective in accepting only passenger tires, leaving the hard to process truck tires for disposal by the processing centers. The staff proposal to the MSD Solid Waste Committee was to eliminate salvage centers and require the salvage centers to deal with the processing centers for their required numbers of tires. The Solid Waste Committee, however, felt some concern that this action would discourage salvaging of tires and recommended that the salvage centers be retained but under the same regulations as the processing centers. Mr. Hankee stated that staff's concern

was to encourage salvaging rather than landfilling, however, staff was also concerned that if the markets did not permit salvage, that disposal and landfilling still be available. He felt selective acceptance of tires and undercutting of the processing centers by the salvage centers could cause the processing centers to go out of business and result in lack of disposal facilities if the salvage market were reduced and the salvage centers subsequently refused to accept scrap tires.

In discussion, Commissioner Gordon suggested that the processing and salvaging of scrap tires be confined to one operation required to accept all tires, in that when the salvage markets were down, the tires could then be processed by the same center. He did not feel that a processing/salvage operation would invest the required capital without investigating the markets and being assured of a continued operation. Commissioner McCready was concerned that this might represent a flow control problem and impact the use of scrap tires for fuel fraction as possibly the best use and market.

Mr. Hanke stated that MSD would have to concern itself as to the number of processing or salvage centers to allow. Staff was in receipt of two applications for salvage centers which were considered by the Solid Waste Committee at their January 5, 1976, meeting, and that both applicants had stated that they were willing to compete and that they would be willing to accept both truck and passenger tires.

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

1. Myron Tupper  
TIREGON, Inc.

Mr. Tupper addressed the Board stating that he had submitted an application to MSD for a salvage center permit, that processing and landfilling tires had not done the best job of getting value out of rubber. He felt that the Solid Waste Committee recommendation was good, and that TIREGON was willing to be competitive and to accept truck tires. He stated, however, that there might be a problem with opening the door for all numbers of tires as they did not have landfilling capabilities. Mr. Tupper also stated that his operation wanted to accept tires at a rate to coincide with his market development only, and that requiring salvage centers to accept all tires would be a handicap to new operations attempting to build markets.

Under questioning, Mr. Tupper stated that he would not be selective to size and types of tires and that 2,000 stockpiled tires would be sufficient if they were able to limit the number of tires required to receive. Mr. Hanke felt that if TIREGON were allowed to limit their intake of tires they could be selective; and stated that he had been led to believe that TIREGON already had their markets developed, and that it was not staff's intent to issue salvage center permits without available markets for the byproduct.

2. David Phillips, Chairman  
Solid Waste Committee

Mr. Phillips stated that the Solid Waste Committee was concerned that staff recommendation to allow only processing centers would tend to discourage salvaging of scrap tires, and that salvage centers should be governed by the same regulations as the processing centers. He felt that Ordinance No. 34 satisfied the committee's recommendations. The second concern of the committee was whether or not to limit the number of centers, and whether a large number would cause substandard service. Mr. Phillips did not feel, however, that the committee had sufficient data to set a definite number.

3. Fred Hoyer  
Waste Control Systems

Mr. Hoyer addressed the Board stating that Waste Control Systems was working with Georgia Pacific to develop a means of transforming scrap tires into burnable fuel that would meet the DEQ regulations. He also stated that Waste Control Systems has signed a contract with Georgia Pacific to furnish them with 500 tons of scrap tires per month, and that Georgia Pacific had developed a machine capable of processing the contracted number of tires. Mr. Hoyer indicated that they would accept truck tires and that they would have to be preprocessed prior to use by Georgia Pacific; and also indicated objections to the limit of 2,000 stockpiled tires. His concern was to assure a backup of tires in the event that his supply of scrap tires decreased.

4. John Knapp  
Resource Recovery Byproducts

Mr. Knapp stated that Resource Recovery Byproducts has had their processing center permit taken, and that it was their intent to appeal the action. He also stated that RRB has developed a machine that could process truck tires without preprocessing. Mr. Knapp was against limiting the number of stockpiled tires to 2,000; and did not object to opening the number of salvage and processing centers, however, he did feel that MSD should take off the 85¢ ceiling for acceptance of truck tires.

5. Roger Bunge  
Thermatricks

Mr. Bunge was upset over the delay in his salvage center permit, and was anxious to begin processing scrap tires using a pyrolysis method. He stated that he would like to begin his operation with 200 to 300 tires per day and increase the amount as his operation builds and expands. His method would grind tires into small pieces to then be processed in the pyrolysis machine which produces a non-polluting oil comparable to a number two diesel. Mr. Bunge would object to paying for chips from the processing centers, and he indicated some reservations on Ordinance No. 34 in that he would receive more tires than he could accommodate; however, he stated he would be willing to try it. Mr. Bunge stated that he was under some time pressure to sign contracts for the byproduct and could not do so until he was assured of receiving a permit from MSD. The Board consensus was that they did not wish to hold Mr. Bunge up on his operation, however, they did not feel that a wait of two weeks until after the second hearing on the ordinance and a decision as to whether or not to limit the number of salvage centers, would hinder his operation.

