

MINUTES OF THE COUNCIL SOLID WASTE COMMITTEE
OF THE METROPOLITAN SERVICE DISTRICT

January 7, 1992

Council Chamber

Committee Members Present: Judy Wyers (Chair), Ruth McFarland (Vice Chair), Tom DeJardin, Jim Gardner, Susan McLain

Councilors Also Present: Roger Buchanan, George Van Bergen

Chair Wyers called the regular meeting to order at 5:02 p.m.

1. Consideration of Solid Waste Committee Meeting Minutes of June 4, 1991, August 6, 1991, and September 3, 1991

Motion: Councilor DeJardin moved for approval of the June 4, 1991, August 6, 1991 and September 3, 1991 Solid Waste Committee meeting minutes.

Vote: Councilors DeJardin, Gardner, McLain, McFarland and Wyers voted aye.

The vote was unanimous and the motion passed.

2. Resolution No. 92-1546, For The Purpose of Authorizing the Issuance of a Request for Bids (RFB) for the Construction of an Improved Cover System, Gas Collection System, and Stormwater Collection System on a Portion of St. Johns Landfill

Dennis O'Neil, Senior Solid Waste Planner, and James Watkins, Engineering Analysis Manager, presented the staff report. Mr. O'Neil displayed an aerial photograph of the landfill area and said the intention was to place an impervious cover on the landfill and build a system of mounds into the design to keep rainwater. He said using sand and subgrade embankment material in certain areas would add weight, pressing the garbage and causing it to settle. He said the resolution would authorize the issuance of a request for bids for subarea #1 and a portion of subarea #2, which he outlined on the displayed photograph. He said a gas control system would need to be installed so the cover would not be cracked, and said the plan included the drilling of gas wells in 1992. He noted Metro engineering consultants recommended the timing to reduce the element of risk of construction delays during 1993.

Mr. O'Neil said the gas collection system was an alternate bid item in the RFB, and noted various vendors were being considered who might develop energy recovery from the gas collection. Mr. O'Neil also presented proposed amendments to the RFB which have been made a part of the permanent meeting record.

(Continued)

Mr. O'Neil referred to a memorandum in the agenda packet from John Houser, Council Analyst, dated December 31, 1991 and answered questions #1 and #2 posed. He noted the material procurement would be additional material needed for subarea #1 and procured separately from the existing material procurement contract with John Jersey & Son. He said the work in proposed for subarea #2 would help to reduce risk for construction delays in 1993.

Mr. Watkins said, in answer to question #3 a), said price of installation of the gas collection system would not be compared since only one of the proposers intends to install the system. He responded to question #3 b) in the negative, and said in reference to question #3 c) the answer depended on the timing. He said in answer to question #4 the \$1.6 million budgeted for the two months construction planned for FY 1991-92 was a portion of the total amount necessary for closure. He said the total of \$27 million for closure had been prorated by the number of acres in the landfill and the number of months for subarea closure per fiscal year or 2/6 of \$5 million for the current fiscal year.

Chair Wyers continued consideration of Resolution No. 92-1546 until a later time in the meeting, and requested Ordinance No. 92-435 be heard.

2. Ordinance No. 92-435, For the Purpose of Amending the Metro Code to Exempt from Payment of Excise Taxes Persons Delivering Solid Waste Generated and Disposed Outside of District Boundaries, and Declaring an Emergency

Bob Martin, Director of Solid Waste, presented the staff report, and said the matter before the Committee represented the only instance in which the region was attempting to charge to excise tax and not the user fee. He said when the excise tax was adopted, the issue arose of whether processors exempted from the user fee on the portion of waste being processed should also be exempted from the excise tax, and noted agreement was reached to do so. Mr. Martin said he requested Legal Counsel draft the ordinance before the Committee noting he felt it was inequitable to charge the excise tax of a user of the facility which Metro franchised but neither financed, operated or owned. He noted generators of waste from outside the Metro boundaries using the facility did not impact Metro's ability to use the facility for waste generated from within the boundaries. He noted the waste was not disposed of but was waylaid there for a short period for reloading purposes. He said the ordinance would change the Metro code to stipulate Metro would not apply the excise tax to waste that is neither generated nor disposed within the region. He said revenue impact would be minor and approval of the ordinance would reflect consistency with the manner in which other fees were collected.

