

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

June 13, 1989

Council Chamber

Committee Members Present: Gary Hansen (Chair), Sharron Kelley (Vice Chair), Roger Buchanan, Mike Ragsdale and Judy Wyers

Committee Members Absent: None

Other Councilors Present: Larry Bauer, Richard Devlin and Jim Gardner

1. Consideration of Minutes of April 11, April 17, and April 25, 1989

Motion: Councilor Buchanan moved for approval of the minutes listed above.

Vote: Councilors Buchanan, Hansen, Kelley, Ragsdale and Wyers voted aye. The vote was unanimous and the minutes were approved.

2. General Staff Reports

Bob Martin, Director of Solid Waste, discussed the status of the Metro East Station bids. He said the bid deadline was 3:00 p.m. the date of this meeting and four proposals were received. He said the four proposers were: Norcal Solid Waste Systems, Inc. (NORCAL); Rose City Resource Recovery owned by Schnitzer Investment Recovery; Trans Industries, a joint venture of Browning-Ferris Industries of Oregon, Inc. (BFI) and Transwaste, Inc.; and a joint proposal from Riedel Waste Disposal Systems, Inc. and Wastech, Inc. (RIEDEL/WASTECH)

Mr. Martin said Norcal's proposed location for a facility was a site on 9001 N. Hurst St., Portland; Rose City Resource Recovery, the S.W. corner of the intersection of N. Marine Drive and N. Force Avenue, Portland; Trans Industries, 6161 N.W. 61st Ave., Portland; and RIEDEL/WASTECH three separate sites to be or already located at 1) Oregon Processing and Recovery Center (OPRC), 701 N. Hunt St., Portland; 2) Reclamation and Transfer Center (RTC), 5601 N.E. Columbia Blvd., Portland; and 3) Killingsworth Public Transfer Center (KPTC), N.E. 75th Ave. and Killingsworth Ave., Portland. Mr. Martin distributed a map with all proposed locations marked.

Mr. Martin said each of the bid documents numbered at least 100 pages and copies would be distributed to the Committee as soon as possible. He said a press release would give information on the proposers and possible sites with basic outlines of cost proposals, recycling technology, and recycling percentages. He said copies of the four bids would be available for public review in the Solid Waste Department.

Councilor Bauer asked if any of the four proposers would create a monopoly within the regional solid waste system if proven to be the successful

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bidder. Mr. Martin said the bids required analysis to assess monopoly/vertical integration issues, but noted Oregon Waste Systems, Inc. (OWS), Metro's landfill services vendor, did not submit a bid.

Councilor Buchanan asked if vertical integration would be assessed in connection to the bid by Riedel because Riedel would provide Metro's composter plant and asked also if staff received the R. W. Beck (RWB) report. Mr. Martin said the report was due the date of this meeting.

Councilor Devlin said vertical integration should be accepted as legitimate criteria and said a number of proposals submitted would have vertical integration issues apparent. He noted NORCAL had contracted to provide Metro with a compactor.

Councilor Kelley asked who would serve on the Metro East Station bid evaluation team. Mr. Martin said members would be from the City of Portland Environmental Services department, the Port of Portland, a County representative, Metro's Construction Projects Manager, and himself. Councilor Kelley suggested a Metro Councilor serve on the evaluation team also and proposed Chair Hansen serve.

Chair Hansen asked staff to schedule individual briefing sessions with members of the Solid Waste Committee to brief Councilors fully on the four proposals received. Mr. Martin suggested a joint Committee briefing and cited a shortage of staff time to give individual briefings. He said the joint briefing would be scheduled as soon as possible.

Mr. Martin reported on Metro's biannual waste reduction report to the Department of Environmental Quality (DEQ) due July 1, 1989. He said staff drafted a preliminary report which stated Metro was on schedule in implementation of the Waste Reduction Plan (WRP) and the Environmental Quality Commission's (EQC) Stipulated Order. He said that report would be distributed to the Council as soon as possible. He said staffing was not quite completed because it had taken longer to screen applications and interview and hire candidates than previously estimated. He noted Pamela Camber and Steve Thompson were two new Waste Reduction staff persons who would begin work in the next week.

