BEFORE THE METRO COUNCIL

	E OF AMENDING METRO CODE) ORDINANCE NO. 97-688				
CHARGED AT REGI	DUCING DISPOSAL FEES ONAL SOLID WASTE FACILITIES TAIN FORM AND STYLE) Introduced by Mike Burton) Executive Officer)				
THE METRO COUNCIL ORDAINS AS FOLLOWS:						
Sectio	n 1. Metro Code Section 5.02.015 is	amended to read:				
(s) "Speci	r), no change.] ial waste" means any waste (even tho or more of the following categories de	ough it may be part of a delivered load escribes:				
(1) Containerized waste (e.g., a drum, barrel, portable tank, box, pail, etc.) of a type listed in 3 through 9 and 11 of this definition below; or.						
(2)	(2) Waste transported in a bulk tanker; or					
. (3)	Liquid waste including outdated, off spec liquid food waste or liquids of any type when the quantity and the load would fail the paint filter liquid (Method 9095, SW-846) test or is 25 ncludes 25 or more gallons of free liquid per load, whichever is more restrictive.					
(4)	Containers (or drums) which once held commercial products or chemicals are included unless the container is, unless the containers (or drums) are empty. A container is empty when:					
	(A) All wastes have been removed that can be removed using the practices commonly employed to remove materials from the type of container, <i>e.g.</i> , pouring, pumping, crushing, or aspirating.					
	(B) One end has been removed gallons); and	(for containers in excess of 25				
		one inch thick (2.54 centimeters) of ne bottom of the container or inner				
•		1 percent by weight of the total ner remains in the container (for gallons); or				

(iii) No more than 0.3 percent by weight of the total capacity of the container remains in the container for containers larger than 110 gallons. (C)—Containers which Containers that once held acutely hazardous wastes must be triple-rinsed with an appropriate solvent or cleaned by an equivalent alternative method. Containers which that once held substances regulated under the Federal Insecticide, Fungicide, and Rodenticide Act must be empty according to label instructions or triple_ rinsed with an appropriate solvent or cleaned by an equivalent method. Plastic containers larger than five gallons that hold any regulated waste must be cut in half or punctured, and be dry and free of contamination to be accepted as refuse; or. Sludge waste from septic tanks, food service, grease traps, or wastewater from commercial laundries, laundromats or car washes; or. Waste from an industrial process; or. Waste from a pollution control process; or. Residue or debris from the cleanup of a spill or release of chemical substances, commercial products or wastes listed in 1 through 7 or 9 of this definition; or. Soil, water, residue, debris, or articles which are contaminated from the cleanup of a site or facility formerly used for the generation, storage, treatment, recycling, reclamation, or disposal of wastes listed in 1 through 8 of this definition; or. Chemical—containing equipment removed from service (for example—: filters, oil filters, cathode ray tubes, lab equipment, acetylene tanks, CFC tanks, refrigeration units, or any other chemical containing equipment).equipment); or Waste in waste containers that are marked with a National Fire Protection Association identification label that has a hazard rating of 2, 3, or 4, but not empty containers so marked; or. Any waste that requires extraordinary management or special handling. Examples of special wastes are: chemicals, liquids, sludge and dust from commercial and industrial operations; municipal waste water treatment plant grits, screenings and sludge; contaminated soils; tannery wastes, empty pesticide containers, and dead animals or by-products.

All loads of household hazardous waste that are 35 gallons or more in the

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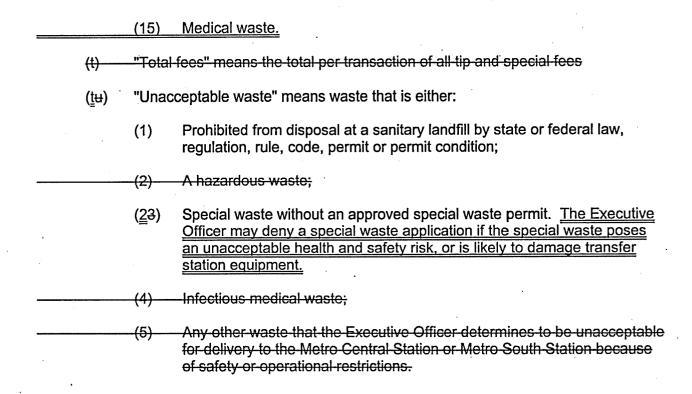
(12)

(13)

(14)

aggregate.

