

MINUTES OF THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

May 14, 1992

Council Chamber

Councilors Present: Presiding Officer Jim Gardner, Deputy
Presiding Officer Judy Wyers, Larry
Bauer, Roger Buchanan, Tanya Collier,
Richard Devlin, Ed Gronke, Sandi Hansen,
Ruth McFarland, Susan McLain, George Van
Bergen and Ed Washington

Councilors Absent: None

Presiding Officer Gardner called the regular meeting to order at
5:30 p.m.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATIONS TO THE COUNCIL ON NON-AGENDA ITEMS

April Olbrich, citizen, invited the Council to the Tualatin River
Discovery Day Event to be held on June 27, 1992, asked for the
Council's endorsement of same and noted it was a Greenspaces
sponsored event. Councilor Collier suggested the Council issue a
proclamation. Councilor Wyers suggested a resolution be drafted
to endorse this and all future Tualatin River Discovery Events.
The Council directed Council staff to draft a resolution
endorsing the event for introduction at the next regular Council
meeting. Ms. Olbrich thanked the Council for their support of
the event.

3. EXECUTIVE OFFICER COMMUNICATIONS

3.1 Briefing on Greenspaces Master Plan

Executive Officer Cusma introduced the Planning Department staff
who would give the briefing on the Greenspaces Master Plan.

Andy Cotugno, Director of Planning, reviewed work done to-date on
the Master Plan, Greenspaces ballot measure and financing
mechanisms. David Ausherman, Associate Regional Planner,
reviewed and described maps and details of the Master Plan.
Planning staff concluded their presentation. Executive Officer
Cusma said Planning staff had done an excellent job on a complex,
large program, and applauded their efforts. The Council
discussed the Greenspaces Program, ballot measure and financing
mechanisms.

4. CONSENT AGENDA

4.1 Consideration of April 9, 1992 Minutes

4.2 Resolution No. 92-1606, For the Purpose of Authorizing an Intergovernmental Agreement with Clackamas County to Provide Litter Collection Services

Motion: Councilor Wyers moved, seconded by Councilor Devlin, for adoption of the Consent Agenda.

Vote: Councilors Bauer, Buchanan, Devlin, Gronke, McLain, Van Bergen, Washington, Wyers and Gardner voted aye. Councilors Collier, Hansen and McFarland were absent. The vote was unanimous and the Consent Agenda was adopted.

5. ORDINANCES, FIRST READINGS

5.1 Ordinance No. 92-453, For the Purpose of Granting a Franchise to Pemco, Inc. for the Purpose of Operating a Petroleum Contaminated Soil Processing Facility and Declaring an Emergency

The Clerk read the ordinance for a first time by title only.

Presiding Officer Gardner announced Ordinance No. 92-453 had been referred to the Solid Waste Committee for consideration.

5.2 Ordinance No. 92-454, For the Purpose of Granting a Franchise to Sonas Soil Resource Recovery of Oregon, Inc. for the Purpose of Operating a Petroleum Contaminated Soil Processing Facility and Declaring an Emergency

The Clerk read the ordinance for a first time by title only.

Presiding Officer Gardner announced Ordinance No. 92-454 had been referred to the Solid Waste Committee for consideration.

6. ORDINANCES, SECOND READINGS

6.1 Ordinance No. 92-455A, For the Purpose of Amending Metro Code Chapter 5.02, Disposal Charges and User Fees at Metro Facilities

The Clerk read the ordinance for a second time by title only.

Presiding Officer Gardner announced Ordinance No. 92-455 was first read on March 12, 1992, and referred to the Solid Waste

Committee for consideration. The Solid Waste Committee considered the ordinance on May 13 and recommended Ordinance No. 92-455A to the full Council for adoption.

Motion: Councilor Wyers moved, seconded by Councilor Hansen, for adoption of Ordinance No. 92-455A.

Councilor Wyers gave the Solid Waste Committee's report and recommendations. She said the ordinance would establish Metro's solid waste disposal rates for FY 1992-93 and contained an emergency clause to declare the effective date July 1, 1992. She said the rate would increase from \$68 per ton to \$75 per ton for a total increase of 10.3 percent. She said the ordinance was being considered at this time to allow haulers and local governments time to adjust their collection rates to reflect the increase in disposal charges.