In response to Councilor McFarland, Mr. Martin said it was certain one hauler would be affected by the ordinance as well as possible other haulers. He said excise fees were currently charged on all waste coming to the Forest Grove facility which is generated within Metro boundaries, and said Metro had the legal right to collect excise tax on waste coming from without the Metro boundaries. Mr. Martin agreed with Councilor McFarland's statement that Metro provided a service to entities using Metro franchised facilities within Metro boundaries. Mr. Martin reiterated franchised waste processors of recycling materials were exempted from the excise tax and user fees.

Councilor Gardner said waste processors disposed of waste in a manner which ranked higher on the state hierarchy of disposal methods than landfilling and were exempted from the Metro user fee as a cost incentive. Mr. Martin noted concerns regarding the stability of funding the fixed program base that supports Metro recycling programs, and urged the Committee to revisit issues of fee application.

Chair Wyers opened a public hearing.

Ed Sullivan, representing SWATCO, testified before the Committee, and said the solid waste in question came from outside Metro boundaries, expended a brief time at the Forest Grove transfer station and was then transported to Riverbend. He said he favored the staff recommendation, and felt the ordinance was consistent with Metro policy.

Councilor Gardner indicated the excise tax was not intended to fund solid waste operations, and said it was rather to be applied to governmental costs. He indicated governmental cost accrual to the franchised facility in question, and noted none of the user fee revenue was to fund general governmental costs.

In response to Councilor McLain, Mr. Sullivan explained the solid waste was temporarily waylaid at the Forest Grove facility for reloading onto larger trucks, and said his company paid the user fee to do so. In response to Councilor McLain, Mr. Sullivan agreed his client benefitted from use of the facility, and asked the Committee to consider whether the user fee correctly reflected that benefit, and whether or not the excise tax for general Metro operations, which he said neither SWATCO or its customers directly used, was a correct apportionment.

Chair Wyers closed the public hearing.

Motion: Councilor DeJardin moved to recommend Ordinance No. 92-435 to the full Councilor for adoption.

Chair Wyers urged the Committee vote against adoption of the ordinance.

Vote: Councilors DeJardin and McLain voted aye. Councilors Gardner, McFarland and Wyers voted nay.

The motion was defeated.

Chair Wyers opened a public hearing.

Jeanne Roy, Recycling Advocates, presented a paper to the Committee outlining reasons to select source separated organics composting rather than mixed waste composting dated January 7, 1992. This document has been made a part of the permanent meeting record.

Councilor Van Bergen asked if Ms. Roy knew whether chemists were utilized in Europe to review odor problems with a view toward controlling odor. Ms. Roy said she had not seen that information in her readings.

Councilor Gardner asked if restaurant food waste was composted with yard waste. Ms. Roy indicated it could be done in the right proportions.

In response to Councilor Buchanan, Ms. Roy said none of the composters referenced in the paper were using the Dano process.

Sharon Richter, a recycling advocate from Northwest Portland, also testified before the Committee.

3. Solid Waste Updates

o General Staff Reports

Mr. Martin referenced a newspaper article regarding the Riedel composter and Credit Suisse, and noted Credit Suisse representatives were meeting with Riedel officials. He said the plant continued to operate, and said he met with the bank as well. He indicated both DEQ and the City of Portland were involved in review of the situation and the city might take action independently from DEQ. He said it was hoped the odor problem could be solved by July 1st to halt possible closure.

The Committee and staff noted concerns regarding the composter issues and requested legal questions be discussed in further detail at a later date.

o Waste Reduction Program Activities

Debbie Gorham, Waste Reduction Manager, noted Metro waste reduction staff and other interested parties were planning a two day tour to Seattle to view a number of waste reduction activities in the area including a de-tinning plant, a vermiculture project at the King Dome, the Cedar Grove yard debris composting facility, a diversified

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composting and organics recycling company called Pacific Topsoils, the Ribanco transfer station where a buy-back center had been instituted, the Waste Management material recovery facility, the City of Seattle transfer station and household hazardous waste collection facility and the King County waste mobile.

