

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

March 6, 1990

Council Chamber

Committee Members Present: Gary Hansen (Chair), Roger Buchanan and Tom DeJardin

Committee Members Absent: Larry Bauer (V. Chair) and Judy Wyers

Chair Hansen called the meeting to order at 5:40 p.m.

1. Consideration of Minutes of February 6, 1990

Motion: Councilor DeJardin moved for approval of the minutes.

Vote: Councilors Buchanan, DeJardin and Hansen voted aye. Councilors Bauer and Wyers were absent. The vote was unanimous and the minutes were approved.

Councilor DeJardin noted Councilor Wyers stated for the record at the February 6, 1990, Solid Waste Committee meeting she was uncomfortable the Committee had not kept a full quorum until adjournment at that meeting. He noted he had to leave the February 6 meeting before adjournment to fulfill an obligation previously made and said Councilor Wyers could discuss meeting attendance with him if desired.

2. Policy Review of Solid Waste Department Budget for FY 1990-91

Chair Hansen said this agenda item provided the Solid Waste Committee the opportunity to clarify policy issues and concerns and make recommendations to the Budget Committee. He noted the Budget Committee would meet March 19 and 28 and the Solid Waste Committee would have another opportunity to discuss the issues March 20.

Bob Martin, Director of Solid Waste, said staff would focus on policy issues structured in the budget rather than numbers. He said programs impacted rates and rates affected the budget. He noted FY 1989-90 the Waste Reduction, Engineering, Budget and Finance divisions expanded dramatically and did not plan to add staff FY 90-91 to those divisions. He said the Solid Waste accounts structure would be changed because of master bond Ordinance No. 89-319.

Mr. Martin listed new aspects/changes which would affect rates FY 90-91: The timing of new facilities, some still in the design stages; the Metro South Station upgrading; the construction of Metro East Station; the St. Johns Landfill Closure which involved staff transfers; and compost facility completion scheduled for June 1991. Mr. Martin noted staff were budgeted for the compost facility if it came on-line earlier than estimated, but if it did not said new staff would not be hired. Mr. Martin discussed household hazardous waste (HHW) at transfer stations

COUNCIL SOLID WASTE COMMITTEE

March 6, 1990

Page 2

and the change from a scalehouse system to an all-weight system for equitable charging of rates which would require adjustment of station processing and staffing.

Mr. Martin reviewed regional waste reduction financing and said it was necessary to have a high degree of local participation and staff proposed a line item to finance local jurisdictions above and beyond containers. Mr. Martin said staff proposed sponsorship of funds for disposal charges for local jurisdictions which held local clean-ups to prevent illegal dumping. He said neighborhood clean-ups sponsored would emphasize waste reduction.

Mr. Martin said a new major expense was closure of the St. Johns Landfill. He said closure activities would use some of the St. Johns Closure funds set aside and also expenses related to management of Smith and Bybee Lakes.

Mr. Martin said there would be a new emphasis on select, or low-grade, waste. He said staff would trace different waste components to their destination. He said emphasis would concentrate on waste/contaminated soil; sludge; grits; and non-hazardous industrial oils among other select wastes.

Chair Hansen asked if staff developed a list of customers for whom the St. Johns Landfill closure would present a hardship. Mr. Martin said staff was developing a list but said the closure did not necessarily mean hardship but change. Mr. Martin discussed federal subtitle legislation such as Subtitle D which stipulated what wastes facilities could accept and said staff could identify affected users also. Mr. Martin discussed regulatory requirements further.

