

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

June 27, 1989

Council Chamber

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

Committee Members Absent: None

Acting Chair Kelley called the meeting to order at 5:35 p.m.

1. Consideration of Minutes of May 9, 1989

Motion: Councilor Buchanan moved for approval of the minutes.

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

4. Review of Request for Proposals (RFP) for an Advertising and Public Relations Consultant to Design and Implement a Comprehensive Education and Promotion Campaign to Support Metro's Waste Reduction Program

Vickie Rocker, Director of Public Affairs, reported on the current status of the RFP. She said Metro completed a three-year contract for advertising services with Coates Advertising and Public Relations (Coates) and said Metro would issue an RFP for a new contract for two years. She said the RFP was filed, reviewed by Council staff, returned to the Contracts Office after the 14-day review period, and advertised. Copies of the RFP were sent to the 25 advertising agencies in the Portland area. Ms. Rocker said the RFP was given good exposure and proposals were due June 29.

Ms. Rocker said Chair Hansen requested a status report on the RFP to the Solid Waste Committee at this meeting so the Committee would be aware of the RFP since it involved a multi-year contract. Ms. Rocker noted Don Carlson, Council Administrator, had no questions about the items listed in the RFP. She said he did have questions on DBE/WBE requirements which were requirements of the Metro Contracting Code. She said Mr. Carlson asked if the prime contractor selected was a DBE/WBE vendor if that vendor would apply to DBE/WBE contract goals. Ms. Rocker said yes. She said Mr. Carlson asked what good faith requirements would be used. Ms. Rocker said under the there were a series of good faith requirements under the Metro Contracting Code. She said they would all be used except the first one which referred to a pre-bid conference which she said was not necessary for this type of services contract. She said Mr. Carlson asked how the DBE/WBE requirements would be used in the advertising campaigns. Ms. Rocker said the RFP expected the proposers to provide a minimum of four different campaigns. She said Mr. Carlson asked if DBE/WBE requirements would apply to each individual campaign. Ms. Rocker said the DBE/WBE requirements applied to the two-year contract as a whole and the requirement applied to

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a dollar amount. She said when the dollar amount was met the requirements would be fulfilled. She said Mr. Carlson asked how DBE/WBE requirements would be implemented. Ms. Rocker said the vendor had to demonstrate dollar amounts used for the purpose. She said Mr. Carlson asked if it were realistic to expect Metro would reach the 7 percent DBE and 5 percent WBE contract goals required. Ms. Rocker said the total dollar amount for the two-year contract was \$500,000 which made DBE amount \$35,000 and the WBE amount \$25,000. Ms. Rocker said she did not know if the goals were realistic or not and said the contractor would be expected to meet the goal to the best of their ability or demonstrate why they could not. She said Mr. Carlson asked what general type of subconsultant would be used in a services contract for advertising and public relations services. Ms. Rocker said examples of possible subconsultants would be printers, graphic designers, illustrators, photographers, video production companies and direct mail services. Ms. Rocker discussed other possible DBE/WBE contractors further.

Ms. Rocker said because the contract was multi-year, it would return to the Council for approval. Ms. Rocker noted Metro did a survey in 1986 and found that 28 percent of residents in the tri-county area used curbside recycling. She said the most recent survey completed May 1989 showed 48 percent of the tri-county residents used curbside recycling. Ms. Rocker said such statistics demonstrated how effective it was to inform the public through advertising and other campaigns.

Ray Barker, Council Analyst, noted one Metro advertising campaign had had a specific theme which was not unanimously supported by the Council. He asked if the Council would have the opportunity for input on the campaign or be informed prior to publicity decisions. Ms. Rocker said the new contract would be treated on a project-by-project basis. She noted the target audience was the general public and not haulers or the recycling community who already knew of recycling programs and methods.