Councilor Wyers referred to the "Rate Comparison" chart comparing rates in FY 1991-92 and FY 1992-1993 (attachment to Solid Waste Committee report). She explained the tonnage adjustment of \$2.46 was meant to build up an almost depleted operating contingency and said if future tonnage projections were more accurate, that increase would be a one-time only occurrence.

Councilor Wyers explained the major solid waste disposal and transportation contracts contained annual inflation adjustment clauses and that Solid Waste Department staff estimated the average inflation rate of 3.83 percent would apply to those contracts. She said that figure also included contractual and merit-related pay increases for department employees.

Councilor Wyers said the Council had approved an increase in the current excise tax rate from 5.25 percent to 6 percent. She said the higher excise tax rate per ton would be \$.82 per ton higher than that collected in the current fiscal year.

Councilor Wyers explained because of legislative and administrative actions, solid waste disposal fees payable to the Department of Environmental Quality (DEQ) would increase by \$.50 per ton.

Councilor Wyers explained the Tier One User Fee of \$19.00 paid for the fixed system costs, including central staff, administrative staff and overhead, as well as the various recycling and waste reduction programs. She said the Tier Two Fee of \$7.00 paid the fixed costs associated with the major transportation and disposal contracts, debt service for Metro Central Station and capital expenditures from the General Account. She explained the Regional Transfer Charge of \$9.00

paid the operating costs of the transfer stations. She explained the disposal fee of \$38.25 paid the operational and contractual costs of landfilling waste, including the Jack Gray Transport, Inc. contract and the Oregon Waste Systems, Inc. contract at Columbia Ridge Landfill. Councilor Wyers explained Tier costs and other considerations further. Councilor Wyers said increased costs meant \$.50 more per can per month for all regional users, depending on franchise agreements.

Councilor Wyers discussed the Rate Review Committee's recommendations also printed in the committee report. She said the Committee made four recommendations: 1) Move the Budgeted Contingency from an allocation across the Tiers entirely to Tier One; 2) Move the cost of operating the St. Johns Landfill from Tier Two to Tier One; 3) Remove any subsidy of yard debris rates from Tier One rates as long as the rate for yard debris remained lower and the incentive to separate yard debris was maintained; and 4) Set limits on the annual percent increase of the total dollar amount of administrative, budgeting, planning, transfers, other general overhead costs and general government costs funded by the solid waste rates and limit those costs to external indexes such as the Consumer Price Index with exceptions for program changes approved by the Council or otherwise mandated by law. Councilor Wyers thanked the Rate Review Committee for their work on the solid waste rates.

Councilor Wyers explained amendment language and considerations that led to the "A" version of the ordinance and referred those present to Legal Counsel Todd Sadlo's May 5, 1992, memorandum on the ordinance and necessary changes.

Councilor Wyers said the Solid Waste Committee considered the ordinance at a special meeting on May 13 and heard Rate Review Committee testimony. She said the Solid Waste Committee decided to discuss the limits recommended by the Rate Review Committee in more detail at a later date. She said the Committee discussed the recommendation on yard debris rates. She said it was important to maintain the lower yard debris rate as an incentive to keep it out of the landfill. She said the Rate Review Committee recommended a yard debris rate of \$65 per ton and said that rate was too high. Councilor Wyers said she recommended a rate of \$54 per ton for clean yard debris for a negative budget impact of \$32,000 to be covered by Contingency.

Presiding Officer Gardner opened the public hearing.

Estle Harlan, Tri-County Council, said Metro's bringing St. John's Landfill costs into Tier One lowered rates which the haulers appreciated. She said a subsidy for yard debris was

unwelcome because the hauling industry had gone to great lengths to set up curbside recycling. She noted her previous service on Metro's Waste Reduction Committee and said that committee had wanted to create a clear disparity between what haulers and processors would charge. She said the processing rate would likely go up from \$28 to \$35 per ton. She said the amendment as proposed by Councilor Wyers was introduced late in the process and haulers would not be able to respond to the changed rate.

