

APPROVED

date 1-5-93

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

December 1, 1992

Council Chamber

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

Councilors Also Present: Richard Devlin, Jim Gardner, Susan McLain, Terry Moore

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

1. Consideration of July 21, 1992 Solid Waste Committee Meeting Minutes

Motion: Councilor Van Bergen moved to approve the July 21, 1992 Solid Waste Committee Meeting 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

Bob Martin, Director of Solid Waste Department, did not have a specific report, and inquired whether the Committee had questions for the Department.

Councilor Van Bergen noted the monthly financial report was not coming before the Committee as had been the case previously. He noted he had received the August 1992 and September 1992 reports in the mail. Chair Wyers felt review and comment concerning the monthly financial report by the Committee was beneficial. Mr. Martin indicated he would include the report in future discussions before the Committee.

Councilor McFarland asked Mr. Martin regarding the continuing reductions in waste stream tonnage. Mr. Martin said individual months' tonnages varied, but, he said, a general flattening trend was occurring. He felt that trend would continue. He noted the economy, wood recycling, slippage of waste out of the region and recycling contributed to the reductions.

(Continued)

COUNCIL SOLID WASTE COMMITTEE

December 1, 1992

Page 2

o Waste Reduction Program Activities

Judith Mandt, Administrative Manager, Solid Waste Department, presented the staff report, and said she had participated in a meeting with the Clackamas County staff, Jerry Herrmann and Stan Keazer of Environmental Plastics the previous week. She noted the Committee had discussed the situation at its previous meeting on November 17, 1992, and said Environmental Plastics was in violation of the conditional use permit granted by the County. Ms. Mandt said the company did not fully understand their obligations under the permitting regulations. She said the County recognized a special circumstance should be attributed to the company due the importance of its role in plastics recycling goals. Ms. Mandt noted the volume of plastic materials was apparently overwhelming to the company as well. She said options available to Environmental Plastics would be to apply for a temporary permit or to appeal the County's decision. She said it appeared the company did not wish to appeal, that the company had viewed their stay in the area would be no longer than three years until they could find a more suitable site. She said they had decided to apply for a temporary permit, which would likely take from 45 days to 3 months to obtain. Ms. Mandt noted a decision could be delayed until April, 1993. She said a landscaping plan was being developed by Environmental Plastics noting the County favored such a plan. Ms. Mandt said should the permitting be allowed the company could be located on the property another year. She said the company was interested in being a good neighbor, improving their image and continuing business in Clackamas County. Ms. Mandt said the question remained where would that plastic go if not there, noting the landfill could likely be the endplace. She said plastics collected in the "2-4-6" program were important to the success of the company, and said it was the material used in the plastic lumber being manufactured. She noted the plastic lumber product was in demand in the marketplace.

In response to Chair Wyers, Ms. Mandt said the lease was for a period through the end of 1993. She said Jerry Herrmann and Partech were receiving most of the material.

Debbie Gorham, Waste Reduction Manager, and Ms. Mandt gave information regarding the disposition of the plastics leaving Environmental Plastics. She commented that Dennis Denton of Denton Plastics, was limited regarding the taking of post-consumer plastics, and said he was interested in non-post-consumer (or commercial) plastics. Ms. Gorham emphasized the importance of the role of Environmental Plastics in receiving the materials from the popular "2-4-6" program, and indicated Solid Waste staff would keep the Committee updated regarding the current situation with Environmental Plastics and other post-consumer plastics recycling efforts.

COUNCIL SOLID WASTE COMMITTEE

December 1, 1992

Page 3

Ms. Gorham said Metro was interested in seeing legislation at the federal level regarding minimum content, was involved with the Governor's Recycling Markets Development Council. She said she would update the Committee regarding their recommendations as well as state regulations concerning Recycling Act of 1987.

In response to Chair Wyers, Mr. Martin felt Metro should articulate its position regarding mandatory content. He suggested scheduling a briefing on Governor's Task Force work on the recycling and marketing of recyclable materials at a future Solid Waste Committee meeting. The Committee agreed and Chair Wyers requested a statement regarding Metro's position be brought before the Committee for review and comment.