Chair Hansen said it was not clear whether the Council should have reviewed the RFP before it was issued. He said it was an important contract for the Solid Waste Committee to review. He said changes could not be made two days before the due date for vendors to submit proposals. Mr. Carlson said specific questions on DBE/WBE requirements were asked with regard to the contract because under the Metro Code there were no contract goals for this type of contract. He said questions were asked to ascertain whether the type of work asked for would achieve real DBE/WBE participation. Each time a subconsultant was required, good faith requirements had to be carried out, Mr Carlson said. He was wished to ensure all requirements would be met according to the Metro Code. Ms. Rocker said the provisions in the personal services contract were the same as those that would be used in a construction contract. She realized there were differences between such contracts.

Chair Hansen announced Agenda Item No. 3 had been removed from the agenda.

2. General Staff Reports

See Agenda Item No. 6 below.

6. Discussion on Review Process for Metro East Station

Bob Martin, Director of Solid Waste, briefed the Committee on the status of the four Metro East Station proposals received. He said the Evaluation Committee first met June 26. He said from the date of this meeting to July 13 staff would analyze the bids in detail. He said staff analysis would be presented to the Evaluation Committee July 14. He said a two-day schedule of interviews would be held so staff could question the proposers on proposal details. He said the results of those interviews would be discussed by the Evaluation Committee July 24. He said the Evaluation Committee would make a draft recommendation and later a final recommendation and staff report to Executive Officer Cusma. He said staff would make a recommendation to the Solid Waste Committee August 8. He said a resolution would be considered at the Solid Waste Committee meeting August 22 for recommendation to the full Council August 24 to authorize negotiations with the recommended vendor. He said another recommendation could be made on the public transfer station option. He said further meetings could be scheduled for public hearings.

Mr. Martin said after full Council approval, staff anticipated a two-month negotiation period would follow with the most highly evaluated vendors which would result in a target date of September 9 to award the contract and begin construction. He said all the proposers could work within the timeframe as proposed but said the timeframe was very tight. He said sufficient time was necessary to properly analyze proposals based not just on price but on the levels of recycling offered and other pertinent issues.

Councilor Wyers asked staff to inform the Council of special meetings scheduled in neighborhoods. Councilor Wyers asked if the proposals were filed in the Council record. Councilor Wyers asked because she recalled after the waste transport services contract was awarded, there were citizen requests for data and some documents were part of the Council record and some were part of the Solid Waste Department record. She said the waste transport services bid was not part of the record. She requested the four proposals received become part of the Council record. Chair Hansen said he assumed the proposals could become part of this record and all information available to the public under the Freedom of Information Act. Mr. Martin said proposals were available to the public excluding confidential information which could affect the outcome of the bid if known. Chair Hansen assumed that information was quite technical. Mr. Martin said the confidential materials were financial and some technical.

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Councilor Wyers said she did not receive the R. W. Beck (RWB) report. Mr. Martin said staff had the report in preliminary draft form and it was being reviewed. He said the review would be completed in the week after this meeting and then distributed. Councilor Wyers requested the RWB report become part of this meeting's record in addition to the four Metro East Station proposals and requested a copy of the preliminary draft report as well as any changes made to make that report a final.

Chair Hansen said the main concern as Metro entered the review process was how best to inform the public. He asked the Committee whether neighborhood meetings should be held or public hearings at the Metro Center. He hoped fellow Councilors would receive whatever information required to make an informed decision. He said Metro had been criticized for not having adequate public involvement in the past and not enough involvement by citizens who resided in the area to be affected. He said Metro could develop methods to facilitate public feedback. He said the affected neighborhood could be invited to sit in on the Evaluation Committee as proposals were evaluated. He said the Public Affairs Department could issue information in addition to press releases. He asked if there were any other methods with which to inform the public.

Mr. Martin said a press release was issued. He said there had been little public response to the proposals or the RWB report. He hoped for more public input also at this stage of the process. Councilor Wyers said if not enough feedback was received, it was the local government's job to inform the public. She said a plan should be developed to inform the public. She said newspaper announcements alone were not adequate notice. She said neighborhood associations could be informed that a transfer station could possibly be sited in their neighborhood. Mr. Martin said he would be glad to develop a strategy to inform neighborhoods in conjunction with the Public Affairs Department. Councilor Wyers suggested a letter to neighborhood associations in all potentially affected areas which stated Metro was considering siting a solid waste transfer station in their neighborhood. Councilor Wyers said neighborhood associations met regularly and made public announcements at their meetings. She said it would also be helpful to include phone numbers in the letters sent out.

