

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

August 6, 1991

Council Chamber

Committee Members Present: Judy Wyers (Chair), Jim Gardner, Susan McLain
Committee Members Absent: Ruth McFarland, Tom DeJardin
Councilors Also Present: Roger Buchanan

Chair Wyers called the regular meeting to order at 5:37 p.m.

1. Consideration of April 16, 1991 Minutes

Motion: Councilor Gardner moved for approval of the Solid Waste Committee April 16, 1991 minutes.

Vote: Councilors Gardner, McLain and Wyers voted aye.

The vote was unanimous and the motion passed.

2. Informational Report Regarding the First Two Funding Cycles For the 1% For Recycling Program

Judith Mandt, Solid Waste Director Assistant and Project Manager for the 1% for Recycling Program, and Lee Zimmerman, Associate Solid Waste Planner, presented the staff report summarizing the accomplishments of the first two years of the program.

Ms. Mandt introduced members of the 1% for Recycling Committee present; Linda Mullen, Karen Griffin, Forrest Soth, Emilie Kroen, and Wilbert Randle, Jr., and she gave recognition to Aletta Yantis, Administrative Assistant, for her assistance. She said 17 of the 99 proposals received were implemented. She noted approximately \$650,000 had been disbursed over the two year period; i.e. \$250,000 for nine projects in the first year and close to \$400,000 for eight projects in year two. She said 70% of the funding was expended in the area of waste reduction and 30% in the area of education and promotion, and noted the puppet show display as well as examples of materials used in the projects were on exhibit in the Council Chamber. The July, 1991 Metro report, 1% Well Spent!, has been made a part of the permanent meeting record. She noted the citizens committee met regularly, solicited comments from the public and met with the Solid Waste Committee twice yearly to present recommendations.

Ms. Zimmerman gave a slide presentation demonstrating various projects for which grants had been given. These included a drop box project in Washington County to collect mixed plastics, multi-family recycling

(Continued)

projects in retirement homes and mobile home parks, construction of a recycling museum at the Environmental Learning Center in Clackamas County visited by 20,000 citizens per year including school children, the Deja Shoes project, a plastics recycling depot at Sunflower Recycling, a compost bin for retail marketing and others.

Ms. Mandt said the continuing need for new products to market and projects to stimulate market development would be emphasized this year. She noted past project achievements in this area were the Deja Shoe (she noted Deja Shoes had been written up in the Wall Street Journal in July/the article has been made a part of the permanent meeting record), the sheet rock recycling project, the yard debris composting bin, and the plastics grinder. She said focus would be on improvements in pre-cycling, changing consumers buying habits and institutional purchasing.

In response to Councilor Wyers, Ms. Mandt indicated the targeted time frame for start up of projects for the current year was within one month of the target. Ms. Mandt in response to Councilor Wyers regarding staff time, noted 50% of Ms. Zimmerman's time was allocated to the program, and said she spent approximately 15% to 20% of her time on the program.

Councilor McLain commented on the favorable attention drawn to Metro through the 1% for Recycling Program

3. Resolution No. 91-1486, For the Purpose Of Awarding A Two-Year Contract To Marx/Knoll, Denight & Dodge To Design And Implement Recycling And Waste Reduction Education Campaigns To Support Metro's Waste Reduction Programs

Vickie Rucker, Director of Public Affairs, presented the staff report and said the selection committee reviewed five proposals for the awarding of a waste reduction education campaign for Metro. She said Marx/Knoll, Denight & Dodge was selected, and introduced Ray Dodge, who demonstrated the proposed campaign concept. He presented four sample video spots and two radio spots for companies such as Northwest Natural Gas, Benjamin Franklin, and Newport Bay Restaurant.

Anna Amador, representing the firm, presented several television interviews regarding recycling, and noted campaign emphasis would be on corrugated cardboard.

In response to Councilor Wyers, Ms. Rucker said waste reduction would also be emphasized. John Houser, Council Analyst, responded to Councilor Wyers inquiry regarding the budgeting of \$400,000 for the contract, and explained \$200,000 per year would be requested.