Mr. Martin gave an update on the transport services contract with Jack Gray Transport, Inc. (JGT). He said their mechanical break-down report on axle configurations, rest stops and other issues raised by concerned citizens of the Columbia Gorge would be submitted shortly. He said it appeared the operation would span 24 hours to allow off-route, off-peak hour operations and avoid conflict with tourist traffic. Mr. Martin said the axle configuration was still a seven-axle configuration with a 68-foot truck, but said the trailer manufacturers had modified the original design by incorporation of the seventh axle into the trailer chassis itself. He said the basic load distribution was not changed and the design complied with

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state regulations. Mr. Martin noted JGT would award their contract for trailers in approximately one month.

Chair Hansen asked when JGT would receive a final Public Utility Commission (PUC) permit. Mr. Martin said the purpose of the PUC permit was to evaluate whether a vehicle, which proposed a total gross weight over 80,000 pounds, would place a load on the axles as if the weight were no greater than 80,000 pounds.

Councilor Wyers said staff instructed vendors in the bid document to have all necessary permits by April 1, 1989. She asked if the PUC hearings scheduled for August would conflict with that stipulation. Mr. Martin said the bid document referred to permits obtained on an acceptable schedule. He said the Oregon Department of Transportation (ODOT) had informed Metro the axle configuration was acceptable. Councilor Wyers requested a list of all permits pending and obtained. Councilor Wyers asked who determined the axle configuration was acceptable. Mr. Martin said ODOT determined acceptability.

Councilor Wyers asked if a specific vendor for the Metro South Station compactor had been selected. Mr. Martin said no.

Councilor Wyers asked Mr. Martin the status of negotiations on JGT's operating hours with the Gorge communities affected by the transport services contract. Mr. Martin said the hours 7:00 a.m. to 7:00 p.m. applied to the City of Arlington. He said those hours did not necessarily restrict operating hours on the freeway corridor because loads could be parked overnight in the staging area. He said Arlington's mayor did not think trips spread over a 24-hour time period would restrict travel through Arlington. Councilor Wyers asked if JGT would operate at night. Mr. Martin said Arlington would decide whether there would be night operations only if it did not impair JGT's ability to fulfill the contract. Councilor Wyers asked if modified operating hours would be used to mitigate adverse conditions in the Gorge. Mr. Martin said operating hours through Arlington and operating hours through the Gorge were two separate issues. Mr. Martin said negotiations for altered hours in Arlington could possibly shift to the Gorge. Mr. Martin said a current plan was to have trucks operate over three shifts. He said the operating plan would show how many trucks at what hours and which freeway corridors would be used. Councilor Wyers asked what the current status of \$4 million in improvements on Highway 19 were. Mr. Martin said specific numbers were not yet known, but said the highway department had begun schedule one of improvements. He said if right-of-way adjustments, surveying and design work progressed as scheduled, implementation could begin before the end of 1989. He said a conservative estimate of completed highway improvements was late 1991. He said schedule two would proceed the following year. He said the state would pay 40 percent and the city and county 60 percent of costs. He said any cost increases over the initial estimates would be absorbed by the state. He said the county would pay its share from the \$7 per load fee.

Councilor Wyers asked if there was a specific schedule of events available for review by the Council. Mr. Martin said no.

3. Consideration of Resolution No. 89-1102, for the Purpose of Authorizing an Agreement with the City of Forest Grove, Oregon, Pertaining to an Enhancement Fee for the Forest Grove Transfer Station

Councilor Devlin introduced Resolution No. 89-1102 and Councilors Bauer and Gardner introduced Resolution No. 89-1102A.

Main Motion: Councilor Ragsdale moved to recommend the full Council adopt Resolution No. 89-1102.

Councilor Ragsdale said he spoke with Forest Grove representatives who were satisfied with Resolution No. 89-1032A, the previous vehicle to legislate payment of enhancement fees to Forest Grove. He said it was inappropriate to recommend a replacement resolution Forest Grove had not agreed on and would not find acceptable. He said the replacement resolution was unacceptable to him also because Forest Grove was within his Metro District 1.