Ms. Gorham also discussed a notice from the Public Affairs department regarding radio spots on recycling called "Time Out for the Environment" to be aired by the Blazers locally in cooperation with PGE and the Port of Portland.

Marie Nelson, Public Affairs Supervisor, reported the Public Affairs computer system was in operation as a pilot program with information regarding recycling of Christmas trees. She said because of the computer system the department had been able to respond to 1,100 calls in one day, an unprecedented number. She invited Councilors to come and see the new system, and said it would be completely operational within the next two to three months.

At this time Chair Wyers revisited hearing the staff report and Committee questions regarding Resolution No. 92-1546, noted herein as agenda item no. 2.

In response to Councilor McFarland, Mr. O'Neil pointed out the location of the conveyer belt planned to bring dredge material into the area to be covered in the landfill.

In response to Councilor DeJardin, Mr. O'Neil confirmed six mounds or hills would be constructed bringing a natural appearance to the area. The Committee and staff addressed soil-pulverization issues. Councilor McFarland noted the Smith-Bybee Lakes Committee, which she chaired, was working with the Solid Waste department on various issues.

Motion: Councilor McFarland moved to recommend Resolution No. 92-1546 to the full Council for adoption.

Vote: Councilors DeJardin, Gardner, McFarland, McLain and Wyers voted aye.

The vote was unanimous and the motion passed.

5. Resolution No. 92-1548, For the Purpose of Approving a Contract with Western Compliance Services, Inc., to Transport, Recycle, Treat, and Dispose of Wastes Collected at Metro's Permanent Household Hazardous Waste Collection Facilities

Sam Chandler, Solid Waste Facilities Manager, presented the staff report, and said approval was sought for the contract which would

provide for the disposal of household hazardous waste materials collected at Metro South.

He addressed questions contained in Mr. Houser's memorandum dated December 31, 1991, and said the contract was delayed noting a household hazardous waste event was held during the year. He said Metro visited the sites which would be handling the HHW to ensure methods were in keeping with Metro standards. He said the proposed contractor had the lowest cost and met criteria in other areas. He said the department configured what a "unit" of HHW would comprise, and said the proposed contractor cost would be \$24,200 per unit of HHW, Burlington Environmental cost per unit - \$29,285, ChemWaste - \$30,634, and Northwest Environmental Services - \$32,309.

Mr. Chandler said of the \$800,000 budgeted FY 1991-92, \$340,000 had been expended and the remainder was encumbered. He said \$30,000 of the budgeted amount had been expended to remove and handle materials termed "orphan waste" found in load checks at Metro South for which no generator could be determined. He said although a cost was associated with the work, the new program was successful since the material was no longer going to the landfill. He noted a similar program at Metro Central had incurred approximately \$60,000 in associated cost, as well as \$180,000 associated cost for the picking line at the composter for which Metro had disposal responsibility. He said a total of \$690,000 had been expended on HHW programs this fiscal year, and said a budget amendment was forthcoming.

He said detailed manifests would be completed and quantities would be tracked for DEQ and planning purposes, and said the department would receive monthly summaries from the contractor. He said trends would be established through the process. and said the budget was based on previous events as well as research from other similar facilities in the country. He said the facility was near operational at this time, and said in accordance with the DEQ permit the contract for disposal of material would need to be in place.

In response to Councilor DeJardin, Mr. Chandler said no plans currently existed to charge a fee for disposal of HHW. He noted certain items did cost more to dispose of than others, and said the department was analyzing what items could be further recycled, such as anti-freeze. Councilor DeJardin was interested in a schedule regarding HHW processing beyond the facility operation.

In response to Councilor Gardner, Mr. Chandler indicated monthly billing from the contractor could include additional staff time in the event there was an unusual occurrence such as a spill of special HHW, and said the manifest documents would be used for billing.

Motion: Councilor DeJardin moved to recommend Resolution No. 92-1548 to the full Council for adoption.