In response to Councilor Wyers, Ms. Rucker agreed Committee and hauler review prior to television airplay was integral to the process.

Motion: Councilor Gardner moved to recommend Resolution No. 91-1486 to the full Council for adoption.

Vote: Councilors Gardner, McLain and Wyers voted aye.

The vote was unanimous and the motion passed.

4. Discussion of Issues Relating to Operation of Riedel Composting Facility

Bob Martin, Solid Waste Director, presented the staff report, and said Metro was meeting regularly with Riedel. He said, although instances of odor occurred, improvements had been made. He said Riedel was working with DEQ to develop a schedule for bringing the facility into compliance, and said the process was proceeding satisfactorily from a regulatory standpoint. He said the Riedel Co. considered the odor was their number one priority.

Councilor Buchanan, a resident of the neighborhood, said the odor varied, and voiced concern regarding neighborhood outcry.

Dan Cooper, General Counsel, said Metro's relationship with Riedel was contractual. He said Metro's contract with Riedel allowed for about 19 months from the time notice to proceed was issued in December, 1989 to complete the facility, pass the acceptance tests, and meet all performance standards. He noted the period would end August 8, 1991. He said according to the contract, if performance test criteria were not met and acceptance was not achieved by that date, Riedel would be entitled to an additional 18 month period to bring the facility up to the performance criteria. During the 18 month extension period, Mr. Cooper said, the risk of paying the debt service on the outstanding bonds in the amount of \$25 million shifted from Metro to Riedel, and said Riedel was obligated then to make the payments. He said Metro's obligation after the scheduled completion date was to deliver waste and pay a tip fee on every ton processed, and said Metro was not obligated to pay the full debt service as would be the case once the acceptance tests were passed. He said numerous performance criteria were written in the contract, such as amount of residue the material could produce, the quality of the compost, recovered materials, noise level and odor. He said odor standards were written in two ways: 1) to make objective by measurement to scale that which was subjective in nature, and 2) to be in compliance with DEQ regulations pertaining to odor emissions. He said contractually Riedel had until the end of the extension period to meet odor requirements, and said Metro was contractually obligated to deliver waste to the facility during the extension period. He said default of the contract would not occur unless criteria were not met by the end of the extension period. However, he said, default could occur should DEQ, as a regulator, determine shutting down the facility was essential to provide relief. He said the \$25 million in outstanding bonds on the facility would then be paid by the bank, the

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insurance company, or Riedel. In response to Chair Wyers, Mr. Cooper said if a change in law occurred after a contract was signed which increased cost or made performance impossible, the contractor could be relieved of contractual obligations. However, he said, either the Metro Council or another legislative body had the legislative power to adopt criteria which could create contractual liability for Riedel or the lender to pay off bonds and stipulate composter facilities could no longer make compost.

Mr. Houser referenced a memorandum dated May 21, 1991 from Karla Forsythe, Council Analyst, to Councilor Roger Buchanan, which contained DEQ compliance regulations and information regarding work between DEQ and Riedel toward a stipulation and final order agreement for odor abatement measures within a specified timeline. He said penalties would be included in the final order over which DEQ would exercise regulatory authority should Riedel fail to comply within the stipulated timeframe. This memorandum has been made a part of the permanent meeting record.

Mr. Cooper noted DEQ could impose a time frame other than the 18 month extension period given by Metro. He said, in his opinion, Metro could not impose new rules on Riedel over and above those currently established without creating additional Metro contractual liability.

Chair Wyers opened a public hearing.

Arnold Cogan, representing the Riedel Compost Plant, indicated he was managing partner of Cogan/Sharp/Cogan, consultant to Riedel, and said he was also an officer of Resource Systems Corp., a joint venture partner with Riedel on the compost plant and the Dano composting system license in the United States. He indicated involvement with Riedel and Metro for approximately five years. He commented on visitations to sites on which Dano composting plants operated in Europe, some, he said, for as long as 30 years in close proximity to residential areas with no objectionable odors. He noted the Portland plant was four months old, and problems were being actively worked on. He said Metro's recycling levels were at 32% and the composter plant would increase the percentage to 42% when in full commercial production. He said the Portland facility was intended to be the flagship and showcase for additional plants throughout the United States. He noted Metro and Riedel were receiving publicity in magazines throughout the United States such as Bio Cycle, Resource Recycling, and a cover story in Public Works within recent weeks. He said the Portland facility was the biggest composting plant in the United States, and said the company was committed to proper operation of the facility in a short period of time.