Roosevelt Carter, Budget & Finance Manager, said Ordinance No. 89-319 specified actions with regard to the flow of Solid Waste budget funds. He said previously the budget operated with five funds: Operating Fund, Capital Fund, Debt Service Fund, St. Johns Reserve Fund, and Rehabilitation and Enhancement Fund. He said those funds would be replaced with one fund: The Revenue Fund. He said within the Revenue Fund there was the Operating Account and the Renewal and Replacement Account. Mr. Carter said the latter account was new and established to pay for and replace capital assets of the disposal system as equipment deteriorated and needed repair. Mr. Carter said the St. Johns Reserve Fund would be titled the Landfill Closure Account. He said the General Account was for capital outlay items. He said the System Construction Account was for facilities such as Metro East financed by bond issues. He said the System Debt Service Account was to pay off debt and was used last year to pay back the Department of Environmental Quality (DEQ) and said the DEQ debt was made part of the bond revenue proceeds to leave Metro with bond debts only. He displayed a chart which broke accounts into percentages: Construction--11 percent; Landfill Closure Account--6

COUNCIL SOLID WASTE COMMITTEE

March 6, 1990

Page 3

percent; General Account--6 percent; Debt Service Account--2 percent; Operating Account--37 percent; and Solid Waste Revenue Account--38 percent. He reviewed Contingency--6 percent; Transfers--10 percent and Unappropriated Balance--84 percent. Mr. Carter reviewed the Debt Service, Renewal and Replacement, and Operating Accounts in further detail.

Sam Chandler, Solid Waste Facilities Manager, noted the Solid Waste Facilities division had a significant portion of the budget dedicated. He reviewed issues and events related to Metro East Station, Metro South Station retro-fitting, the composting facility, and the closure of St. Johns Landfill. Mr. Chandler said 1 FTE would be requested to staff Metro East Station although St. Johns Landfill staff would transfer to Metro East when it came on-line. He said the additional 1 FTE would be required because of scale house weighing procedures and new facility start-up.

Mr. Chandler reviewed the permanent HHW facility to be built on Metro East and said staff would analyze select loads to protect the Gilliam County Landfill. He said staff would do waste exchanges and aggregate light materials. He said costs would be incurred through material handling devices, protective suits and disposal costs.

Mr. Chandler said composting facility construction was moving rapidly. He said the public would not haul there so only five employees were required but the facility would require a site supervisor.

Mr. Chandler said staff's proposal to weigh all loads meant significant change at Metro South Station including equipment upgrades to speed up operations and shorten lines. He did not believe more staff would be required at Metro South.

Mr. Chandler reviewed hazardous waste issues including asbestos, illegal waste, dumping, and infectious waste. Councilor DeJardin hoped staff would not propose a future incineration facility to dispose of infectious waste.

Jim Watkins, Engineering & Analysis Manager, reviewed Engineering's proposed budget: Personal Services--39 percent and Materials & Services--61 percent. He said 87 percent of the Materials & Services budget was for solid and hazardous waste reduction; Metro South professional services; St. Johns Landfill closure, and system engineering.

Mr. Watkins said a major task was on-line testing at Metro East and within that task the HHW collection facility. He said Metro South remodelling included housing the two compactors, landscaping, the Jack Gray Transport, Inc. (JGT) staging area, and the HHW facility in addition to DEQ-mandated modifications.

COUNCIL SOLID WASTE COMMITTEE

March 6, 1990

Page 4

Mr. Watkins discussed Requests for Bids (RFB) to be released next year including the RFB to select the contractor to close the St. Johns Landfill and also the RFB for recovery of methane gas. He said the closure contractor must be selected by July 1991 to submit in time for DEQ approval. He said additional waste had to be added to the landfill to account for settling and the require five percent slopes. Mr. Martin noted waste for landfill closure could be limited purpose waste or fill material but staff had not yet determined what type of waste would be used. Councilor Wyers asked if the contract with Browning-Ferris Industries (BFI) would be terminated and asked about long-term maintenance and monitoring of the landfill.

Mr. Watkins discussed Metro's proposed facility or facilities in Washington County (Metro West Station). Mr. Watkins discussed Household Hazardous Waste Day Collection Events. He discussed staff's plan for proper management of select waste; the construction coordinator; and other FTEs. He said staff would issue and award nine RFBs or RFPs FY 1990-91. He said those new contracts along with existing contracts would require attention.

