

APPROVED
Date 10-20-92

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

October 6, 1992

Council Chamber

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

Committee Members Absent: None

Chair Wyers called the regular meeting to order at 5:35 p.m.

1. Consideration of May 5, 1992 and May 19, 1992 Solid Waste
Committee Meeting Minutes

Motion: Councilor Buchanan moved to approve the May 5, 1992 and
May 19, 1992 Solid Waste Committee meeting minutes as
submitted.

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

The vote was unanimous and the motion passed.

2. Solid Waste Updates

o General Staff Reports

In response to Councilor Buchanan, Bob Martin, Director of Solid
Waste Department, said a process of negotiations regarding the
composter were beginning between the bank and one firm with another
firm as a possibility if needed for the purpose of establishing a
relationship with a firm that could upgrade the plant, put in the
odor correction modifications and put the plant back into
operation. He said the bank preferred to make to announcement as
to the parties involved, and added he would brief Councilor
Buchanan after the meeting on the matter.

o Waste Reduction Program Activities

Debbie Gorham, Waste Reduction Manager, said a new yard debris
processing facility was under construction by Scott's Seed, Hyponex
Division, in Clackamas County, and said the company indicated they
would be accepting yard debris within a month. She noted the new
facility was in close proximity to McFarland's Bark, and said this
would present competition. She noted a "stop work order" from
Clackamas County dated August 10, 1992 had been issued to

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McFarland's Bark due to an odor problem. Ms. Gorham added the County would not enforce the "stop work order" as long McFarland's proved they were working on a solution to the problems listed in the order. Scott's Seed, Ms. Gorham noted, indicated they intended to accept yard debris from landscapers and haulers but not self-haulers, which she felt could mean self-hauler business might continue to go to McFarland's Bark.

Councilor Wyers noted McFarland's Bark was low bidder on the contract to take yard debris from the transfer station. Mr. Martin said the contract award would be delayed until the issue in the courts was resolved. Mr. Martin said the contract would be awarded to the second lowest bidder should it be found McFarland's Bark did not have the legal authority to fulfill the services offered, in which case, he said, they would be designated a non-qualified bidder. He added he would need to review correspondence issued by Clackamas County and the response from McFarland's Bark as to how they intended to proceed in fulfilling the work proposed in the contract before a decision could be made. Mr. Martin noted Ray Barker, Assistant Facilities Manager, was working on the matter, and noted to date no response to requests for additional information from either the County or McFarland's had been received by Metro. Councilors McFarland and Wyers expressed concern, and Chair Wyers indicated should the contract be in jeopardy of not being awarded to McFarland's Bark, the matter be brought before the Committee for hearing and the public process by the next Solid Waste Committee meeting to be held October 20, 1992.

Ms. Gorham discussed mixed scrap paper recycling efforts, and said the City of Portland was instituting a trial pilot program was planned to begin in the month of October with three or four haulers picking up mixed scrap paper at the curb for a six month period. She said the material would be handled after pick up by KB Recycling and Waste Tech and then would go on to Georgia Pacic. She said the program would require public education noting Clark County in Washington state had found citizens thought bathroom waste paper qualified as mixed scrap paper. She said a "correction card" was placed at the curbside and left the material to resolve the problem. She said the undertaking was in advance of Portland's next rate review process to determine rate impact if any.

In response to Chair Wyers, Ms. Gorham said various methods of collection routines would be tried to determine which method was the most beneficial, such as comingling with newsprint, placement in brown paper bags. She noted collection would occur on the same day and materials would go into the yellow recycling bins. Ms. Gorham noted the franchised haulers would likely contract with another company to pick the paper up. In response to Chair Wyers, Ms. Gorham said mixed scrap paper had become valuable at as much as

\$20 per ton and noted Georgia Pacific was interested in purchasing the material.

Councilor Van Bergen said he was made aware that the Bureau of Labor informed Denton Plastics Co. to hire minors no longer because of the death of a minor recently at the company. He said a \$80,000 fine had been imposed by the Bureau of Labor against Denton Plastics. Councilor Van Bergen asked for a report to the Committee regarding Denton Plastics Co. regarding whether Metro funds were being paid with Denton Plastics. Ms. Gorham said Denton Plastics Co. was listed in the Recycling Information Center as a recycling depot but noted Metro had no contracts currently with the company. She noted Denton Plastics had worked in conjunction with Thriftway in the past to received "2-4-6" post consumer plastics, but, she noted Denton Plastics had ceased to do so due to a lack in the market for such material. In response to Councilor Van Bergen, Department staff indicated Denton Plastics had not received "1% for Recycling" funds recently.

Councilor Van Bergen said he had requested Mr. Houser compile a report for the Committee regarding monies spent and public benefit derived from enhancement funds from the sites involved.

Councilor Van Bergen said he believed the report to shareholders from BFI demonstrated discrepancies in terms of information presented to the Department and the Committee, and asked the Solid Waste Department to review the report, which he delivered to Mr. Martin.

Councilor Buchanan asked Councilor Van Bergen to read from the report or summarize what the report contained for the record. Councilor Van Bergen indicated he would prefer to have the Solid Waste Department review the report first.

3. "Cycler" - The Recycling Robot

Jerry Harrison, representing Waste Management of Oregon, demonstrated a mechanical electronic talking robot used in school education which was made of various recyclable materials. Chair Wyers and the robot discussed recycling education.

4. Five Year Financial Plan - Solid Waste Department

Mr. Martin presented the document entitled "Solid Waste Department, Overview and Historical Findings, Phase I, Five Year Financial Planning" and referenced page 9 of the document which listed and described assumptions and strategic issues specific to the department, and discussed the five major contracts notated. This document has been made a part of the permanent meeting record. Mr.