Councilor Devlin discussed Resolution No. 89-1102 and said the issues surrounded a small, private pre-existing transfer station which generated enhancement fees of \$20,000 to \$30,000 annually. He said the issue was a fairly small one which had absorbed too much Council, committee and staff time and said there were other and larger issues which deserved the same or more consideration. He said there was also the issue of consistency and said it did not look well when Metro fluctuated on issues. He said the issue of who received an enhancement fee was moot. He said under both proposed agreements introduced at this meeting, Forest Grove received the funds in question. He said the Agreements were considered intergovernmental agreements. He noted Chair Hansen suggested some amendments incorporated into Resolution No. 89-1102. He said the Agreement called for public comment at all steps of a process which determined boundaries and area of impact. He said Resolution No. 89-1102A did not include or address public comment.

Councilors Bauer and Gardner introduced Resolution No. 89-1102A drafted by Councilors Bauer, Collier and Gardner. Councilor Bauer agreed with Councilor Devlin's comments and said if not for the retroactive payment language contained in Resolution No. 89-1102, he could endorse the resolution. Councilor Gardner referred to previous Council debate over two different models developed for the purpose of enhancement fee payment: The "Oregon City" and the "St. Johns" models. He said it was not intended that the City Council of Forest Grove would administer Metro funds received. He suggested policy be re-examined and stated he did not mean to imply the City Council of Forest Grove did not represent their constituency, but did prefer the St. Johns model as policy to administer enhancement fees.

Substitute Motion: Councilor Buchanan moved to substitute Resolution No. 89-1102A for Resolution No. 89-1102 and to recommend it to the full Council for adoption. At Councilor Gardner's request, Councilor Buchanan, under the same motion, moved to amend Resolution No. 89-1102A by insertion of language from Resolution No. 89-1102 which pertained to citizen input on boundaries and projects.

Vote on Substitute Motion: Councilors Buchanan and Wyers voted aye. Councilors Hansen, Kelley and Ragsdale voted nay. The motion failed.

Restatement of Main Motion: Councilor Ragsdale restated the main motion made previously to recommend Resolution No. 89-1102 to the full Council for adoption and to have Legal Counsel review the resolution previous to Council consideration.

The Committee discussed the issues further. Issues discussed included whether citizens or the Forest Grove City Council would decide how Metro enhancement fees should be spent; retroactive payments and how far back retroactivity of payment should be determined which could set a precedent for future enhancement fee payments to other facilities; acceptability of the Agreement to Forest Grove; Forest Grove citizens' opportunity for input; Metro's community enhancement policy in general; and approval authority for projects and programs and enhancement area boundaries.

Vote on Restatement of Main Motion: Councilors Buchanan, Hansen, Kelley and Ragsdale voted aye. Councilor Wyers voted nay. The motion passed.

Chair Hansen called a recess at 7:50 p.m. The meeting reconvened at 8:08 p.m.

4. Consideration of Ordinance No. 89-297, for the Purpose of Amending Ordinance No. 89-290 which Revises the 1986 Waste Reduction Program and the 1988 Solid Waste Management Program Waste Reduction Chapter

Debbie Gorham, Waste Reduction Manager, explained Ordinance No. 89-297 previously considered and recommended by the Solid Waste Committee to the full Council for adoption June 15, 1989, was before the Committee again because it contained typographical errors. She noted the ordinance's correct title in full was Ordinance No. 89-297, For the Purpose of Amending Ordinance No. 89-290 Which Revises the 1989 Waste Reduction Program and the 1988 Regional Solid Waste Management Plan Waste Reduction Chapter. She noted some address and date changes were made but the work program and budget were the same. She said this ordinance would correct dates wrongly stated in the previous ordinance and other minor omissions. Ms. Gorham said the corrected, recommended ordinance would match data sent to DEQ.

Main Motion: Councilor Ragsdale moved to recommend the full Council adopt Ordinance No. 89-297.

Chair Hansen opened the public hearing. No one appeared to testify on the ordinance. Chair Hansen closed the public hearing.