6. Larry Burrigh, Jr.  
Oregon Recycling and Disposal

Mr. Burrigh was in favor of an open number of salvage centers, however, felt that the 85¢ per truck tire figure should also be left open with the market determining the price. Mr. Kemper stated that in order for the District

to consider amending the price on truck tires, the processing centers would have to submit data to show a need.

7. Joe Fugate  
Tri City Casing Supply

Mr. Fugate was concerned with the number of recapable tires that were being processed instead of entering the recapable stream. He felt that something should be done to utilize these tires for recapping as a best use.

Commissioner Miller asked if there was further testimony, and there was no response.

Motion 76-454.B Commissioner Gordon moved to set the second hearing for Ordinance No. 34 for January 23, 1976. Commissioner Schumacher seconded the motion. The motion carried unanimously by roll call vote. (Mayor Duris left the meeting and was not present for the remainder of the agenda).

76-455 ZOO PROGRAM RESOLUTION NO. 23

Mr. Kemper stated that the Portland Metropolitan Area Local Government Boundary Commission had requested a resolution from the MSD for Boundary Commission review of adding the Zoo to the MSD authorities. He also stated that it was a legal requirement by the Boundary Commission and they were not anticipating a delay in the procedure as a result of the hearing.

Commissioner Gordon moved to approve Resolution No. 23. Commissioner Schumacher seconded the motion. The motion carried unanimously by roll call vote.

76-456 TIRE SALVAGE CENTER APPLICATIONS

- 1) Thermatrickal
- 2) TIREGON, Inc.

The Board will consider these salvage center applications after a decision has been made on Ordinance No. 34.

76-457 SOLID WASTE FINANCIAL PLAN - COST ASSUMPTIONS

Mr. Ketterling reviewed the staff report discussing the three county nuisance abatement program inclusion in the Solid Waste Program, listing three alternatives for consideration by the Board. The alternatives included providing each County and the City of Portland with \$50,000 per year inflated at 6 percent annually; each county and the City of Portland to receive \$30,000 the first year and decreased to zero; and each county and the City of Portland would receive \$20,000 a year without increasing or decreasing thereafter. Mr. Ketterling also reviewed the staff proposal to designate a \$10,000 research and development program fund. On the nuisance abatement program, Commissioner Gordon suggested a fourth alternative to not providing funds at all for the counties and City of Portland, and to use the money for payback of the loan. Mr. Kemper stated that the resolutions received from Clackamas and Washington Counties included the funding of their nuisance abatement programs, and that these programs were good and should not be abandoned. Commissioner McCreedy did not feel that nuisance abatement properly belonged under a Solid Waste Program, and that the MSD program would reduce the counties' problems thus reducing the funds needed to operate the nuisance abatement programs.

Councilman Becker moved to approve alternative No. 2 in which each county and the City of Portland would receive \$30,000 in the first year of Phase II of the Program for nuisance abatement and this amount decreased as time goes on and local jurisdictions develop alternate methods of financing. By 1980/81 a total amount of \$20,000 would be budgeted to be split equally between the four jurisdictions and by 1981/82, the MSD contribution to this fund would be zero. Commissioner McCreedy seconded the motion. The motion carried unanimously by roll call vote.

76-458 CONSOLIDATED WASTE SERVICES, INC. AND RESOURCE RECOVERY BYPRODUCTS PROPOSALS

Commissioners Miller, Schumacher, and McCreedy were appointed to act as a sub-committee to consider the Consolidated Waste Services, Inc., and the Resource Recovery Byproducts proposals for operation of the North Portland Processing Station.



76-459 PUBLIC COMMUNICATIONS SPECIALIST

Commissioner McCready moved to appoint a sub-committee for interviewing a Public Communications Specialist for coordinate the Emergency Board meeting of February 19, 1976, the amount not to exceed \$3,000, and direct the Chairman to sign a contract after legal counsel review. Commissioner Gordon seconded the motion. The motion carried unanimously by roll call vote.

The interviews will be held on Tuesday, January 13, 1976, and Commissioner Gordon and Mayor Duris were appointed to act as the interview sub-committee.

There being no further business to come before the Board, the meeting adjourned at 4:55 P.M. Tapes of all testimony are on file at the MSD Office.