In response to Chair Wyers, Mr. Martin said the Public Affairs Department and Solid Waste Department were planning to coordinate the message to the public regarding the HHW facility.

Vote: Councilors DeJardin, Gardner, McFarland, McLain and Wyers voted aye.

The vote was unanimous and the motion passed.

Chair Wyers asked the Committee to entertain a motion to reconsider Resolution No. 92-1546 to include the amendments presented to the Committee.

Motion: Councilor Gardner moved to reconsider Resolution No. 92-1546 to include amendments presented to the Committee.

Vote: Councilors Gardner, McFarland, McLain and Wyers voted aye.

The vote was unanimous and the motion passed.

Motion: Councilor Gardner moved to amend Resolution No. 92-1546 as suggested by staff.

Vote: Councilors Gardner, McFarland, McLain and Wyers voted aye.

The vote was unanimous and the motion passed.

6. Five Year Financial Plan

o Solid Waste

Roosevelt Carter, Budget and Finance Manager, presented Phase II of the Five Year Financial Plan for the Solid Waste Department to the Committee. The document has been made a part of the permanent meeting record. In response to Mr. Houser, Mr. Carter said debt service associated with possible franchise agreements for transfer stations in Washington County were not reflected. Mr. Carter said it was assumed the bonds sold for Metro West would be private and debt service would not be Metro owned debt and would pass through the Master Project account. In response to Councilor Gardner, Mr. Carter said the DEQ bonds were now paid. Mr. Carter said Phase III would include further revenue figures, and said the department was working on the St. Johns closure figures.

o **Planning & Development**

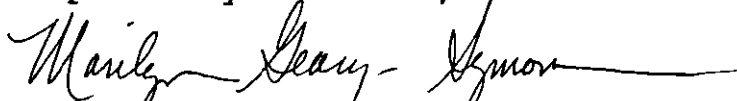
Rich Carson, Planning and Development Director, and Becky Crockett, Regional Planning Supervisor, presented Phase II of the Planning and Development Department Five Year Financial Plan to the Committee, which he noted included a mission statement, and said that activities were divided into five basic areas: 1) System Development, 2) Waste Stream Management, 3) Hazardous Waste, 4) Policy Development, and 5) Intergovernmental Coordination. The document has been made a part of the permanent meeting record. Mr. Carson said Phase III would develop further information regarding program detail. Councilor Gardner indicated an expectation that resources for solid waste planning would reduce at an increased level than was demonstrated in the document. Mr. Carson said the expectation that planning ceased at a certain point was not his perception based on present experience.

o **Public Affairs**

Ms. Nelson presented Phase II of the Public Affairs Department Five Year Financial Plan to the Committee. She drew attention to proposed changes in the budgeting for the department to break out Solid Waste department program costs and Public Affairs department costs. She said the department was also reviewing a potential volunteer coordinator position to incorporate volunteers into Metro activities. The document appeared in the agenda packet and was included in the permanent meeting record.

There being no further business, the meeting adjourned at 8:00 p.m.

Respectfully submitted,



Marilyn Geary-Symons
Committee Clerk

VOTE EXPLANATION ON ORDINANCE NO. 92-435
COUNCILOR SUSAN MCLAIN

I would like to have the following explanation entered into the committee meeting record relating to Ordinance No. 92-435.

"I voted in support of Ordinance No. 92-435 for the following reasons:

1) The waste for which an excise tax exemption was sought is not generated or finally disposed of within the Metro boundaries.

2) Those seeking the exemption do pay a disposal fee at the Forest Grove Transfer Station.

3) The benefits derived by the hauler from Metro are, in this instance, very limited. Use of the Forest Grove Transfer Station by the affected haulers reduces traffic, fuel use, and wear and tear on the affected roads. The transfer station simply serves as a reload facility for solid waste bound for the Riverbend facility in Yamhill County.

4) Overhaul of the application of the excise tax and user fee to include those outside of Metro's boundaries may raise the public's concern about being taxed without a vote.

5) The political and economic effects of the committee's decision not to grant an exemption outweigh the potential loss of excise tax revenue."

Signed,

Susan McLain

Susan McLain
District 1