Radioactive waste.



SECTION 2. Metro Code Section 5.02.025 is amended to read:

<u>5.02.025</u> Disposal Charges at Metro South Station, Metro Central Station, and the Metro Household Hazardous Waste Facilities

- (a) Total fees for disposal by credit account customers shall be \$7570 per ton of solid waste delivered for disposal at Metro South Station or Metro Central Station.
- (b) Total fees for disposal by cash account customers shall be \$400<u>95</u> per ton of solid waste delivered for disposal at Metro South Station or Metro Central Station. A cash account customer delivering a load of waste such that no portion of the waste is visible to Metro scalehouse personnel (unless the waste is only visible through a secure covering), shall receive a <u>25 percent rebate</u>\$25 rebate per ton.
- (c) The total <u>per ton</u> disposal fees specified in subsection (a) and (b) of this section include:
 - (1) A disposal fee of \$39.25\$37.83 per ton;
 - (2) A regional transfer charge of \$7.20\$7.50 per ton;
 - (3) The user fees specified in section 5.02.045;
 - (4) An enhancement fee of \$.50 per ton; and
 - (5) DEQ fees totaling \$1.05\$1.17 per ton.

- (6) A rebatable service charge of \$25.00 per ton for cash customers delivering covered loads, as described in subsection (b) of this section.
- (d) Notwithstanding subsection (b) of this section, cash account customers using who use Metro South Station or Metro Central Station, and who have separated and included in their loads at least one half cubic yard of recyclable material (as defined in ORS 459.005) shall receive a \$3 either a \$3 lump sum credit toward their disposal charge. disposal charge for less than 100 pounds of recyclables or, alternatively, a \$6 lump sum credit toward their disposal charge for 100 pounds or more of recyclables. The credit shall be applied and deducted in addition to any rebate described in subsection (b) of this section. the rebate shall be calculated first:
- (e) The minimum charge shall be \$197.00 for all credit account vehicles and shall be \$253.00 for all cash account vehicles. The minimum charged for a cash account customer that delivers a load of waste such that no portion of the waste is visible to Metro Scalehouse personnel (unless the waste is only visible through a secure covering), shall receive a rebate of \$6.00 shall be adjusted by the covered load rebate as specified in subsection (b) of this section, and may also be reduced by application of the recycling credit provided in subsection (d) of this section. If both the rebate and the recycling credit are applicable,
- Total fees assessed at Metro facilities shall be rounded to the nearest whole dollar amount (a \$.50 charge shall be rounded up) for all cash account customers. - A fee of \$5 is established to be charged at the Metro household hazardous waste facilities for each load of household hazardous waste. A fee of \$10 is established at the Metro household hazardous waste facilities for special-loads (a) Fees for managing loads of household hazardous waste delivered to Metro Hazardous Waste Facilities will be as follows: (1) \$5.00 for each 35 gallons of waste or any lesser portion thereof, regardless of the total gallonage of any individual load; (2) \$5.00 handling fee for empty drums, (3) \$10.00 handling fee for any drum containing less than 25 gallons of waste, and (4) \$15.00 handling fee for any drum containing 25 or more gallons of waste. The Executive Officer may waive disposal fees under extraordinary conditions or circumstances. Any such waiver will occur solely for the purpose of compensating public customers for unanticipated and unforeseeable costs incurred while using a Metro facility, and will be limited by the following conditions:
- (1) Public self-haul customers;

 (2) The quantity of waste being delivered by the customer is less than the minimum charge of \$17.00;

 (3) The customer is using the Metro transfer station when Metro decides to close the station because of an emergency situation;

 (4) Because of the emergency station closure, the customer is delayed at least one hour or more;

- (5) The Executive Officer shall notify the Metro Council in writing within 14 days of any sold waste fee waivers. This notification shall include information on the date, facility, and the amount waived.
- (i) The following table summarizes the disposal charges to be collected by Metro from all persons disposing of solid waste at Metro South Station and Metro Central Station.