Chair Wyers said the Committee had previously heard the positive value of composter facilities, and said the Committee was interested at this time what was causing the problem, what could be done, what was different here from other plants, and how long was it going to take.

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Tom Lebo, Riedel project manager, said he had been assigned to the facility in June when it had become apparent the odor problems had not been eliminated and contractual obligations as well as commitments to Metro had not been met. He noted the odor was dependent on the weather, and said three sources of the odor which had been identified were: 1) garbage from incoming trucks in the tipping area, approximately 120 to 150 truckloads per day, about 600 to 700 tons; 2) the composting beds where the compost would rest for 6 to 7 weeks and would produce an odor ranging from that of silage to a fish-like odor; and 3) screening of the finished product, which produced a fish-like to an acid-like odor. He said when neighborhood residents tour the facility that the composting beds and screening process were identified as giving off the complaint odor.

Mr. Lebo said a number of efforts were in process toward improvement. He said crews had been added to sweep and clean as well as a sweeping service, a pine scented deodorizing agent had been added to the truck wash water, open conveyers had been enclosed, the building which contains a negative air system had been further enclosed, and said extraction vents had been added to the air system to further capture odors. He said the facility was designed around the idea that the process was odorless. He said it was known that the dumping of the garbage would produce an odor, and said for that reason the building has a negative air system. He said the aeration and maturation buildings were open on three sides. He said all of the roof openings and the eaves had been closed as well as one side. He said closing the remaining sides was under consideration. He said since this was the first facility in the United States, there was little existing data from which to draw. He said it had been found that the moisture content of the material as it leaves the drum was critical, and said variance of 2% to 3% produced a two to three fold increase in odor. He said emphasis on controlling the moisture content within approximately a 3% range instead of the original 10% range has proved helpful. He said improvements were made with installation of equipment and dampers to facilitate precise air flow control. He said Dano staff from Europe had arrived to evaluate and compare the facility and methods used to those used in Europe. He said they recommended the temperature of the piles in the aeration buildings be reduced. He said a layer of filtered mature compost was being laid down on the freshly produced compost, which he said acted as a filter for immediate as well as longer term odors and as a filter for volatile organics, allowing for bacteria breakdown prior to release into the atmosphere. He said findings of four or five weeks ago showed that after six weeks the compost was not mature enough, and said in an attempt to improve the breakdown process piles were turned over. He said odor increased when the piles were disturbed. He said backyard compost produced an odor, and noted the facility was handling 16,000 to 20,000 tons of compost. He said a wind break had been erected to reduce airborne particles and odors. Mr. Lebo said over \$250,000 had been expended since the end of July on changes to the building, changes to the process and new equipment, and said new ideas that were valid were being implemented on either a small scale or otherwise to find out if they had beneficial

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impact. He said odor measurement was subjective, and noted that since he worked at the facility, he was desensitized. He added that on a scale from one to ten, the composter was at "10" three to four months ago, and said it was now at "3 to 4". He said "0" was the goal. He said since turning the piles did produce an intense odor, on the recommendation of the Dano staff turning the piles has been discontinued. Mr. Lebo said an amount of immature material was being moved off site beginning in the current week. He added correcting the problem was Riedel's number one priority. Mr. Lebo extended an invitation to the Committee members, Metro staff and neighborhood residents to come visit the facility and welcomed their suggestions.

In response to Councilor McLain, Mr. Lebo said he felt the solution would be forthcoming within the 18 month extension period. He said in six weeks all of the material that was on site would have been treated with lower temperatures.

In response to Chair Wyers, Mr. Lebo acknowledged that without process and building refinements and in place, the amounts of material received at the facility have contributed to the odor problem, and said Metro paid a tipping fee for tonnage received, and noted the facility was designed to be able receive 600 tons per day, 6 days per week although this had not occurred at the outset of operations. He said Metro had done everything that had been asked.