Vote on Main Motion: Councilors Buchanan, Hansen, Kelley, Ragsdale and Wyers voted aye. The vote was unanimous and the motion passed.

5. Consideration of Resolution No. 89-1099, For the Adoption of a Model Purchasing Policy that Gives Preference to the Purchase of Retread Tires

Heidi Seiberts, Solid Waste Planner, reviewed the resolution which would endorse a procurement policy which stated a preference for retread tires to serve as a model for procurement programs in regional businesses, local governments and public institutions. She noted the Institutional Purchasing Program of the Waste Reduction Program (1986) called for procurement policies which favored use of recycled materials. She said procurement policies for tires, oil, paper and yard debris would be set forth by July 1, 1989, to serve as a model for businesses and governments in the region. She said procurement guidelines for other recycled products would be developed later. Ms. Seiberts stated a precedent for retread tire procurement policies was set by the Resource Conservation and Recovery Act (RCRA) of 1976 as amended and that Section 6002(e) of the Act designated tires as an appropriate subject for procurement guidelines and that the Environmental Protection Agency (EPA) was directed to develop such guidelines.

Ms. Seiberts outlined savings accrued from use of retread tires, landfill space saved and environmental benefits. She said retread tire technology was vastly improved from when first begun. Ms. Seiberts said staff believed Resolution No. 89-1099 would conserve resources and that staff received a letter from JGT which stated they would make use of retread tires.

Councilor Wyers expressed strong support for the resolution.

Main Motion: Councilor Wyers moved to recommend the full Council adopt Resolution No. 89-1099.

Motion to Amend: Councilor Ragsdale moved to amend Resolution No. 89-1099 on page 2 under Applicability to change (deletions bracketed and additions underlined) "These guidelines are intended as recommendations for the use [of] by all procuring agencies," and on page 6 under Promotion program to change language "Procuring agencies should [shall] develop..."

Councilor Wyers asked whether changes made in the motion to amend above would be consistent with the Waste Reduction Program. Ms. Seiberts said yes.

Chair Hansen said an education program on retread tire recycling and use would be beneficial. Ms. Seiberts said Metro was about to enter into a new contract with an advertisement agency for an ad campaign to be aimed at businesses to use retreads and that brochures and other tools would be developed by Metro to educate the public. Chair Hansen said there was a decent market for recaps. He said it was necessary to make the public aware of the condition of their tires so that they could be recycled in time.

Vote on Motion to Amend: Councilors Buchanan, Hansen, Kelley, Ragsdale and Wyers voted aye. The vote was unanimous and the motion passed.

Vote on Main Motion: Councilors Hansen, Kelley, Ragsdale and Wyers voted aye. Councilor Buchanan was absent. The vote was unanimous and the motion passed.

#### 7. Update on Composter Project

Ms. Gorham said the service agreement negotiations were nearly complete. She said 185,000 tons of solid waste per year would be processed in the DANO drum equipment which would produce 75,000 tons per year of compost. She said Riedel would build the facility in 14 months and testing would begin in 19 months. She said in mid-July if the service agreement was acceptable the Bond Counsel would prepare bonds for sale. She said RWB would prepare a feasibility report for the underwriters. She discussed the letter of credit from Credit Suisse and noted it received a triple A rating. She said there would be an expense and revenue forecast and expected the numbers to be accurate. She discussed the Memorandum of Understanding (MOU) and risk allocation.

Ms. Gorham discussed storage of compost in the event it could not be sold. She said Riedel would provide five years worth of storage which was necessary for the letter of credit. She said six major contracts were lined up. Ms. Gorham said staff would return with a longer presentation and Paul Atanasio of Paine Webber would speak on financing aspects.

Councilor Ragsdale asked if Riedel would pay storage costs. Ms. Gorham said yes.

Ms. Gorham discussed geographical considerations. She said materials could be moved outside the 50-mile radius without Metro approval. She said within the 50-mile radius, Riedel would only be allowed to sell in pre-approved markets, or up to an unrestricted five percent if competitively priced and not meant for landscaping purposes.