METRO SOUTH STATION METRO CENTRAL STATION

Tonnage Fee Component Disposal Fee Regional User Fee (Tier One) Metro User Fee (Tier Two) Regional Transfer Charge	\$/Ton Rate \$39.25 37.83 \$17.50 15.00 9.50 8.00 7.20 7.50	
Total Rate		\$ 73.45 <u>68.33</u>
Additional Fees Enhancement Fee DEQ Fees Total Disposal Fee:	\$.50 <u>1.17</u>	\$ 75.00 70.00
Minimum Charge Per Charge Account Vehicle Per Cash Account Vehicle (subject to possible covered load rebate and recycling credit)	\$ 19.00 <u>17.00</u> <u>25.00</u>	
Tires Type of Tire Per Unit Car tires off rim Car tires on rim Truck tires off rim Truck tires on rim Any tire 21 inches or larger diameter off or on rim		\$1.00 \$3.00 \$5.00 \$8.00

SECTION 3. Metro Code Section 5.02.035 is amended to read:

5.02.035 Litter Control Surcharge

A surcharge of \$100 per load shall be levied against a Metro credit account customer who disposes of waste at a Metro-operated solid waste disposal facility, transfer station, recycling center or compost facility, if when entering the facility any portion of the customer's waste is visible to Metro scalehouse personnel. However, personnel, unlessthere shall be no surcharge if the waste is only visible through a secure covering. The surcharge shall be collected in the same manner as other Metro collects disposal fees are collected at the facility.

SECTION 4. Metro Code Section 5.02.045 is amended to read:

5.02.045 User Fees

The following user fees shall be collected and paid to Metro by the operators of solid waste disposal facilities, whether within or outside of the boundaries of Metro, for the disposal of solid waste generated, originating, collected or disposed of within Metro boundaries, in accordance with Metro Code section 5.01.150:

- (a) Regional User Fee
 For compacted or noncompacted solid waste, \$17.50\$15.00 per ton delivered.
- (b) Metro User Fee \$9.50\$8.00 per ton for all solid waste delivered to Metro-owned or operated facilities.
- (c) Inert material, including but not limited to earth, sand, stone, crushed stone, crushed concrete, broken asphaltic concrete and wood chips used at the St. Johns Landfilldisposal facilities for cover, diking, road base, or other internal use shall be exempt from the above user fees.
- (d) User fees shall not apply to wastes received at franchised processing centers that accomplish materials recovery and recycling as a primary operation.
- (e) Notwithstanding the provisions of (a) and (b) above, Metro user fees may be assessed as may be appropriate for solid waste which is the subject of a non-system license under chapter 5.05 of the Metro Code.

SECTION 5. Metro Code Section 5.02.055 is amended to read:

5.02.055 Remittance to Metro of User Fees and Other Charges by Franchisees and Other Designated Facilities

- (a) Franchisees and other operators of facilities designated to receive waste under Metro Code section 5.05.030 shall remit user fees and charges other than excise taxes to Metro as specified in this section.
- (b) User fees shall accrue on a monthly basis, and shall be remitted to Metro by the 15th day of the month for waste disposed of in the preceding month. User fees and other charges are considered to will be delinquent if not received by Metro on or before the due date, either by personal delivery to the Metro Department of finance and management information Administrative Services during business hours or, if delivered by mail, by receipt in Metro's mail room on or before the due date. If the due date falls on a holiday or weekend, amounts are delinquent at the end of the first business day that follows.