In response to Councilor Gardner, Mr. Lebo indicated that full enclosure was a possible partial solution, and noted the Nabisco facility in the area was fully enclosed and was not odor free. Mr. Lebo agreed that a negative air system which prevented air escaping from the building would be a solution.

Councilor Buchanan said the degree of the odor problem was a concern, and noted he had experienced the odor at approximately 3 1/2 miles away. Mr. Lebo said the company acknowledged the intensity of the odor as well as the distance. He said company representatives had found the facilities in Europe to be odor free and were under the impression that duplicating the European design would produce similar results. Councilor Buchanan referred to a visit to a Dano facility in London, England in which he noted material was taken off site by truck. In response to Councilor Buchanan, Mr. Lebo said the concept of removing the material to another location was being considered by Riedel.

Pat E. Leedham, resident at 5941 N.E. Simpson, said Riedel was approximately 10 blocks away from her home. She said the odor was constant, and said she had to keep the windows in her home closed. She said she did not understand why the facility was not sited further away from residential neighborhoods, nor did she understand why an 18 month extension period had been given. She said the odor had not improved in the last four months from a "10" to a "3", and said perhaps it had reduced to

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a "9.5". In response to Councilor McLain, Ms. Leedham said the odor was like a garbage truck that had not been washed.

Diane Rebagliati, resident at 5908 N.E. Simpson, said when Riedel sited what she termed the "landfill" at 72nd and Killingsworth facility, residents were not notified. She stated she could not open windows in her home, could not eat dinner due to being overwhelmed by the odor. She said she had to open and then close the door to her home recently on a hot night due to being overtaken by the odor and then by the heat. She said she did not understand why Riedel had been granted two 18 month deadlines. She said study of the European facilities should have produced better results. She said her conversation with DEQ indicated the facility had 18 months to work on the problem and until that time they were in compliance.

In response to Councilor McLain, Mr. Rebagliati said relief came the night she opened and closed the door to her home due to a breeze that moved the odor elsewhere. She said low clouds caused the odor to remain constant. Ms. Rebagliati felt the odor problem would be noticeable at the airport when visiting dignitaries arrived.

Gordon Hunter, spokesperson for the Cully Neighborhood Association, thanked the Committee for their concern. He indicated he had received a number of phone calls from residents in the area, and said Riedel had promised the project would not have an odor. Mr. Hunter said when the composter facility project began in 1987, Mr. Robert Applegate had indicated odor would not be a problem. He said also he had attended a meeting of solid waste staff and other interested parties at Fernwood School at which it was indicated there would be no odor problem. Mr. Hunter said he believed Metro had an obligation to the neighbors. He said the Cully Association had agreed to the facility siting with the understanding there would be no serious odor problem. He said he felt Metro was not living up to its promise. He said a meeting had been held with Metro staff and Riedel on May 8, and Riedel indicated a two month timeline for the solution to the problem. Mr. Hunter said he and Si Stanich met with Riedel on July 8 at which Riedel asked for a couple more weeks. Mr. Hunter said his personal impression was the odor was governed by wind patterns, and said 18 months was too long a period to give for corrective action. Mr. Hunter said he would like to see Metro take a more active role, and suggested consultants might be hired at Metro's expense. He said public opinion was in favor of the composter facility, but indicated public opinion would turn against the project unless there was a solution to the problem.

In response to Chair Wyers, Mr. Hunter said he had two conversations with DEQ, and indicated he had not been pleased with DEQ response. He said his impression was DEQ felt it was a Riedel/Metro problem. Mr. Hunter said it was his understanding Portland had unusual weather patterns which could be a factor.

Si Stanich, resident at 5437 N.E. Jessup, refuted statements that there was a reduction in the odor. He said the odor saturation area was moving further south, becoming wider and was constant. He said it now encompassed the Cully Neighborhood, Madison North and Rose City Park and affected thousands of citizens. Mr. Stanich said the extension of time was a critical matter, and said property values would be affected. He noted Riedel had not met timelines to date. He said he and the neighbors favored the concept of the composter plant but wanted cessation of the odor, and he advocated for a quick solution.

