

APPROVED
Date 12-15-92

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

August 4, 1992

Council Chamber

Committee Members Present: Judy Wyers (Chair), Ruth McFarland (Vice Chair), Roger Buchanan, Sandi Hansen, George Van Bergen

Councilors Also Present: Jim Gardner

Chair Wyers called the regular meeting to order at 5:36 p.m.

1. Solid Waste Updates

o General Staff Reports

Bob Martin, Director of Solid Waste Department, referenced a memorandum from Andy Sloop, Management Intern, Solid Waste Department, dated June 24, 1992 responding to an inquiry from the Council regarding the status of California's regulation of solvent-based paint. This document has been made part of the permanent meeting record. Mr. Martin said California abolished the use of solvent-based paint and adopted volatile organic compound standards. Mr. Martin said he would follow up on any additional questions concerning the matter at the Committee's pleasure.

In response to Councilor Buchanan, Mr. Martin said Credit Suisse had received proposals from about twelve firms for review. He anticipated Credit Suisse would consult the Department for an advisory opinion regarding the firms involved in the process. He indicated uncertainty as to precisely which firms had responded, but, he said he understood major corporations with experience in composting projects had responded.

In response to Chair Wyers, Mr. Martin said any firm taking over the project would have to mitigate the odor problem at the compost facility as defined by the stipulated order from the Department of Environmental Quality (DEQ).

In response to Councilor Van Bergen, Mr. Martin said he understood the handles for the hose valves had been stolen at the truck washing section at Metro South, and noted one of the handles had been replaced. He said items were consistently stolen at the transfer station, including brooms, shovels, hoses, although, he noted, this was the first time handles had been taken. Mr. Martin said he was reviewing the possibility of welding the handles to the apparatus. Councilor Van Bergen requested a written report.

(Continued)

COUNCIL SOLID WASTE COMMITTEE

August 4, 1992

Page 2

o Waste Reduction Program Activities

Debbie Gorham, Waste Reduction Manager, introduced Mike Huycke, Associate Solid Waste Planner, and Marie Nelson, Public Affairs Supervisor. She noted staff would discuss Department plans for outreach in multi-family container recycling for which \$100,000 had been appropriated in the FY 1992-93 budget. Ms. Gorham referenced an editorial in the Oregonian newspaper this week regarding recycling issues.

Mr. Huycke mentioned Senate Bill 66 listed multi-family recycling as one of eight options from which cities of over 10,000 population were to choose to comply with state recycling goals. He outlined Metro's annual waste reduction program included multi-family recycling systems implementation guidelines and program goals. He said Metro plans included providing technical information, coordinating training programs for apartment owners and managers as well as providing partial funding for multi-family container systems. Mr. Huycke noted a total of \$401,000 had been expended on implementation of the system during the program's three years. Mr. Huycke presented a visual display illustrating aspects of program implementation.

In response to Councilor McFarland, Mr. Huycke said multi-family recycling containers could not be placed at a site without the request of the apartment manager. He emphasized coordination between the manager and the hauler was necessary to ensure involvement of the appropriate collection vehicle.

In response to Councilor Buchanan, Mr. Huycke felt current levels of interest in the program were satisfactory.

In response to Chair Wyers, Mr. Huycke said reliable data would be made available to the Committee as soon as compiled regarding numbers served compared to numbers remaining to be served. He estimated one third of the region's multi-family recycling needs were being met currently. He said the plan goal called for every unit to be served by the year 1994, and said the program was on target in accordance to Metro's waste reduction plan.

Steve Kraten, Recycling Section Supervisor, said discussions with local governments participating in the Multi-Family Steering Committee indicated interest in and desire to cooperate with the program. He indicated the current expenditures were intended to precipitate dollar matching for hardware. Chair Wyers noted that was the budget intent. In response to Chair Wyers, Mr. Kraten said the program would connect receipt of container money to a training workshop for apartment managers at which a workbook would be made available.