SECTION 6. Metro Code Section 5.02.060 is amended to read:

5.02.060. Credit Policy at Metro Solid Waste Disposal Facilities

- (a) Disposal charges, including all fees and taxes, may be paid at the time of disposal in cash, by credit card, or by guaranteed check, or may be paid under Metro's credit policy. No credit shall be granted to any person prior to approval of a credit application in a form or forms provided by Metro.
- (b) The executive o Metro's Executive Officer shall establish and maintain appropriate credit requirements for new and existing accounts, which requirements shall be designed to diminish Metro's risk of loss due to nonpayment. Existing account holders may be required to make new application for credit or provide additional guarantees, as deemed necessary or prudent by the executive o Executive Officer.
- (c) Account charges shall accrue on a monthly basis. Statements will be mailed Metro will mail statements on or about the 10th day of the month, for disposal services rendered in the prior month. A statement must be paid no later than the last business day of the month in which it is mailed, and is, the statement will be considered past due thereafter. A payment shall under no circumstances be considered received by Metro unless it is delivered personally to the Metro Department of management information Administrative Services during business hours or, if delivered by mail, is received in Metro's mail room on or before the due date.
- (d) A finance charge of 1.5 percent shall be assessed on all past due charges on the 15th day of the month following the month in which a statement is mailed, and on the 15th day of each month thereafter. Finance charges will be assessed only on unpaid past due balances, and not on previously assessed finance charges. Finance charges will continue to be assessed on negotiated repayment schedules. Payments will be applied first to finance charges and then to the oldest amount past due.
- (e) An account that is 15 days past due may be placed on a cash only basis, until all past due disposal and finance charges are paid. Facility access may be denied to a person whose account is past due and unpaid for 30 days. A decision to place an account on a cash only basis or deny facility access shall be at the discretion of the director of finance and information management.
- (f) A credit customer that sells, terminates, or makes a substantial change in the scope of its business after its application for credit has been approved must notify Metro immediately. Failure to provide the notice required by this subsection may result in termination of credit at Metro facilities pending reapplication for credit.
- (g) The Department offinance and management-information Administrative Services may adjust accounts receivable and reverse finance charges in accordance with prudent credit practices. Adjustments over \$500 shall be reported to the ecouncil in writing on a monthly basis, and adjustments over \$10,000 shall require ecouncil approval.
- (h) The executive o Executive Officer may end pursuit of an account receivable, consistent with prudent credit practices, when the likelihood of collecting does not justify further

collection costs. Such action shall be reported to the ecouncil in writing on a monthly basis when the amount exceeds \$500, and amounts over \$10,000 shall require ecouncil approval.

SECTION 7. Metro Code Section 5.02.065 is amended to read:

5.02.065 Special Waste Surcharge and Special Waste Permit Application Fees; Conditionally Exempt Generator Waste

(a) Special Waste

- (1) A special waste surcharge and a special waste permit application fee shall be collected on all special wastes disposed of at Metro facilities and on all special waste permit applications. The surcharge and fee shall be in addition to any other charge or fee established by this chapter. The purpose of the surcharge and permit application fee is to require disposers of special waste to pay the cost of services provided by-the Metro-solid waste department to manage special wastes. The surcharge and fee shall be applied to all-acceptable special wastes, CFC tanks and refrigeration units.
- (2) The special waste surcharge shall be \$4-per-ton-of-special-waste delivered: a per-ton charge determined by Metro's actual costs in managing special waste, which costs comprise: special handling costs, cleanup costs, and lab or testing costs. The special waste surcharge shall apply to all permitted special wastes and to all nonpermitted special wastes that Metro discovers at a Metro-operated facility that result in additional management costs not otherwise covered by, or incorporated within, any other Metro fee.
- (3) The special waste permit application fee shall be \$25. This fee shall be collected at the time special waste permit applications are received for processing.
- (4) Lab or testing costs incurred by Metro-for-evaluation of a particular-waste may be charged to the disposer of that waste.

 (5) The amount charged for residential refrigeration units and CFC
- (6) The amount charged for commercial refrigeration units shall be \$20.

containing tanks shall be \$15.

- (7) Refrigeration units that can be certified as free of CFC chemical content shall be considered a recyclable and therefore exempt from any fee.
- (b) <u>Conditionally exempt generator (CEG) waste</u>. The amount charged for acceptance of CEG waste and for household hazardous waste from non-household sources shall be the actual disposal costs of such waste calculated from the current Metro contractor price schedules, Metro and/or contractor labor costs, and all applicable excise taxes. and the cost of material utilized for managing the waste.

