

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

July 19, 1988

Council Chamber

Committee Members Present: Gary Hansen (Chair), Sharron Kelley (V. Chair), Tom DeJardin, Jim Gardner, and Corky Kirkpatrick

Committee Members Absent: Larry Cooper and George Van Bergen

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

1. Consideration of Minutes of June 7 and 21, 1988

Motion: Councilor Kelley moved, seconded by Councilor DeJardin, for approval of the minutes.

Vote: Councilors Kelley, DeJardin, Gardner, Kirkpatrick and Hansen voted aye. Councilors Cooper and Van Bergen were absent. The vote was unanimous and the motion passed.

2. Consideration of Ordinance No. 88-257, for the Purpose of Authorizing Metro Code Chapter 5.02 Relating to Solid Waste Disposal Charges, Regional Transfer Charges and User Fees

Rich Owings, Director of Solid Waste, said the ordinance had been scheduled for Council adoption July 28. He noted state statutes required 65 business days notice before raised rates could be instituted. If the Council did not adopt the ordinance July 28, an emergency situation could be declared to waive the 65 day notice, he said.

Ray Barker, Council Assistant, distributed a memorandum to the Committee dated July 19, 1988, "Waste Reduction Incentives."

Chair Hansen opened the public hearing.

Tim Hornbecker, Non-Profit Reuse Center Coalition, said their organization was considered a recycling venture and also rendered a public service. He said the rates proposed would increase their annual disposal costs by \$50,000. He said they fed 7,500 people per month at an annual cost of \$50,000 per year and did not wish to eliminate that service. Mr. Hornbecker gave examples of other jurisdictions which provided reduced rates for thrifts.

Councilor Kelley asked Mr. Hornbecker if the services provided by the Coalition were similar to services provided in other jurisdictions which received discounts. Mr. Hornbecker said New York City had high disposal rates, but granted thrifts a 100 percent discount. He said Portland had numerous charities and worked together closely to prevent duplication of services.

Dwayne Evans, Deseret Industries, told the Committee his organization and the Non-Profit Reuse Center Coalition recycled mattresses and other items and saved landfill space which was why they should receive reduced rates. Mr. Hornbecker noted his organization picked up items and each stop cost \$35. Mr. Evans said if rates increased substantially as proposed, their facilities would be used for solid waste disposal.

Estle Harlan, solid waste industry consultant, discussed the items in the memorandum she distributed dated July 19, 1988, "Ordinance No. 88-257 - Solid Waste Disposal Charges, Regional Transfer Charges and User Fees." Ms. Harlan said recycling volume had shown a dramatic increase. She said it would be difficult to find an equitable manner in which to administer rates. She said the small haulers were desperate and could not absorb higher rates as easily as the large hauling businesses could.

Ms. Harlan asked that Metro support regulations in Portland to stabilize the hauling industry so they would have the authority to collect higher costs from customers. Councilor Gardner asked if she referred to a legal mechanism of some sort. Ms. Harlan said the industry wished to prevent low-balling and undercutting of rates by large haulers. Chair Hansen asked Ms. Harlan her opinion of Mr. Barker's memorandum. Ms. Harlan said high-grade loads should be eligible for rate incentives as long as Metro did not compete with private processors.

Jeanne Roy, Recycling Advocates, distributed a report which asked for rate differentials; disposal account credits for haulers who dispose of high-grade loads at materials recovery centers and dispose of yard debris at processing centers. Ms. Roy made more recommendations as outlined in the report and strongly encouraged more recycling and rate incentives for recycling.

Ron Hohnstein, Council Budget Committee, said he owned a hauling business and was appalled at the proposed 153 percent solid waste rate increase. He said he paid \$8,000 per month at the landfill to dump three trucks and did not think he could absorb or pay the cost increases asked for. Mr. Hohnstein supported the uniform base rate policy and recommended elimination of the convenience charge at Clackamas Transfer and Recycling Center (CTRC). He recommended the rate increases proposed be cut back severely. Councilor Kirkpatrick asked what else could be cut to reduce costs. Mr. Hohnstein said Metro staff could be cut back severely. Councilor Kirkpatrick said staff were related to necessary programs.

Chair Hansen said the rate plan presented to Council during the budget process had been based on a \$9 per ton assumption. He said the new

rates would not be instituted until November 1 and were supposed to have been instituted July 1. In effect, he said, the industry would pay less at the first third of the year and more for the last two thirds.

Ann Kloka said she owned a small business and the only way to reduce rates was to recycle. She said haulers should be given economic incentives to recycle. She said Metro could impose a favorable rate differential for those who recycled more. Ms. Kloka said incentives would demonstrate Metro was serious about recycling.

Tony Catalan, Catalan Sanitary Services, said haulers were in a specialized situation because they were unrestricted and did not have a franchise which made it difficult to collect fees. Mr. Catalan said if haulers received a buffer period before payment of higher fees and could put payments in escrow, that would assist them.

James Cozzetto said his hauling business paid \$150,000 in hauling fees to the landfill per month. He said he could not pay 153 percent in disposal fees without regulation to assist in fee collection. He said the type of customer mentioned most often was the two-can private household. He said many customers had 10 cans a day six days a week. Mr. Cozzetto recommended Metro issue a bond to close the landfill similar to the method the City of Seattle used to close their landfill. He said some customers had already switched haulers for cheaper rates. He said a company was trying to monopolize the industry in the region and small companies could not compete. He said the St. Johns Closure should be a bond issue and everyone would pay their fair share.