Chair Hansen asked the estimated costs for the methane gas collection RFB. Mr. Watkins estimate costs would range from \$50,000-\$100,000 for a feasibility study. Chair Hansen asked if all gas revenues would go to the City of Portland. Mr. Martin said the City would share revenue with Metro and that issue would be reviewed when Metro re-negotiated the lease agreement. Mr. Martin explained funds to study methane gas collection was included in the budget. He said approximately five years ago Metro researched gas collection and concluded it was not feasible at that time. He said currently landfills around the country were extracting gas and said funding for a study was necessary to determine technology changes that now made gas collection feasible. He noted the St. Johns Landfill was moister than most landfills. The Committee and staff discussed gas collection further.

Leigh Zimmerman, Associate Solid Waste Planner, reviewed the Waste Reduction Division. She reviewed Waste Reduction Plan (WRP) and Solid Waste Management Plan (SWMP) goals. She reviewed the Regional Yard Debris Plan which helped Metro fulfill the Environmental Quality Commission (EQC) Order. She said Metro's goal was 50 percent waste reduction by 2000.

Ms. Zimmerman reviewed staffing. She said 15 FTEs were employed in Waste Reduction, 10 of which worked in the Solid Waste Department and five in the Public Affairs Department. She said 1 FTE would be requested for the Recycling Information Center (RIC) because of the increased workload and requests for information on the weekends.

COUNCIL SOLID WASTE COMMITTEE

March 6, 1990

Page 5

Ms. Zimmerman reviewed program areas including Materials Markets Assistance, Post-Collection Material Recovery, System Measurement, Alternative Technology, and 1% for Recycling. Ms. Zimmerman said Personal Services were 14 percent and Materials & Services were 86 percent of their budget.

Ms. Zimmerman reviewed expenditures which included: Payments to other agencies; grants/programs for local jurisdictions; curbside containers matching funds; multi-family recycling containers matching funds; neighborhood clean-ups and recycling events matching funds; illegal dumping matching funds; and pass-through funds to DEQ per House Bill 3515. The Committee and staff discussed illegal dumping and related costs further. Mr. Martin said a small line item was included in the budget to hire a contractor to identify a reasonable policy approach for thrifts for FY 1991-92.

Judith Mandt, Assistant to the Director of Solid Waste, reviewed the Administration Division. She said no new positions, new capital or new major policy was required. She said the budget was 75 percent for Personnel and 25 percent for Materials & Services. She said staff would request funding for a records management system to organize departmental files and archives.

Ms. Mandt reviewed staffing for the North Portland Enhancement Committee and discussed transition issues when the St. Johns landfill closed and enhancement fees were no longer collected. She said the 1% for Recycling Program would enter its third cycle. She said RFPs were issued for that program September 1989 and recommendations would be finalized by the end of the fiscal year. She said staff was in the process of completing the second year recommendations and would give progress reports on projects funded in the last year also. Councilor DeJardin noted he served as an alternate on the 1% for Recycling Advisory Committee and was impressed with the quality of projects proposed.

Mr. Carter discussed flow control development and said funds were set aside for flow control monitoring and enforcement. He said staff would issue a quarterly report on all activity in the solid waste system. He reviewed funds for printing, the rate study, licenses and permits to other agencies and entities.

Councilor DeJardin said programs/projects proposed by staff appeared reasonable and expressed confidence in the Solid Waste staff. Mr. Martin said \$50 million per year was a reasonable budget and noted the Department had under its auspices two of the largest contracts in the State of Oregon's history and said management would continue to get tighter. Councilor DeJardin said management had been austere and expressed concern staff would not have enough resources. Chair Hansen

concurred with Councilor DeJardin but said an exact examination of the budget was necessary.