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The Committee and staff discussed the issues further. Chair Hansen requested staff consider presentations separately on the composter and financial package each and requested a public hearing be scheduled.

6. Consideration of Solid Waste Contracts to Receive Council Review

Ray Barker, Council Analyst, explained Council staff developed for Solid Waste Committee consideration a list of solid waste contracts for Council review and that the Finance Committee requested each functional committee review their relevant departments' proposed new contracts list for FY 1989-90 and recommend which contracts Council should review.

Councilor Ragsdale said he agreed with the A contracts designated in Council staff's report. The Solid Waste Committee and staff discussed the Solid Waste Contracts. Their recommendations are as follows:

- 1) Develop a special waste handling and transfer system to be implemented once St. Johns Landfill closes (\$60,000)

Councilor Ragsdale said the contract appeared to be a policy issue. Mr. Barker said it could be construed that way but said Finance Committee Chair Collier pointed out dollar amounts should not be a factor. Councilor Ragsdale said if policy considered was significant, the contract should be considered. Chair Hansen said dollar amounts should not be a factor and said in the case of Household Hazardous Waste Collection Days, or if a dollar amount appeared excessive, the contract should be reviewed. The Committee agreed it was not necessary to change the existing B contract designation to A.

- 2) Firm to perform waste stream sorts to gather data on waste stream composition (necessary for Waste Reduction Program, \$100,000)

Chair Hansen said progress reports should be given periodically on the waste stream study, but it was not necessary to change the B designation to A. Mr. Barker noted Mr. Martin said he would give informal reports periodically.

- 3) Bond Counsel Services, Assist in financing of mass composting facility (\$100,000) and Financial Advisor, Assist in financing of mass composting facility (\$25,000)

Mr. Barker explained the two contracts above were designated B contracts in error and were actually A contracts.

- 4) Feasibility Engineer, Assist in financing of mass composting facility (\$60,000)

Councilor Ragsdale said the contract should be designated B because it matched the two previous contracts in capacity. Mr. Barker noted the



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feasibility engineer was a requirement of the bond counsel for information verification. The Committee agreed to let the B designation stand.

- 5) Interlogic Trace, Maintenance and repair for Recycling Information Center (RIC) Computer (\$1,500)

The Committee and staff agreed to let the B designation stand.

- 6) Market research for promotion planning and evaluation, Rebid of existing contract. Surveys to gauge results of promotions (\$30,000)

Staff designated the contract as B. Councilor Ragsdale asked why Council should review it. Mr. Barker explained the Council should receive progress reports on the effectiveness of public awareness programs. Councilor Ragsdale said the results of those programs were sufficient and to let the B designation stand. He requested staff to periodically inform the Committee as to program progress.

- 7) Purchase and installation of compactor in the exiting tunnel at Metro South with the option to purchase a second compactor to provide system reliability. Includes reinstallation of first compactor and installation of second compactor at the ease end of the pit (\$1,500,000)

Chair Hansen asked why staff gave the above contract a B designation. Mr. Martin said staff made the designation because compactor acquisition had already been discussed at length at the committee level. The Committee and staff discussed the issue further and let the B designation stand.

- 8) One or more contracts for the North Portland Enhancement Committee. Vendors and contract amounts to be selected by North Portland Enhancement Committee, approved by Metro. Individual amounts and project scope as year unknown, decision slated to be made in April and May 1989 for the 1989-90 funding cycle (\$42,000)

The Committee and staff discussed the above contract briefly and agreed to change the B designation to an A designation.

- 9) Oregon Film Partners, Employment Training Program (\$200,000)

The Committee and staff discussed the contract briefly and agreed with the existing A designation.

- 10) System Design Consultant (\$31,000)

The Committee and staff agreed the above contract should remain an A contract.

- 11) Model Zoning Code consultant (\$25,000)

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The Committee and staff agreed to let the B designation stand for the above contract.

Chair Hansen adjourned the meeting at 9:34 p.m.

Respectfully submitted,

*Paulette Allen*

Paulette Allen  
Committee Clerk  
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