Councilor Gronke asked if all haulers were supportive of yard debris curbside recycling. Ms. Harlan said they were. She said some pick-up programs already implemented had proven to be quite successful. She said one hauler already had 50 percent participation.

Susan Keil, Manager of Solid Industrial Waste, City of Portland, said the City would reimburse haulers for lost costs until the new rate structure began July 1992. She discussed pick-up times and other considerations.

Presiding Officer Gardner asked why citizens taking yard debris directly to processors would negatively impact the program because they paid for yard debris disposal already. Ms. Keil said two cans meant the cost of the second can paid for the cost of the first can. Ms. Harlan agreed. She said it was mandatory for the hauler to offer the programs, although not mandatory for customers to sign off on it.

Councilor McLain said the testifiers were concerned that support for curbside would be taken away and whether Metro would be competitive with haulers in the future. She said the curbside program was extremely important and asked how self-haulers could be encouraged to use the program. Ms. Harlan said home composting information would be helpful. She said self-haulers should use Grimm's or McFarlane's Bark if they really had to self-haul. She said the financial effects were little, but that haulers felt strongly about the yard debris curbside programs.

Councilor Devlin said Councilor McLain was right when she discussed subsidy issues. He asked what Metro did with yard debris at Metro transfer stations. Bob Martin, Director of Solid Waste, said Metro had a small contract with a hauler to take it to the processors. Councilor Devlin said the factors that would warrant an amendment were not in place and said he would vote nay on the amendment. The Council discussed the proposed amendment and testimony further. Councilor McFarland supported the amendment and said the Council had the right to change the rate. She said the issue should be addressed and discussed next year.

Presiding Officer Gardner asked if anyone else present wished to testify on the ordinance. No other persons appeared to testify and the public hearing was closed.

Motion to Amend: Councilor Wyers moved, seconded by Councilor Van Bergen, to amend the ordinance by changing the yard debris rate from \$49 per ton to \$54 per ton with the difference coming from the Contingency Fund.

Vote on Motion to Amend: Councilors Collier, Gronke, McFarland, Van Bergen, Washington, Wyers and Gardner voted aye. Councilors Bauer, Buchanan, Devlin, Hansen and McLain voted nay. The vote was 7 to 5 in favor and the motion to amend the ordinance passed.

Vote on the Main Motion as Amended: Councilors Buchanan, Collier, Devlin, Gronke, Hansen, McFarland, McLain, Van Bergen, Washington, Wyers and Gardner voted aye. Councilor Bauer was absent. The vote was unanimous and Ordinance No. 92-455B was adopted.

7. RESOLUTIONS

7.1 Resolution No. 92-1608, For the Purpose of Authorizing a Sole Source Contract with Charles Sax, AIA to Create a Booklet: Meet "MRF" An Introduction to Materials Recovery Facilities and Transfer Stations

Motion: Councilor Hansen moved, seconded by Councilor Devlin, for adoption of Resolution No. 92-1608.

Councilor Hansen gave the Solid Waste Committee's report and recommendations. She explained the resolution would authorize a contract to produce a booklet related to locating material recovery and transfer stations in local communities. She said the booklet would explain how such facilities operated in an effort to overcome traditional local reactions to siting such facilities. She said local communities could adapt it for their own needs. Councilor Hansen noted Metro had applied for Environmental Protection Agency (EPA) funding to subsidize the cost of the booklet.

Vote: Councilors Buchanan, Devlin, Gronke, Hansen, McFarland, McLain, Van Bergen, Washington and Gardner voted aye. Councilors Bauer, Collier and Wyers were absent. The vote was unanimous and Resolution No. 92-1608 was adopted.

7.2 Resolution No. 92-1614A, For the Purpose of Authorizing Issuance of a RFB for Groundwater Monitoring Well Improvements and Piezometer Installation at St. Johns Landfill

Motion: Councilor Van Bergen moved, seconded by Councilor Hansen, for adoption of Resolution No. 92-1614A.