The Committee and staff discussed budget issues further. Chair Hansen supported assistance to local jurisdictions but said without numbers it was difficult to assess impact. Councilor DeJardin strongly supported staff's request for a records management system. Mr. Martin said staff requested such a system the last fiscal year which was cut from the budget. He said staff would not ask for the funds if they were not necessary. Councilor DeJardin asked how much the records management system would cost. Mr. Martin said approximately \$50,000.

Chair Hansen called a recess at 7:29 p.m.

The meeting was reconvened at 7:52 p.m.

3. Discussion on Ordinance No. 90-337, For the Purpose of Amending Metro Code Chapter 5.02 Establishing Solid Waste Disposal Rates for FY 1990-91

Chair Hansen noted the Committee no longer had a quorum and expressed reservations about a full presentation on this agenda item at this meeting. He instructed staff to give their presentation and said anyone present could testify if so desired. He announced his intent to continue this meeting to 4:00 p.m., Wednesday, March 7, 1990.

Mr. Martin discussed the ordinance and explained the proposed rates would provide the basis for programs reviewed in the previous agenda item.

Mr. Martin explained fixed and user fees and the two-tier system as proposed by staff. He said two-tier costs were directly related to Metro facilities such as transfer stations and the Gilliam County landfill. He said it was not fair to charge non-Metro facilities for costs related to Metro facilities alone. He said the most controversial proposal was to charge user fees on all waste delivered to all facilities including waste reduction and recycling facilities. Mr. Martin said staff proposed elimination of the Regional Transfer Charge (RTC) fee collected against tonnage at all facilities at the St. Johns Landfill because haulers went directly to that facility and should not pay regional costs. He said that would create a \$7 per ton cost differential. He said staff proposed elimination of the \$3 convenience charge at Metro South. Mr. Martin reviewed excise tax issues.

Mr. Martin said two rate structures were in place; commercial and self-haul, or the flat fee, and staff proposed the equitable way to charge was to weigh all customers and would do so at Metro South and Metro East. Mr. Martin said the \$15 flat fee would be kept until St. Johns closed which meant under collecting for self-haul loads for

COUNCIL SOLID WASTE COMMITTEE

March 6, 1990

Page 7

approximately seven months. Mr. Martin said Metro would charge \$100 per ton for asbestos to cover the real costs of asbestos disposal.

Mr. Martin said another proposed change was in the St. Johns Reserve Fund (Account) contribution. He said the amount would eventually total \$31.4 million and there was an additional \$3 million in funds and staff preferred to budget the \$3 million over the next three fiscal years. Mr. Martin said DEQ per House Bill 3515 enacted \$.50 per ton on all Metro facilities and said there was also an orphan site account fee of \$.50 per ton.

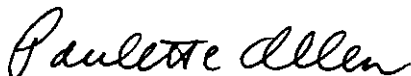
Mr. Martin said Ellen Larson, Senior Solid Waste Planner, developed a computer program to analyze all impacts based on increases and decreases in all areas in all programs. He said that enabled staff to extrapolate data based on any given situation. He said if the two-tier rate were utilized, the overall rate would be \$48.41 and the user fee would be \$47.31. He said rates would achieve equity with the two-tier rate. He reviewed elimination of the RTC at St. Johns. He said if the excise tax was adopted, \$2 million would need to be raised to offset the amount of reductions in transfers. He said Tier 1 costs would go down and Tier 2 costs would go up to create a net impact of \$1.6 million on the budget. He said because of the \$15 flat fee, Metro was not receiving full compensation for disposal. Mr. Martin discussed the proposed user fee for all recycling facilities. He said the fee was necessary and the composter facility would be charged the fee.

Mr. Martin emphasized the rates must be adopted at least 60 days before July 1 or an emergency ordinance would be necessary.

Chair Hansen opened a public hearing. Chair Hansen asked if anyone present wished to testify. No one present appeared to testify and the public hearing was closed.

At 8:32 p.m. Chair Hansen continued the meeting to 4:00 p.m., Wednesday, March 7, 1990.

Respectfully submitted,



Paulette Allen  
Committee Clerk  
SWC90.065