Chair Hansen said neighborhood associations must be informed at least a month before a final decision was made to give them time to formulate their position. He said it was difficult when neighborhood association representatives came to meetings and requested the Council to delay a decision because their association did not receive notice in enough time. Councilor Wyers said if neighborhood associations were notified by July 11 that would be sufficient time. Mr. Martin said press releases could be issued to neighborhood associations which stated the four proposers, proposed locations, and numbers to call. Councilor Wyers requested a press release be issued as soon as possible. Chair Hansen said he knew many neighborhood associations were informed, but agreed a press release would be useful.

2. General Staff Reports (Continued)

Mr. Martin continued General Staff Reports. He said Jack Gray Transport, Inc., (JGT) had to deliver a 90-day report from the date of the contract signing and said that date was the date of this meeting. He distributed "Jack Gray Transport, Inc., Metropolitan Service District Waste Transport Services Operating Plan." He said it would be available for public review and comment after staff could review, copy and distribute it. He said it had been agreed with the affected Gorge communities they would receive an operating plan and said he thought this plan had answered most of the concerns expressed. He said staff would respond to the report. He said any public comment and concerns would be forwarded to JGT. He said the report appeared responsive. He said staff had a report on permits obtained and pending by JGT requested by Councilor Wyers at the Solid Waste meeting June 13. He believed JGT had made satisfactory progress in the execution of their contract and were on schedule.

Councilor Wyers asked if JGT had decided on a final configuration for the tractor and trailer vehicle. Mr. Martin said JGT was soliciting bids from two major suppliers. He said both were essentially identical in detail with some design differences. He said both were long, single unit trailers with triple axles on the back. He said one had a sliding axle configuration for the triple axles and the other did not. He said vendors were asked to bid on both configurations. Staff felt either configuration would carry the loads required and meet Metro and ODOT specifications.

Councilor Wyers noted when Metro awarded the contract a potential WBE vendor, Young Equipment, was one of the potential trailer manufacturers. She asked if Young Equipment was still a potential vendor. Mr. Martin was not sure, but said the axle vendor would be competitively procured. He added the original tag axle concept would be incorporated in the triple axle concept. He said that was the main physical difference from the original design.

Mr. Martin said staff analyzed flow patterns after rate increases were instituted. Staff did an illegal dumping survey and concluded there were no substantial increases in illegal dumping due to the higher rates. He said in some areas there could be slight increases and in others slight decreases. He said staff would continue to track illegal dumping.

Mr. Martin discussed pattern flow changes. He said staff found more flow shifting to non-Metro rather than Metro facilities and staff was not surprised. He said it was not an overwhelming shift, but was noticeable. He said staff had noted more self-haul loads. He said that would potentially affect rates and could be a factor to address in the next rate adjustment. He said he mentioned these issues at this time because they would affect revenue. He did not think the effect would be overwhelming, but said staff would develop a flow-control ordinance.

Mr. Martin said Waste Reduction staffing had been completed and said a reception would be held before the next Solid Waste meeting July 11 to meet the new employees.

3. Update on the Planning and Development Department's Solid Waste Activities

Chair Hansen announced Agenda Item No. 3 was cancelled and removed from the agenda.

Councilor Ragsdale said he read the Planning and Development materials printed in the agenda packet. He said when the Council adopted the Solid Waste Management Plan, it was adopted as strategy and asked what activity had taken place under Planning and Development. Mr. Martin said Rich Carson, Director of Planning and Development could speak to those issues.

