

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

November 5, 1991

Council Chamber

Committee Members Present: Chair Judy Wyers, Vice Chair Ruth McFarland, Tom DeJardin, Jim Gardner and Susan McLain

Committee Members Absent: None

Other Councilors Present: Roger Buchanan and George Van Bergen

Chair Wyers called the regular meeting to order at 5:31 p.m.

1. Consideration of July 2 and July 16, 1991 Solid Waste Committee Meeting Minutes

Motion: Councilor McFarland moved for approval of the minutes.

Vote: Councilors DeJardin, Gardner, McFarland, McLain and Wyers voted aye. The vote was unanimous and the minutes were approved.

2. Solid Waste Updates

- o General Staff Reports
- o Waste Reduction Program Activities

Bob Martin, Director of Solid Waste, reported on the Metro-Riedel Composter Facility. He said the Department of Environmental Quality (DEQ) order would be in effect until December 1 unless preceded by an agreement between Riedel and DEQ. He said Riedel had been working on improvements such as covers but had not yet submitted any plans to DEQ for review. He said staff would meet with Riedel and banking officials to discuss the issues. He believed Riedel should submit its improvements to DEQ before December 1, 1991.

Councilor McFarland asked if odor emitted by the facility still presented a problem to residents. Mr. Martin said it did. Chair Wyers said any improvements would extend deadlines. Mr. Martin said Riedel had until December 1 for improvements, and after that date, incremental fines would be imposed if improvements had not been made. He said Riedel would not be completely successful through odor modification because the smell was caused by anaerobic decomposition. Councilor Gardner asked why Portland's plant smelled so badly compared with DANO plants in Europe. Mr. Martin said European plants did have odor, but did not attribute the odor here to the type of waste used. He said the odor had to

do with air-related circulation problems. He said the Riedel plant did reduce waste.

Chair Wyers asked if it would be possible for Riedel to cover the entire plant and how much it would cost. Mr. Martin said he did not know what costs would be, but said it would be possible to cover the plant. Councilor Van Bergen said DEQ should take care of the problems with Riedel because Metro could be held liable. He asked if Metro could put any sanctions into effect. Mr. Martin said Metro could refuse to send waste to the facility which would put Metro into default and Metro would then have to service Riedel's \$24 million debt.

Councilor Van Bergen said the Council was told several times by staff the facility would not smell or present odor problems to the community.

Mr. Martin discussed permit fees. He said staff was working with DEQ on a committee to structure permit fees or authorize increased fees. He said DEQ was seeking an additional \$1.5 million per biennium in fees which would impact Metro heavily. He said higher fees would be placed on larger facilities and lesser fees charged to smaller, more environmentally oriented facilities. He said one drawback was that such fees could encourage illegal dumping. Chair Wyers and Mr. Martin discussed tipping fees, SB 66 and orphan site fees.

Mr. Martin discussed solid waste flow. He said solid waste flow was lower than staff had originally projected for this time of year by 15 to 20 percent because of more waste reduction due to rate increases, stockpiling, increased illegal dumping, and a general reduction in industries such as homebuilding due to the economy. He said the summer had been dry and there had not been as much water in the waste. He expressed concern about increased illegal dumping. He said commercial haulers could be disposing of their loads at gravel landfills and other non-permitted sites. He said Rabanco had been advertising its landfill in Klickitat, Washington. He said if local haulers did use that or other similar sites for dumping, that would constitute illegal use and Metro could induce penalties. Councilor Gardner asked if staff were assigned to specifically monitor and assess illegal dumping. Mr. Martin said specific staff people were assigned for that purpose and discussed future staff needs in that area. Councilor Van Bergen discussed illegal facility use also.

Councilor Gardner noted he asked John Houser, Council Analyst, about material recovery at Metro Central Station (MCS). Councilor Gardner said the equipment testing had had good results, the municipal solid waste line was not realizing full

value, and the wood line was performing well. He said most residential waste was going to the Riedel plant. He said Metro might not see material recovery from MCS as outlined in the contract. Mr. Martin said waste recovery seemed to occur through composting, and said if the municipal solid waste line at MCS did not work, Metro would not pay for it. He noted some resources recoverable two years ago were not now, but noted they could be recoverable in the future.

3. Resolution No. 91-1524, For the Purpose of Authorizing an Exemption from the Competitive Procurement Procedures of Metro Code Section 2.04.053 for Amendment No. 15 to the Design Services Agreement with SCS Engineers, Inc.

Jim Watkins, Engineering and Analysis Manager, gave staff's report. He said Metro had contracted with SCS Engineers in 1989 to provide design services to remodel Metro South Station (MSS). He said as a result of delays in completion, SCS Engineers had submitted additional compensation claims totalling \$230,000. He said those claims included a payment to a subcontractor of SCS Engineers, Gamble Engineering, of approximately \$47,000. Mr. Watkins said Gamble Engineering contacted Metro to determine if it could receive its payment directly from Metro rather than through SCS Engineers. He said staff had reviewed Gamble Engineering's claim and found the company had provided all services for which payment was requested. Mr. Watkins said Resolution No. 91-1524 would amend Metro's contract with SCS Engineers to allow direct payment to Gamble Engineering. Mr. Watkins explained because the amendment amount exceeded \$10,000, Metro Code requirements stated services had to be competitively procured. He said the intent of the amendment was not to procure funds to pay for services already provided and did warrant an exemption to Metro Code requirements.