Ms. Nelson said the program's success was hinged to making every on-site owner/manager of multi-family dwellings aware of the program, and said that was the combined objective of Public Affairs and the Department. She noted the composition of the steering committee included representatives of participating local governments, a research group from Portland State University, representatives from the Multi-Family Housing Council as well as the hauling community. She said the workbook had been developed as an outgrowth of this group's discussions. She said the committee would be involved in plans to develop promotional materials and events to focus regional attention on multi-family recycling. Ms. Nelson said Metro was also assisting local governments to communicate to local haulers. She said a flyer mail-out was planned for September 1 to go to 3000 on-site owners/managers through the Multi-Family Housing Council newsletter. She noted the organization was paying for the postage and Metro was paying for the printing, which she cited as an example of partnership. She said the effort was to facilitate a connection between owners/managers with the Recycling Information Center (RIC) with follow up toward workshop training in the program. She felt apartment residents elsewhere would become aware of the program and call Metro's RIC, would receive a fact sheet helping them encourage their own managers to start up such a program. She noted 8,000 such calls had been received the previous year. Ms. Nelson noted a information booth was planned for the Property Management Show to be held in September 15 and 16, 1992. She said a press conference was planned for October prior to the launching of a number of workshop series. Ms. Nelson articles and advertisements would appear in trade magazines as well written by Public Affairs staff.

2. Briefing Concerning BFI Settlement

Chair Wyers called for an Executive Session according to ORS 192.660, to consider records exempt from public inspection. Senior Assistant Counsel Todd Sadlo gave the staff report.

3. Ordinance No. 92-468, For the Purpose of Approving an Increase in the Transfer Rate for the Forest Grove Transfer Station

Roosevelt Carter, Solid Waste Budget and Finance Manager, presented the staff report, and said the purpose of the ordinance was to approve a \$2.75 rate increase at the Forest Grove transfer station operated by A.C. Trucking. He said the rate increase request had been reviewed by Rate Review Committee on July 6, 1992, and said the rational for the increase included: 1) increased administrative costs; 2) a state PUC ruling requiring the transfer station reduce the size of truck payloads transporting waste to the Riverbend landfill; and, 3) a reduction in hours of operation at Riverbend landfill. He said the rate would increase from \$65.66 to \$74.95, which he noted was close to the Metro rate of \$75. He said the rate included the recent Metro increase to both the Tier I user fee and the excise tax. Mr. Carter noted Charles

Marshall was present representing A.C. Trucking and available for questions.

Motion: Councilor McFarland moved to recommend Ordinance No. 92-468 to the full Council for adoption.

Councilor McFarland said in her capacity as Chair of the Rate Review Committee she had heard the request now before the Solid Waste Committee. She noted the first time the Rate Review Committee heard the matter it was turned down on the basis of inadequate documentation. She said the committee determined the requested increase was appropriate upon subsequent hearing and unanimously recommended approval.

In response to Councilor Van Bergen, Mr. Carter said Metro did not operate the gatehouse at the Forest Grove transfer station, and he said one audit had been performed two years previously. Councilor Van Bergen indicated an audit in the near future was in order.

Chair Wyers opened a public hearing.

Councilor Gardner asked concerning the increase in the proposed rate of return from 5.4% requested in 1991 and 8.25% requested this year. Staff and Mr. Marshall indicated the Riverbend landfill would likely increase its disposal fee prior to the end of the year and that such an increase would reduce the rate of return at the transfer station. In response to Councilor Gardner, Mr. Marshall indicated no new request for a rate increase would be forthcoming from A.C. Trucking when Riverbend increased its fee as it would be problematical for A.C. Trucking to charge a rate higher than the rate at Metro facilities.

In response to Councilor Van Bergen, Mr. Marshall indicated that Metro did not apply flow control specificity to Forest Grove currently.

Chair Wyers closed the public hearing.

In response to Chair Wyers, Mr. Carter said a settlement regarding the application of fees had been reached and said the arrearage had been remitted. Chair Wyers requested documentation be made available to John Houser, Council Analyst, for review.

Mr. Martin clarified the issue under discussion. He said a dispute existed regarding a hauler that was not remitting the excise tax portion of his fee for access to A.C. Trucking, and said A.C. Trucking was, in turn, not remitting the monies to Metro. Mr. Martin referenced a proposed ordinance amendment brought forward to the Committee related to Metro code collection of excise tax which would have eliminated imposition of the Metro excise tax on a hauler collecting and disposing outside the region while accessing a transfer station within the region. He noted the proposed amendment had been defeated.

Councilor Van Bergen emphasized his view concerning the need for an audit in the near future.

Mr. Marshall explained his company had misunderstood Metro's billing cycle, noting it was thought to be 30 day subsequent to collection rather than 30 days subsequent to billing. He said although penalties had accumulated, an agreement regarding A.C. Trucking's account was reached. He added Metro and the company's legal counsel were discussing options for collection of the taxes due from the hauler.

Councilor Van Bergen suggested a joint report from the Solid Waste Department and the Finance and Management Information Department regarding the matter with the inclusion of a recommendation.

Chair Wyers requested Mr. Houser draft a memorandum to FMI regarding the matter.

Vote: Councilors Buchanan, Hansen, Van Bergen, McFarland and Wyers voted aye.