Phill Colombo, resident at 3525 N.E. 66th Ave., Vice Chairperson of the Madison North Neighborhood Association, and member of the Board of Central Northeast Neighbors. He said he was speaking on behalf of David Grilly, Madison North Chairperson and resident of the Cully neighborhood. He said the odor was pervasive and that he could detect the odor at the Hollywood Transit Center, at Lloyd Center, and noted the odor had been detected in North Portland at the University of Portland. He said the presence of the odor was unpredictable. He read several quotes into the record from citizens who had called with complaints as follows:

"I cannot enjoy my patio, gardening, walks in the neighborhood."

"We wanted to eat outside on our deck, but had to go back inside."

"Our house was hot. We wanted to open the windows. It smelled so bad we could not sleep."

"Our property value would go down even if this is stopped if the area gets a reputation for smelling like garbage."

Mr. Colombo said a citizen had reported to Mr. Grilly a change of mind on the purchase of a \$93,000 home in the area specifically because of the smell. He said Metro should assure the contractor was in compliance with the contract, and said if non-compliance was an option then it should be made as unpalatable financially as possible. In response to Chair Wyers, Mr. Colombo said he understood DEQ was developing a contract within the next two days with Riedel which would state what must be done, and said Mr. Grilly had been in contact with DEQ staff.

Chair Wyers closed the public hearing.

Councilor Gardner asked Mr. Martin regarding the status of permits from DEQ for the Riedel composter facility. Mr. Martin said the permit was for solid waste, and added the issue was whether the facility was in compliance with air quality regulations regarding odors. Mr. Martin said DEQ had determined objectionable odors existed and was in discussion with Riedel concerning what was being done to solve the problem, and was developing a compliance schedule with Riedel.

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In response to Councilor Gardner, Mr. Martin said the issue of non-compliance was appropriately related to the air quality regulatory authority.

Councilor McLain noted the neighbors could not stand an 18 month wait for the problem to be solved. She suggested Riedel be required to report to each Solid Waste Committee meeting. She suggested that in six months Metro revisit its options from the viewpoint of our legal, legislative and leadership role. Councilor McLain did not favor closing the facility on August 8, and felt the company should be permitted to work through the procedures and technology involved in a new type of recycling and composting.

In response to Councilor Buchanan, Mr. Martin said he felt Metro would have an opportunity to review the pending DEQ compliance schedule, and noted penalties for non-compliance would be included.

In response to Chair Wyers, Mr. Martin said he favored requesting DEQ address the issues before the Committee at the appropriate time. Chair Wyers encouraged citizens to attend and participate in public meetings conducted by DEQ regarding the forthcoming compliance schedule.

5. Ordinance No. 91-417, An Ordinance For the Purpose of Amending And Renewing the Franchise Agreement With East County Recycling, Inc.; And Declaring An Emergency

Mr. Martin presented the staff report, and said the franchise held by East County Recycling, Inc. (ERC) was scheduled to expire in the near future and that the resolution before the Committee would authorize the renewal of the franchise agreement with changes reflected. He said the changes included going to a weight based system rather than a cubic yard system of measurement. He responded to Council staff questions as outlined in Mr. Houser's memorandum dated July 25, 1991. He said it was the judgement of the Solid Waste Department that a daily limit posed on receivable waste was unnecessary, and said no problem was foreseen for access routes in the neighborhood. He said ERC was not set up for yard debris composting such as Grimm's Fuel Co., and said the yard debris rate equal to the other mixed rates was consistent with charges for disposal of other components of hog fuel produced. He said a higher rate could encourage generators of pure yard debris to use other facilities better equipped to produce yard debris compost. He said legal counsel had informed the department that due to state legislation future franchises must be processed as ordinances, noting in the past the resolution form had been utilized.

In response to Councilor Gardner, Mr. Martin said the change from 100,000 cubic yards to 60,000 tons reflected an increase in material. He said the due to density of material, projected measurement could vary from 3 to 5 cubic yards per ton as an annual average, noting greater variables with greater densities were possible. Ralph Gilbert, president and owner of

East County Recycling, confirmed that ECR had no complaints regarding traffic impact.