Councilor McFarland asked if the payment to Gamble Engineering would set a precedent that would encourage other subcontractors to approach Metro for direct settlement of their claims. Mr. Watkins and Mr. Martin both indicated staff did not intend to set such a precedent. They noted that this situation involved special circumstances and any similar future claims by subcontractors would be evaluated on a case-by-case basis.

Councilor Gardner asked who would receive the payment. Mr. Watkins said Gamble Engineering would be paid directly. Councilor DeJardin supported the direct payment and noted SCS Engineers should not be able to use such payment as compensation for its own claims.

Councilor Van Bergen asked for assurances from Legal Counsel that state law would permit direct payment from Metro to Gamble Engineering. Todd Sadlo, Legal Counsel, said such payment was permissible under state law. Councilor Van Bergen noted several construction manager positions at Metro were funded for FY 1991-92 and asked why those positions had not provided the construction management services provided by Gamble Engineering. Mr. Watkins said staff was responsible for overall contract management and resolution of disputed claims. He said staff did not have the specialized technical expertise to provide the type of management services Gamble Engineering provided. Councilor Van Bergen and Chair Wyers concurred that the role of Metro staff and on-site management service providers needed review.

Councilor Gardner supported the direct payment to Gamble Engineering, but expressed concern that Metro would set a precedent with this payment for future payments of this sort. The Committee as a whole briefly reviewed the potential cost of the design services agreement with SCS Engineers and staff said they would provide additional materials on the issues.

Motion: Councilor DeJardin moved to recommend Resolution No. 91-1524 for adoption to the full Council.

Vote: Councilors Gardner, McFarland, McLain and Wyers voted aye. Councilor DeJardin was absent. The vote was unanimous and the motion passed.

4. Resolution No. 91-1525, In the Matter of Approval of Issuance of a Request for Bids to Provide Regional Hauling Services for Sewage Grit and Screenings

Jim Goddard, Senior Solid Waste Planner, gave staff's report. He said Metro had held ongoing discussions with local governments to develop a regionalized approach to disposal of sewage grit and screenings. He said the material could not be recycled or recovered and had to be landfilled. Mr. Goddard said 10,000 tons of sewage grit and screenings were generated annually.

Mr. Goddard explained the City of Portland had agreed to let the Columbia Boulevard sewage disposal facility serve as the central collection site for grit and screenings generated by all regional sewage disposal facilities. He said the Cities of Gresham and Troutdale planned to use the facility and that others might also if that was economically feasible for them to do so.

Mr. Goddard said Metro would contract for the hauling and disposal of grit and screenings gathered at the Columbia Boulevard facility. Mr. Goddard noted the contract provided for

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materials to be disposed of at either Hillsboro or Columbia Ridge Landfills, whichever landfill was cheaper. He said Metro would be billed for hauling and disposal costs and would in turn bill the City of Portland. He said Portland would prorate the costs among the facilities sending material for disposal and reimburse Metro. He said Metro would charge a Tier One disposal fee currently at \$13.00 per ton. He said the contract was for five years beginning in February 1992 with an initial estimated cost of \$400,000.

Councilor Gardner asked if the Columbia Boulevard facility would emit any odor. Mr. Goddard said material currently generated at the facility emitted odor, but that the anticipated additional material would not significantly increase that odor.

Chair Wyers asked if Metro would enter into an intergovernmental agreement (IGA) with Portland to implement the contract. Mr. Goddard said the IGA would be in place before the contract was signed and that a draft agreement would be submitted to the Council in early December.

Councilor Van Bergen asked if diverting the material to the Hillsboro Landfill would affect Metro's contract with Waste Management to send 90 percent of the region's solid waste to the Columbia Ridge Landfill. Mr. Watkins said sewage grit and screenings were classified as special waste and not subject to Metro's contract with Waste Management.

The Committee as a whole reviewed resolution language that allowed the contract to be executed without Council approval. Mr. Watkins explained the contract would be effective February 3, 1992, because Portland's temporary contract for hauling its own material would expire on that date. He said if the full Council did not approve the contract by early January 1992, the contract would not have sufficient time to obtain or modify the equipment necessary to meet the terms of the contract.

At Councilor Gardner's recommendation, the Committee agreed to consider the contract at its second December 1991 meeting to give the successful contractor two additional weeks of preparation time.

Main Motion: Councilor DeJardin moved to recommend the full Council adopt Resolution No. 91-1525.

Motion to Amend: Councilor Gardner moved to amend Resolution No. 91-1525 in the Be it Resolved section as follows (deletions bracketed):
[1.] That the Council of the Metropolitan Service District hereby approves issuance of the attached document, entitled "Sewage Grit and Screenings Transport Services."
[2. The Council hereby waives Council approval of a contract with the lowest responsive, responsible bidder, and authorizes the Executive Officer to execute the contract.]

Vote on the Motion to Amend: Councilors DeJardin, Gardner, McFarland, McLain and Wyers voted aye. The vote was unanimous and the motion to amend passed.

Vote on Main Motion as Amended: Councilors DeJardin, Gardner, McFarland, McLain and Wyers voted aye. The vote was unanimous and Resolution No. 91-1525A was recommended to the full Council for adoption.

There being no further business, Chair Wyers adjourned the meeting at 6:55 p.m.

Respectfully submitted,



Paulette Allen
Clerk of the Council