SECTION 8. Metro Code Section 5.02.075 is amended to read:

5.02.075 Special Exemption from Disposal Fees

- (a) The solid-waste director Executive Officer may issue a special exemption permit to a public agency, local government, or qualified non-profit entity, waiving that functions to waive fees for disposal of solid waste generated within the Metro region, by. Prior to issuing such a permit the making Executive Officer shall render the following findings:
 - (1) Total aggregate disposal fees to be waived for the entity requesting waiver deeswill not exceed \$5,000 per Metro fiscal year;
 - (2) The waiver of fees will address or remedy a hardship suffered by the applicant, or the public interest will be served by waiver of the disposal fees:
 - (3) The waste in question is acceptable for disposal at a Metro facility;
 - (4) The amount of the waiver is covered by budgeted funds; and
 - (5) If the applicant for a special exemption permit is a nonprofit entity, such entity is qualified as specified in Code section 5.07.030(a), (b), (c), (d) and (j).
- (b) The solid waste director shall notify the Executive Officer Director shall notify the Metro Council 14 days in advance of the date of issuance of an exemption permit under this section by filing a written report of the proposed action, including required findings, with the clerk of the council. If the council notifies the dCouncil. If the Council notifies the Executive Officer Director within the 14-day period of its intent to review the proposed waiver, the Executive Officer Director shall not issue the permit unless so authorized by the cCouncil.

SECTION 9. Metro Code Section 5.02.085 is amended to read:

5.02.085 Out-of-District Waste

- (a) Solid waste generated outside of the district shall not be accepted at the Metro South Station, or the Metro Central Station or MSW Compost Facility for disposal unless a special permit to do so is issued by the Metro executive of Executive Officer. Any permit issued shall specify the circumstances justifying such exception. Any permit issued shall be subject to:, and shall take into account the following:
 - (1) Available landfill or facility capacity considering the capacity needs for disposal of solid waste generated within the district;
 - (2) No adverse impact upon district rate-payers;
 - (3) Any solid waste authorized to be disposed under this ordinance shall be subject to the same standards and conditions pertaining to "acceptable waste" deliveries to the above named facilities; and

- (4) Any additional conditions as specified by the executive o Executive Officer which may be necessary for the safe, efficient or cost effective operation of Metro facilities.
- (b) Any special permit issued under paragraph $4(\underline{a})$ shall expire in a period of time not to exceed 12 months from date of issuance unless a longer period of time is authorized by the Metro eCouncil. Any renewals or extensions of a permit resulting in a cumulative permit period exceeding 12 months shall require the approval of the Metro eCouncil.
- (c) Any special permit issued by the executive o Executive Officer may be revoked upon 30 days notice to the permit holder.
- (d) Any permit for a monthly tonnage in excess of 1,000 tons per month must be referred to ethe Council prior to the approval.

SECTION 10. The amendments to the Metro Code provided for in Sections 1 through 10 of this Ordinance shall take effect on August 1, 1997."

ADOPTED by the I	Metro Council this day of, 1	997.
·	Мітнраши	
	Jon Kvistad, Presiding Officer	
ATTEST:	Approved as to Form:	
Recording Secretary	Daniel B. Cooper, General Counsel	-
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STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 97-688 FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 5.02, REDUCING DISPOSAL FEES CHARGED AT REGIONAL SOLID WASTE FACILITIES AND MAKING CERTAIN FORM AND STYLE ADJUSTMENTS

Date: April 4, 1997 Presented by: Bruce A. Warner

Roosevelt Carter

PROPOSED ACTION

Adopt Ordinance No. 97-688.

FACTUAL BACKGROUND AND ANALYSIS

Metro's waste disposal rate has remained stable at \$75/ton since FY 1992. Due to the renegotiated contract with Oregon Waste Systems (Amendment No. 7), other expenditure savings in the Regional Environmental Management Department over multiple years and a strong, regional economy (resulting in higher than expected tonnage generation and disposal), Metro is able to offer a major reduction in the fees charged for waste disposal. After careful consideration and recommendation of Metro's Rate Review Committee, the Executive Officer recommends a \$70/ton overall disposal rate at Metro facilities for FY 1997-98. Ordinance No. 97-688 will:

- reduce Metro's solid waste disposal fees and adjust the fee components of Metro's solid waste disposal rate system and make adjustments to other fees and credits for overall consistency;
- provide Executive Officer authority to waive disposal fees under certain, extra-ordinary conditions or circumstances;
- expand the definition of "unacceptable waste" such that the Executive Officer may further determine such waste beyond that specifically included in the Code when safety or operational restrictions apply;
- · define the basis for assessing a surcharge on special waste; and
- incorporate certain form and style amendments to Metro Code Chapter 5.02.