Councilor Van Bergen gave the Solid Waste Committee's report and recommendations. He explained the resolution would authorize issuance of an RFB for work to address DEQ's request that Metro make certain improvements in the groundwater quality monitoring well system at the St. Johns Landfill. He said DEQ would also require the installation of piezometers to measure groundwater levels. Councilor Van Bergen supported the resolution, but questioned Metro's having to expend funds when the request by DEQ was not an actual order. He asked for advice from the General Counsel. General Counsel Dan Cooper said Metro was not ordered or required to do the work. Councilor McFarland said citizens in the area were quite concerned about the lack of groundwater monitoring and would take legal action if Metro did not take steps. Councilor Hansen noted the \$30 to \$40 million cost to close the St. Johns Landfill did not compare with Superfund site costs in other states, and said the cost of this contract would be nominal in comparison. The Council discussed the resolution further.

Vote: Councilors Bauer, Buchanan, Devlin, Gronke, Hansen, McFarland, McLain, Van Bergen, Washington, Wyers and Gardner voted aye. Councilor Collier was absent. The vote was unanimous and Resolution No. 92-1614A was adopted.

7.3 Resolution No. 92-1609, Establishing Guidelines and Criteria for the Second Year of Greenspaces Restoration and Enhancement Grants

Motion: Councilor Devlin moved, seconded by Councilor Hansen, for adoption of Resolution No. 92-1609.

Councilor Devlin gave the Transportation & Planning Committee's report and recommendations. He explained the program would award \$250,000 to local governments, school districts and non-profit organizations to restore urban wetlands, streams and upland sites. He said workshops would be held to assist grant applicants.

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Vote: Councilors Bauer, Buchanan, Devlin, Gronke, Hansen, McFarland, McLain, Van Bergen, Washington, Wyers and Gardner voted aye. Councilor Collier was absent. The vote was unanimous and Resolution No. 92-1609 was adopted.

Presiding Officer Gardner recessed the Council of the Metropolitan Service District and convened the Contract Review Board of the Metropolitan Service District to consider Agenda Item No. 7.4.

7.4 Resolution No. 92-1615, For the Purpose of Amending Contract 901-395 Between Metro and 1000 Friends of Oregon

Motion: Councilor Washington moved, seconded by Councilor Wyers, for adoption of Resolution No. 92-1615.

Councilor Washington gave the Transportation & Planning Committee's report. He explained the resolution would amend Metro's earlier contract with 1000 Friends of Oregon for a total contract cost of \$127,000. He said the contract had to be amended because the previous resolution overlooked necessary LUTRAQ work.

Councilor Van Bergen noted the contract stated "the Project Manager has the necessary authority to alter work" and asked who the project manager was. Mr. Cotugno said he served as the project manager. The Council briefly discussed the resolution and the Metro Code contract provisions. Mr. Cooper briefly addressed the issues.

Vote: Councilors Buchanan, Devlin, Gronke, Hansen, McFarland, McLain, Van Bergen, Washington and Gardner voted aye. Councilors Bauer, Collier and Wyers voted aye. The vote was unanimous and Resolution No. 92-1615 was adopted.

Presiding Officer Gardner adjourned the Contract Review Board and reconvened the Council of the Metropolitan Service District.

8. COUNCILOR COMMUNICATIONS AND COMMITTEE REPORTS

Councilor Van Bergen asked that the Quarterly Investment Report dated March 31, 1992, be scheduled for review by the Finance Committee on May 21.

Presiding Officer Gardner referred the Council to his May 14 memorandum with information on communications to-date with Tri-

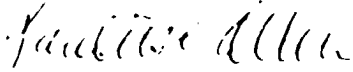
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Met and the Portland Chamber of Commerce regarding the proposed Tri-Met/Metro merger financial impact study.

Council Administrator Don Carlson reminded the Council to turn in their draft biographies for inclusion in the Metro Council brochure.

All business having been attended to, Presiding Officer Gardner adjourned the meeting at 7:54 p.m.

Respectfully submitted,



Paulette Allen
Clerk of the Council