4. Resolution No. 92-1655, For the Purpose of Authorizing the Execution of A Sale Agreement with Intel Corporation for Acquisition of Property at Southwest 209th and Tualatin Valley Highway

Neil Saling, Regional Facilities Director, presented the staff report, and said the proposed resolution would authorize a sale agreement with Intel Corporation for the property described in the documentation. He said Metro purchased the land in 1986 for the purpose of a Metro West transfer station for a price of \$935,000. He noted the Committee had authorized a lease of the property to Intel the previous year for which the monthly value was \$4000 with Intel paying property tax assessments. He noted the Solid Waste Department Director had determined the land was excess to the needs of Metro.

Mr. Saling referenced his memorandum dated July 30, 1992 to Mr. Houser responding to Council Staff questions connected with the proposed resolution.

In response to Councilor Van Bergen, Mr. Saling said Metro originally purchased the property from the Intel Corporation. Mr. Saling said the "disputed claims" referenced in paragraph 3 of his memorandum were connected with differing values placed on the land by Metro and by Intel. Mr. Sadlo clarified that a condemnation action had existed in which Intel opposed to Metro taking possession of the property, and he said Metro paid a premium to Intel in a negotiated settlement to win Intel's approval of the agreement to sell the property to Metro.

The Committee and staff discussed a previous resolution concerning the Intel property, Resolution No. 92-1535, For the Purpose of Authorizing the Execution of an Option Agreement with Intel Corporation, which had been tabled February 6, 1992.

Councilor Van Bergen referenced the Agreement of Purchase and Sale and Joint Escrow Instructions, page 2, Section 2.2, regarding Payment of Purchase Price. He noted \$30,000 was to be deposited in an interest bearing account with deposit and interest accrued to be applied to the purchase price upon closing date, and he inquired which party would have the tax exposure on income so earned. Mr. Sadlo said he would review the matter and respond to the Committee.

In response to Councilor Van Bergen, Mr. Sadlo said his reading of the statutes would indicate Metro needed only to declare the property surplus to Metro needs. He said Metro could then sell the property to a private individual without bids. Councilor Van Bergen noted local school property in his jurisdiction sold surplus property with a bid process, and expressed concern regarding Metro entering into a situation in which a party could say a sweetheart deal was made with Intel. Mr. Sadlo said he believed Metro was entitled to sell the property without a bid process.

Councilor Gardner noted the current lease on the property was for the amount of \$4,000 per month and began in May, 1991. In response to Councilor Gardner, Mr. Saling said the length of the lease was 2 years and would expire in 1993. Councilor Gardner noted the December 1991 staff report for the previously tabled resolution observed a possibility existed that 1 1/2 acres of the site might be classified as wetlands. He noted the staff report stated there was no recognition of these wetlands at the time of Metro purchase. Councilor Gardner commented the current staff report attached to the proposed resolution stated there was evidence in Metro records recognizing the existence of wetlands. Mr. Saling said the staff report attached to the previously tabled Resolution No. 92-1535 was in error, and he said upon further investigation of records of the original sale he discovered reference to the wetlands.

Councilor Gardner noted the option agreement in the previously tabled resolution stated the total amount of the lease payments which had been made by Intel to date would be deducted from the sale price. Mr. Saling said that provision was stricken from the lease at time of execution, and he confirmed the new sales agreement did not have such a provision.

Councilor Gardner referenced page 5 of the proposed sales agreement, Section 6.2 (b), and inquired whether Intel would be required to pay Metro \$4,000 per month for the remaining 10 months of the lease. Mr. Saling said that was not the intention. Mr. Sadlo agreed and indicated clarification was in order. He said the intent was that Intel would pay

the lease amount remainder due up to the time of termination of the lease, closure and sale.

Councilor Van Bergen asked if the Metro had determined concordance with the sale of the property.

Councilor Gardner said when the previously tabled Resolution No. 92-1635 was filed with the Council, he had referred it to both the Solid Waste Committee and to the Finance Committee since two questions arose. He said the first question was, did Metro still need the property, and noted it had originally been intended for solid waste system purposes. With that in mind, Councilor Gardner felt, the matter should be under the purview of the Solid Waste Committee. He said the second question was concerned with the financial issues, and he said, as such should be under the purview of the Finance Committee. Chair Wyers acknowledged the Executive Officer and the Solid Waste Director recommendation, but noted the need for the property had not yet been discussed by the Solid Waste Committee.