Mr. Gilbert said 100,000 cubic yards was selected as an experimental figure when the company started up, and said potential modification of the number had been built into the franchise agreement.

Motion: Councilor McLain moved to recommend Resolution No. 91-417 to the full Council for adoption.

Vote: Councilors Gardner, McLain and Wyers voted aye.

The vote was unanimous and the motion passed.

6. Resolution No. 91-1477, For the Purpose of Authorizing an Exemption To the Requirement of Competitive Bidding And Authorizing Issuance of A Request For Proposals From Paint Manufacturers To Reprocess Latex Paint Collected At Metro's Permanent Household Waste Collection Facilities

Sam Chandler, Solid Waste Facilities Manager, and Jim Quinn, Hazardous Waste Specialist, presented the staff report. Mr. Chandler indicated the proposal, while not a revenue generator, would be a program to reduce costs.

Motion: Councilor McLain moved to recommend Resolution No. 91-1477 to the full Council for adoption.

Vote: Councilors Gardner, McLain and Wyers voted aye.

Councilors Buchanan, Devlin, Wyers, Hansen and Van Bergen voted aye.

The vote was unanimous and the motion passed.

7. Resolution No. 91-1481, For the Purpose Of Authorizing the Executive Officer To Execute A Contract With Trans Industries For Processing And Transporting Yard Debris From the Metro Central Station

Mr. Chandler and Ray Barker, Assistant Facilities Manager, presented the staff report.

In response to Mr. Houser, Mr. Barker said by way of update three bids had been received for similar work at Metro South, one of which was at \$35 per ton from McFarland's Bark, Inc. He said this was the amount proposed by the contractor proposal before the Committee, and said it was \$4.50 less than what Metro was paying currently to have the yard debris hauled away and processed.

Motion: Councilor Gardner moved to recommend Resolution No. 91-1481 to the full Council for adoption.

Vote: Councilors Gardner, McLain and Wyers voted aye.

The vote was unanimous and the motion passed.

8. Solid Waste Updates

o General Staff Reports

Mr. Martin presented the staff report and said the department was developing a procurement process and documents for the Washington County transfer station system consistent with Metro adopted policy. He said the department intended to bring forward the documents together at the Solid Waste Committee of September 17, 1991.

In response to Councilor Gardner, Mr. Martin indicated a procurement for each service area was planned.

Mr. Martin said since work on the Household Hazardous Waste (HHW) facility was behind schedule, the department planned to schedule another HHW clean up day in October, 1991. He indicated DEQ intended to assist with funding, and said the department would seek Council support.

Councilor McLain expressed concern citizens understand the day was a special unscheduled one time event since they were being educated that such events would no longer be held. Mr. Martin agreed and indicated a direct mail was planned along with other promotional means.

o Waste Reduction Program Activities
Report Regarding Regional
Recycling Levels

Debbie Gorham, Waste Reduction Manager, Pamela Kambur, Assistant Solid Waste Planner, and Terry Petersen, Senior Solid Waste Planner, presented the staff report and two TV reports on Channel 2 News regarding composting yard debris and highlighting the Fulton site. Ms. Gorham also reported the Mt. Hood site had been washed out during a recent rain and the sudden unblocking of a storm drain.

Ms. Kambur discussed home composting workshops being developed and presented by the department which have proved successful.

In response to Chair Wyers, Ms. Kambur said a test project in Clackamas County in which six kinds of containers were used for yard debris, and noted preliminary results indicated haulers and residents liked the paper bags and totes, which were higher in cost. She said official results would be presented in report form by the end of September.

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Chair Wyers thanked the department for the Deja Shoes and noted wives of Councilors would appreciate receiving the shoes.

Mr. Petersen presented the July, 1991 Metro report, 1990 Recycling Levels, Survey of Recycling Markets, and noted the level overall increased from 28% to 32% in 1990. The report has been made a part of the permanent meeting record.

There being no further business, the meeting adjourned at 8:25 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Marilyn Geary-Symons". The signature is written in black ink and extends across the width of the page.

Marilyn Geary-Symons
Committee Clerk