Mr. Cozzetto noted haulers were quasi-public utilities, provided a public service and should therefore have regulation to protect operations. Chair Hansen said the industry had not wished Metro to be involved in the hauling industry previously and it was of interest Metro was invited to do so at this time. Mr. Cozzetto said it was signal of changing times.

Janice Willoughby, Recycling Advocates, said she had served on the City of Portland Recycling Task Force. She said Metro had a duty to encourage monetary incentives to haulers. She asked the Committee to direct staff to encourage recycling.

Dan Flannery, Flannery's Haul and Drop Box Service, said he had a drop box business only. He said it was cheaper for people to haul their garbage than to rent a drop box. He said people had to commute to Grimm's or McFarlane's Bark to haul yard debris. Chair Hansen said, with the cost differential, there would be more yard debris in the landfill. Mr. Flannery said he was one of the few vendors who offered incentives for yard debris separation.

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Sandra Gee, Recycling Advocates, said there was concern because of the proposed solid waste rates, but also because no one considered the total cost to the environment when recycling efforts were not pursued fully. She said recycling was a good economic alternative. Ms. Gee noted recycling in San Jose was extremely advanced because there was support from their government for recycling efforts.

Judy Dehen, Sierra Club, testified in support of Recycling Advocates. She reminded the Committee recycling was mandated by the State of Oregon. She said other cities had higher rates of recycling and said there was no undue evidence the market would be flooded with recyclables. Chair Hansen asked if San Jose offered rate incentives for recyclers. Ms. Dehen said she did not know, but was sure Portland could achieve the same high recyclable rate.

William P. Scott identified himself as a private hauler and said he recycled as much as possible. He said he took 200-300 pounds of newspaper collected from his workplace to a processing center. He said with the proposed flat rate, his hauling costs would not be reduced. He said he could still recycle newspaper, but did not wish to make two trips.

Marlene Brandt submitted taped testimony to staff since she could not attend this meeting in person. She said because of the proposed solid waste rates, more people would burn garbage in woodstoves and contribute to air pollution. Ms. Brandt said middle and low-income citizens would find it difficult to pay the higher bills. She said garbage would be dumped in recreational areas. She said Metro would have to exercise its authority and insist each jurisdiction site a facility where they could dispose of garbage besides the Oregon City facility. Ms. Brandt said the amount of money required for the Arlington landfill was uncalled for and such a landfill was not necessary.

Chair Hansen closed the public hearing.

Chair Hansen said it was important to recommend a good ordinance. He said the ordinance could be rewritten in the next week. He asked Council staff to summarize testimony submitted at this public hearing. He asked Solid Waste staff to estimate what effect requests made at this meeting via public testimony would have on revenue and the budget. Chair Hansen noted rate benefits for charities and the other rate incentives as suggested could be voted upon separately as addendums. He scheduled Tuesday, July 26, for a special Council Solid Waste Committee meeting to discuss Ordinance No. 88-257 only. Chair Hansen asked Recycling Advocates to give their recommendations to staff in specific language for amendment purposes.

3. Consideration of Resolution No. 88-957, for the Purpose of Authorizing Change Order No. 7 to the Contract with Browning Ferris Industries to Dispose of Contaminated Yard Debris

Mr. Owings explained the purpose of the resolution. Councilor Kirkpatrick said she would vote nay on the resolution because she preferred to see the contaminated yard debris in question recycled.

Motion: Councilor Kelley moved to recommend the full Council adopt Resolution No. 88-957.

Vote: Councilors Kelley, Gardner and Hansen voted aye. Councilor Kirkpatrick voted nay. Councilors Cooper, DeJardin and Van Bergen were absent. The motion passed.

4. Report from the Solid Waste Policy Committee Regarding the Solid Waste Management Policies Plan

Becky Crockett, Senior Analyst, asked the Committee for guidance on host fees. She said the Policy Committee had discussed the issue. She distributed a Discussion Paper, dated July 19, which listed seven questions for discussion. The Committee and staff discussed each question individually. The Committee gave their opinion of host fees in general. The Committee agreed if host fees were paid, the fees should alleviate the negative impact of a facility on the community affected. Ms. Crockett thanked the Committee for their input. She said their criteria would be given to the Policy Committee at their meeting of August 12.

5. Briefing on the Request for Bids for Transportation to the Arlington Landfill

Mr. Owings said the bid document was close to completion. He said talks had been held with potential vendors and information provided to all interested parties. Mr. Owings discussed issues yet to be resolved such as whether waste would be dropped at the "door" of the site or transported to the landfill itself. He also discussed direct mitigation, exact routes, limitations on noise control and parking restrictions. Bob Martin, Engineering Manager, briefed the Committee further on transportation details.

6. Consideration of Resolution No. 88-859, for the Purpose of Authorizing the Executive Officer to Execute a Contract with Sweet-Edwards/EMCON, Inc., for Hydrogeologic and Engineering Evaluation of the St. Johns Landfill

The Committee discussed the matter briefly.

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Motion: Councilor Kirkpatrick moved to recommend the full Council adopt Resolution No. 88-859.

Vote: Councilors Kelley, Gardner, Kirkpatrick and Hansen voted aye. Councilors Cooper, DeJardin and Van Bergen were absent. The vote was unanimous and the motion passed:

Chair Hansen adjourned the meeting at 9:04 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Paulette Allen".

Paulette Allen, Clerk
SWC88.201