Councilor Buchanan said he was interested in a discussion concerning need. Chair Wyers indicated she would accept the recommendation of the Executive Officer and the Mr. Martin. Councilor Hansen commented it appeared there were no other options of interest to Metro concerning the property. Councilor Van Bergen felt discussion concerning the matter of need was necessary for the integrity of the resolution. Chair Wyers noted the issue of need was addressed in paragraph 3 of the body of proposed Resolution No. 92-1635.

Mr. Martin stated the property was surplus to needs for the Solid Waste Department, and noted he was not able to speak for other departments within Metro. He said it would not be of interest to the Department in connection with a Washington County transfer station. He said sites had been permitted within Washington County for transfer station operation, and said this site was not permitted for that purpose. He said he had personally viewed the property, and said it would not suit Metro's needs for a transfer station, was not in the adopted plan and was not currently appropriately zoned.

Councilor Buchanan asked if any possibilities for use were overlooked. Mr. Saling said there were none.

In response to Chair Wyers, Mr. Sadlo said the wetlands were mentioned in the sale agreement in order that their existence be acknowledged. He added Intel was involved in the process of obtaining permits for development of the land with wetlands and mitigation should the wetlands be harmed, and he felt the wetlands issue was being dealt with.

Mr. Saling said he had the opportunity to review the permit obtained by Intel in which Intel had incorporated the wetlands into the plans for

the development of the site, and said he felt the plan was satisfactory based on his knowledge of wetland mitigation.

Councilor Van Bergen questioned the possible value of the site in terms of Greenspaces. Councilor Gardner did not feel the property would have value as Greenspaces property. Councilor McFarland asked for another opinion. Councilor Gardner recommended a Metro Greenspaces staff be asked to address the question at the Finance Committee meeting to be held August 6, 1992. Councilor Van Bergen recommended the Solid Waste Committee move the proposed resolution based on the need only issue and refer it on to the Finance Committee for final approval. Chair Wyers said her preference was to refer the proposed resolution to the Finance Committee without a Solid Waste Committee vote since a number of the same Councilors were on both Committees. Councilor Buchanan felt a vote in Solid Waste Committee was appropriate. Councilor Gardner recommended a motion to declare that in the Solid Waste Committee's opinion the property was not needed by the District for solid waste related purposes and, further, that no reason existed for retaining the property based on a need for solid waste purposes. He said the Finance Committee could then deal with whether or not the sale of the property with the proposed agreement terms was a good decision. He said the Finance Committee would also be able to hear the matter concerning the Greenspaces issue at that time.

Motion: Councilor Hansen moved to agree that the property described in the Resolution No. 92-1635 was surplus property and was not needed by Metro for solid waste purposes, and to recommend Resolution No. 92-1635 be referred to the Finance Committee for approval.

Councilor McFarland said she would vote in favor of the motion, and validated Councilor Van Bergen's question regarding the necessary order of the sequence of events when the Council declared a piece of property as surplus. She said she did not believe the Council should sell any property until the Greenspaces program has had the opportunity for input. She said she agreed the property was not necessary for solid waste purposes, but she noted she might have to vote otherwise should the property appear necessary for other Metro purposes.

Chair Wyers asked Mr. Houser to draft language for setting up a sequence of events for obtaining information from the Greenspaces program prior to sale of other Metro property in the future. She expressed concern that the Greenspaces staff would be able to bring a response to the Finance Committee on the short notice involved, and she believed Executive Officer and Mr. Saling would want to provide input as well.

Councilor Hansen pointed out to the Committee that since Multnomah County had decided to place monies from sale of any property into

COUNCIL SOLID WASTE COMMITTEE

August 4, 1992

Page 9

Greenspace programs other programs were experiencing problems due to lack of funding.

Chair Wyers indicated she felt favorable toward the concept. The Committee agreed it was a budget as well as a Solid Waste Department issue.

Vote: Councilors Buchanan, Hansen,, Van Bergen, McFarland and Wyers voted aye.

The vote was unanimous and the motion passed.

5. Resolution No. 92-1656, For the Purpose of Authorizing an Exemption to the Competitive Procurement Procedures of Metro Code Chapter 2.04.053, and Authorizing a Change Order to the Design Services Agreement with Parametrix, Inc.

Dennis O'Neil, Senior Solid Waste Planner, presented the staff report, and said a contract was executed with Parametrix, Inc. for engineering services related to the St. Johns Landfill closure in June 1990.

Mr. O'Neil invited members of the Committee to tour the landfill to view the closure process, asked them to give him a call, and he would arrange such a tour.

He said with Council's approval the Department would issue a Request for Bids in December 1992 for closure activity for Subarea 2 and 3 at the landfill.