5. Review of Proposed Service Agreement for Mass Composter

Debbie Gorham, Waste Reduction Manager, introduced Paul Atanasio, Paine Webber, and Bob Bingham, R. W. Beck. Ms. Gorham said staff would introduce a resolution at the Solid Waste Committee meeting July 11 which would cover all aspects of the service agreement. She said the resolution was adopted, it would authorize Executive Officer Cusma to sign the contract after July 27. She said the last time the Committee considered this issue, the need to inform interested parties about market research was agreed upon. She said a letter was sent out this date to attendees of the January meeting as well as other interested parties informing them of what Riedel agreed to in the Service Agreement. She said she invited written comment in response. She noted last week Metro co-hosted the North American Recycling Conference and she had spoken about the composting plant. She said no questions were asked at that time, but said comment could still be forthcoming.

Ms. Gorham distributed "Exhibit C, Performance Test Procedures;" "Principal Issues Addressed During Technical Review;" "Metro Composting Project;" and "Draft Riedel #11 of the Mass Composter Service Agreement."

Mr. Atanasio discussed the business points of the Service Agreement which included performance guarantees, cost, systems cost savings, risks, and Metro's responsibilities.

Dan Cooper, General Counsel, explained with regard to credit enhancement many provisions of the Agreement were superceded by Credit Suisse's conditions they would separately impose on Riedel that would supercede Metro's concerns. He said Credit Suisse had indicated and Riedel had agreed there could not be a sale if credit enhancement was in place without the approval of Credit Suisse. He said Credit Suisse would only allow a sale if the facility were sold to a much larger entity and there would be no concern as to financial resources for a risk-free sale. He said many of the provisions in the Agreement were written to protect Metro in the event

credit enhancement is no longer in place because there was not a certainty there would be a credit enhancement for 20 years. He said that was one of the risk factors, although Metro had ample protections.

Mr. Atanasio discussed facility financing through tax-free bonds to be issued by Metro, the letter of credit and other financing aspects.

Chair Hansen said flow-control was necessary for the composting facility. Mr. Martin said Metro had authority to legislate flow-control through the state of Oregon, but that Metro should have its own flow-control ordinance to ensure smooth operations in all solid waste facilities.

Chair Hansen said explanations of different interest rates which would impact rate payers would be helpful. Mr. Atanasio promised a detailed analysis.

The Committee and staff discussed the facility radius.

Mr. Bingham discussed providing Metro staff with technical support. The Committee and staff discussed the chemical composition of compost. Mr. Cooper explained Metro's responsibilities with regard to hazardous waste and said if hazardous waste was detected prior to DANO drum processing, it was Metro's responsibility. He said if detected after DANO drum processing, the contractor was fully responsible. The Committee and staff discussed the issues further.

Councilor Wyers asked how the City of Portland was involved in the composting facility. Mr. Bingham said they had the authority to permit. Staff, Mr. Atanasio and Mr. Bingham concluded their presentations to the Committee. Mr. Martin said staff felt very good about the progress made to this point. He said the composting facility would add to the overall recycling rate in the region.

Councilor Wyers thanked Mr. Martin, Ms. Gorham, Riedel, Legal Counsel and all the consulting agencies involved for their efforts in the lengthy negotiation process.

7. Consideration of Ordinance No. 89-297, For the Purpose of Amending Ordinance No. 89-290 Which Revises the 1986 Solid Waste Reduction Program and the 1988 Solid Waste Management Program Waste Reduction Chapter

Chair Hansen explained Ordinance No. 89-297, which corrected some errors in the amended Waste Reduction Program, was considered and recommended to the full Council for adoption by the Solid Waste Committee at the June 13, 1989, meeting in error because it did not receive a first reading at the Council level. After a first reading by the Council June 22, the Solid Waste Committee could recommend that the full Council adopt the ordinance.

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

Ms. Gorham noted the ordinance before the Committee contained a typographical error which should be corrected before the Committee voted. She noted page 2 of staff's report under Page 16 Institutional Purchasing, stated the estimated completion date was July 1, 1990. Ms. Gorham said the date should have read July 1, 1989.

Main Motion as Amended: Councilor Ragsdale moved for to recommend the full Council adopt Ordinance No. 89-297 with the date change incorporated as specified above.

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

Chair Hansen adjourned the meeting at 8:15 p.m

Respectfully submitted,



Paulette Allen
Committee Clerk
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