Martin noted the St. Johns Landfill closure should be near completion at the end of the five year cycle, and noted costs would likely exceed original expectations. He said balancing disposal based rates and other revenue producing sources against fixed costs was critical, and strongly encouraged assessment of rate setting and revenue producing policies. He noted changes in federal and state regulations dealing with solid waste issues would likely increase Metro's operating costs. He noted the Clean Air Act impacted the handling of Household Hazardous Waste such as freon collection from old refrigerators. He noted OSHA requirements would impact Metro, and said should the composter begin operation regulations concerning compost products would be involved. He noted the new HHW facility at Metro Central transfer station would probably begin operations February 1993.

In response to Chair Wyers, Mr. Houser said the Committee could present questions to the department for consideration as desired. Chair Wyers indicated she would like to review her questions with Mr. Houser prior to submission to the Department. In response to Chair Wyers, Mr. Martin indicated that the Five Year Financial Plan would be reflected in the years to come in budget proposals as a course of planning and projection. Mr. Martin asked for the Committee's input concerning the plan as a whole.

Councilor Hansen asked regarding the ramifications of passage of the Charter on solid waste planning. She suggested a review of the plan be accomplished subsequent to the result of the vote.

Mr. Martin responded to a question from Councilor McFarland, and said he expected tonnage to continue to decrease based on waste reduction activity increases balanced against population increases.

In response to Chair Wyers, Mr. Martin agreed a statement regarding tonnage and waste reduction increases and/or decreases should be included in the assumptions.

Councilor Van Bergen commented communities were concerned over rate increases being set in order to increase excise tax revenues.

Mr. Houser suggested the documents before the Committee could be presented to the Rate Review Committee for consideration. The Committee agreed.

Chair Wyers requested further delineation be specified in the Five Year Financial Plan concerning balancing disposal rates and revenue sources against fixed costs such as staff assignments and work plans. Mr. Martin agreed the issue was critical and indicated he would bring recommendations to the Committee. He said waste

reduction was a growing issue and affected more staff than those in the Waste Reduction Division.

Chair Wyers asked Mr. Martin concerning mandatory collection issues. Mr. Martin said collection issues were not currently in Metro's jurisdiction.

4. RFP Related to Residential Remodeling Demonstration Project

Jim Goddard, Senior Solid Waste Planner, said the RFP before the Committee for review was prepared in conjunction with the Oregon Remodeler's Association (ORA) and summarized aspects of the project as outlined in the RFP and found in the agenda packet.

Mr. Houser said several projects had been discussed during the budget cycle and noted the question had been asked if the contracts could be handled and administered by one entity thus eliminating multiple management issues.

Mr. Goddard said differences in expertise and differences in the types of projects coupled with Metro's attempt to create opportunities for smaller businesses tended to lend to the concept of separating the contracts.

Mr. Goddard noted there was a fourteen day review period and the Committee agreed in consensus the RFP should be pursued.

5. Resolution No. 92-1683, For the Purpose of Authorizing an Exemption from the Competitive Procurement Procedures of Metro Code Section 2.04.053 to Permit the Executive Officer to Execute Contract Amendment No. 16 with SCS Engineers

Neil Saling, Director of Regional Facilities, presented his outline to the Committee entitled "SCS Contract Dispute", which included an attachment entitlede "Amendment No. 16". This document has been made a part of the permanent meeting record. He said the total claim from SCS was in the amount of \$228,887. He said Metro had held repeated discussions with SCS regarding the claim, and noted the claim was based on four factors as outline in the document presented to the Committee.

Mr. Saling said the protracted duration factor had merit in the amount of approximately \$20,000. He outlined recommendations by Metro as noted in the document. He noted a letter had been sent to SCS with a deadline for response by October 10, 1992, and indicated no response had been received as yet.

In response to Councilor Buchanan, Mr. Saling believed should Metro arbitrate a larger action would eventuate. He added he would want

to see further background documentation before a mediation process.

In response to Councilor Van Bergen, Mr. Saling said SCS had built modifications to Metro South. Chair Wyers noted costs had escalated throughout the period of the contract.

In response to Councilor Van Bergen, Mr. Saling said he deemed it appropriate to remit approximately \$36,695 to SCS as the amount Metro felt was its obligation.

Councilor Van Bergen said he would vote no, noting he felt closure would be indicated by recommendation to and adoption by the Council. Mr. Saling noted Todd Sadlo, Assistant Legal Counsel, tended to agree along those lines.

Chair Wyers felt handling the matter in the manner presented was appropriate and fair. Mr. Saling said remitting \$36,695 was not a guarantee of closure in the matter.

The Committee agreed an amendment was in order to assure no further recourse would be available to SCS should they decide to accept the amount recommended to be remitted, about \$36,000. The Committee agreed to request Legal Counsel write the language for the amendment.

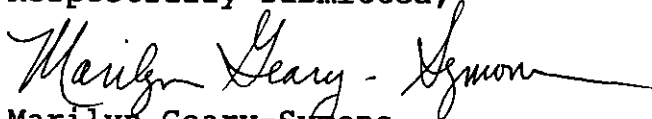
Motion as Amended: Councilor McFarland moved to recommend Resolution No. 92-1683A as amended by Legal Counsel to the full Council for adoption.

Vote on Motion as Amended: Councilors Buchanan, Hansen, Van Bergen, McFarland and Wyers voted aye.

Councilor Van Bergen submitted two items for the record as ex party communications: 1) a letter from Diane Godwin; 2) Easton Cross. These documents have been made a part of the permanent meeting record.

There being no further business, the meeting adjourned at 7:18 p.m.

Respectfully submitted,



Marilyn Geary-Symons
Committee Clerk