Mr. O'Neil displayed an aerial photograph of the landfill and discussed types of work being accomplished. He said under the proposed Change Order No. 10 Parametrix would provide technical assistance to Metro staff and test the existing cover soil in Subarea 2 and 3 to determine recycling capabilities as cover for the landfill. He said they would review the cover design, a vegetation plan, and said they would be involved in the production and quality of the landfill gas, would produce construction documents as well as construction cost estimates to bring to the Committee in December. He said Parametrix would be involved in bidding assistance and preparation of any necessary addenda.

Mr. O'Neil outlined the original budget and appropriations, expenditures and changes requested in the staff report. He said unanticipated problems could be disputes which could be resolved by additional Metro staff input in the form of models, drawings, and so forth, and noted Change Order No. 10 requested \$50,000 be replenished to the contingency fund. He said before any expenditure from this fund was authorized, Metro staff required Parametrix to submit a proposed budget after which Metro staff established a maximum allowed expenditure for each task.

Mr. O'Neil responded to questions posed in Mr. Houser's memorandum dated July 28, 1992 and located in the agenda packet for this meeting. He said in answer to question no. 1 it was possible the budgeted amount of \$500,000 was not enough for the proposed work, and anticipated the potential of expenditures of \$200,000 to \$250,000 greater. In response to question no. 2, Mr. O'Neil said Parametrix was given a scope of work to which Parametrix responded with a price after which adjustments were made and the current document developed. Mr. O'Neil responded to question no. 3 and said authorization to replenish contingency appropriation was intended to cover the entire length of the contract to 1996. He forecasted expenditure \$10,000 to \$15,000 for regulatory contingency during the current fiscal year. In response to question no. 4, Mr. O'Neil said one or two additional change orders were anticipated during the current fiscal year. He responded to question no. 5 saying the type of activity to which funds would be allocated would be constructed management activities as described.

Mr. O'Neil said the Department believed exemption from the bidding process was justified as the work was ongoing Parametrix work.

The Committee and staff discussed other possible changes in construction management and design in an effort to save money in the closure process. Mr. O'Neil indicated concerns and problems regarding St. Johns Landfill were a matter public record. Mr. Martin noted a review of the monitoring well structure had occurred and was coupled with a response in which both DEQ and Metro's consultant had agreed to installation of supplemental wells. He said that work was underway which would satisfy regulatory concerns and should provide data regarding deep aquifers contamination issues should they arise as well as shallow aquifers and surface monitoring. He said a long term monitoring strategy had been developed, and added should the need arise modifications would be effected.

In response to Councilor Van Bergen, Mr. O'Neil indicated he was a scientist and Mr. Martin was an engineer. Councilor Van Bergen asked if consideration had been given to the possibility of sterilizing the earth with power lines so leachate was not created, and asked if studies on the matter could be researched. He asked Department staff to respond in the future.

Motion: Councilor McFarland moved to recommend Resolution No. 92-1656 to the full Council for adoption.

Vote: Councilors Buchanan, Hansen, Van Bergen, McFarland and Wyers voted aye.

The vote was unanimous and the motion passed.

6. Resolution No. 92-1657, For the Purpose of Authorizing Issuance of a Request for Bids for Hauling and Processing Yard Debris from the Metro South Station

In response to Councilor Van Bergen, Sam Chandler, Solid Waste Facilities Manager, said the yard debris was received at Metro South on a daily basis. He said Waste Management placed the material in drop boxes which was then transported to McFarland's Bark.

Motion: Councilor Buchanan moved to recommend Resolution No. 92-1657 to the full Council for adoption.

Vote: Councilors Buchanan, Hansen, Van Bergen, McFarland and Wyers voted aye.

The vote was unanimous and the motion passed.

7. Resolution No. 92-1659, For the Purpose of Approving an Intergovernmental Agreement with the City of Oregon City Providing Reimbursement to the City for Household Hazardous Materials Problems

Mr. Chandler presented the staff report, and responded to a question from Mr. Houser. He said the expenditure was anticipated, and said \$10,000 had been budgeted as host fees.

In response to Councilor Van Bergen, Mr. Chandler said regarding a precedent set for future like situations, he did not believe an impact would occur.

Motion: Councilor Hansen moved to recommend Resolution No. 92-1657 to the full Council for adoption.

Vote: Councilors Buchanan, Hansen, Van Bergen, McFarland and Wyers voted aye.

The vote was unanimous and the motion passed.

There being no further business, the meeting adjourned at 7:56 p.m.

Respectfully submitted,



Marilyn Geary-Symons
Committee Clerk