System Disposal Rates

Metro's System Disposal rates were increased to \$75.00 per ton on July 1, 1992. After five years of stability, the proposed rate of \$70.00 per ton for FY 1997-98 is the first overall disposal rate reduction in Metro's history. The proposed \$70.00 per ton rate reflects: (1) the REM Department's most current tonnage forecast; (2) the effects of Amendment No. 7 to the Oregon Waste Systems contract; and (3) a revised revenue estimate following the A. C.

Trucking Franchise Rate Review. The proposed rates also allow the Council to later consider possible changes in the rate structure to address identified inequities to a small class of rate payers. This concept will require further staff analysis and review by the Solid Waste Advisory Committee and Rate Review Committee. The proposed rates do not reflect any charges in our costs to operate the two Metro-owned transfer stations by private contractors. New five (5) year proposals are to be submitted by potential bidders on March 5, 1997. Further, the FY 1997-98 rate proposal has been reviewed and is recommended by Metro's Rate Review Committee.

As proposed, individual fee component recommendations are as follows:

Regional User Fee	\$15:00/ton
Metro User Fee	8.00/ton
Regional Transfer Charge	7.50/ton
Transportation/Disposal Fee	37.83/ton

Total Rate \$68.33/ton

Additional Fees

■ Enhancement Fee .50/ton DEQ Fees 1.17/ton

Total Disposal Fee \$70.00/ton

Disposal Fee Waiver

Recent experience has shown that emergency conditions may force interruption of normal operations or temporary shutdown of Metro facilities while customers are waiting to dispose of their waste, e.g., when radiation is detected or when other hazardous or unknown waste is illegally disposed. Such interruptions have, on occasion, led to strong complaints by some customers who were forced to wait for the situation to be cleared. Rather than engage certain, angry customers, it is sometimes more effective to offer a waiver of fees as recognition of a problem they were unable to control. Grant of this authority will help remove scalehouse staff from potentially volatile situations.

<u>Unacceptable Waste</u>

Due to the wide variety of materials available to consumers and businesses today, it is nearly impossible to identify all wastes that may be unacceptable at transfer facilities in advance. While an extensive list of such waste is included in the Code, some wastes will surely find their way to the transfer stations that are not specifically noted. In such cases, a timely review and determination is warranted. Grant of this authority will allow transfer station operations to proceed with minimal interruption.

Special Waste Surcharge

Metro has experienced recent incidents of illegal disposal of certain special wastes resulting in interruption of transfer station operations. These incidences also resulted in hospitalization of employees and customers, required costly resources for appropriate emergency response, investigation and cleanup.

Authority to charge customers for actual costs of response, testing, managing, clean-up and disposal of permitted and non-permitted special wastes found in Metro operated facilities is warranted.

FISCAL IMPACT

The \$70.00 per ton disposal fee is based on estimated expenses for the Regional Environmental Management Department for FY 1997-98. This will allow Metro to collect all REM's revenue requirements for FY 1997-98.

Implementation of the proposed rates will result in \$53,052,962 at the forecast tonnage level of 1,176,359 total regional tons for FY 1997-98. (725,578 tons are expected to directly transit the Metro facilities.) The excise tax associated with this proposal is \$3,952,157. The FY 1997-98 Proposed Budget assumed 1,103,989 system tons at \$71.00 per ton. The excise tax under this proposal is \$166,265 more than would have been collected in the Proposed Budget.

As calculated the Regional User Fee assumes an "alternative regional user fee" for a small class of rate payers if the Council chooses to adopt such a fee by ordinance after July 1, 1997. Presentation of such a fee for Council consideration is dependent on further study and review by the Solid Waste Advisory Committee and the Rate Review Committee.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 97-688.

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