Councilor Van Bergen asked what Metro's role was in funding concerning Clackamas County and Environmental Plastics. Ms. Mandt said Metro was concerned when a company that received Metro funding was in violation of land use permits. Ms. Mandt said Metro had entered into a contract, and she said no more funding would go to the company until the company was in compliance with the County permitting. She said the company was 3 1/2 miles south of Oregon City on Hiway 99 E.

3. Update on Local Government Recycling and Waste Reduction Programs

Steve Kraten, Recycling Section Supervisor, presented the staff report, and referenced a report entitled "Proposed Activities for FY 93-94, Annual Waste Reduction Program" accompanied by a table outlining activity for Year 1, FY 90-91, through Year 4, FY 93-94. These documents have been made part of the permanent meeting record.

Mr. Kraten described the activities in the table, which included continuation of ongoing programs, multi-family recycling, in-house recycling, yard debris, examination of commercial weight based rates, household hazardous waste activities, building design review, construction/demolition debris recycling and other waste reduction program planning and activities. He said the goal of 100% of apartments serviced by June 1994 was not attainable, and said the majority of local governments felt a goal of June 1995 could be realized. Mr. Kraten indicated analyses were planned for the yard debris collection programs for FY 92-93 and FY 93-94. He noted development of building recycling areas into building designs for multi-family units was a goal of the waste reduction plan. Mr. Kraten listed cities which had submitted waste reduction planning programs, and noted Gresham had not yet submitted its program plan to Metro.

Mr. Kraten discussed aspects of the proposed activities for the FY 93-94 waste reduction program and noted training of interns was planned who would then be able to provide further training at the local government level.

Councilor McFarland indicated she would look into the reason why the City of Gresham had not yet submitted their program.

Mr. Kraten displayed two brochures used by the Department to provide educational awareness regarding construction and demolition debris recycling entitled "Remodel, Reuse, Recycle, An Earth-Wise Home Improvement Guide" and "Construction Site Recycling, A Guide for Architects, Builders and Developers". These documents have been made part of the permanent meeting record.

Chair Wyers indicated the Committee had questions for the staff, and requested John Houser, Council Analyst, prepare a memorandum for staff response at a later meeting. She noted interest in the multi-family recycling area and weight-based rate studies in particular.

4. Staff Response to Council Analyst Memo Related to the Eastern Washington County Transfer Station

Mr. Martin reviewed for the Committee the current status of the Washington County transfer station plan. He noted Phase I of the process was complete, and said Phase II would cover completion of the design and agreements, which he said would be brought forward to the Council for approval. Mr. Martin felt a reasonable time frame for decision making by the Council would be approximately three months from the present.

Mr. Martin referenced his memorandum to the Solid Waste Committee Chair dated November 30, 1992 containing responses to Mr. Houser's memorandum dated November 9, 1992 with questions related to the Eastern Washington County transfer station issues. These documents have been made part of the permanent meeting record.

Mr. Martin presented a chart to the Committee and said he anticipated the rate would increase approximately 1.8% per year for the next four years without the transfer station, and approximately 3.9% per year subsequent to the building of the transfer station.

Chair Wyers asked Mr. Martin how the rate increasing at approximately 2% per year related to the Consumer Price Index (CPI). Mr. Martin said the Department projected the CPI at approximately 4%.

Mr. Martin said the rate model used in the previous several years took into account the tonnage estimates for one year, and a look into several years ahead was used in the current model.

The Committee and Mr. Martin discussed the rate process used. Mr. Martin felt it was possible to project about four years but not further. Mr. Martin said he believed \$1 increase in Metro rate translated to approximately \$.30 per can rate increase. Estle Harlan, Tri County

Consultants, addressed the Committee stating it was approximately \$.07 rate increase per can. Mr. Martin indicated he was not certain as to what the increase would be, and agreed it would be helpful to the Committee and its constituents to translate rate increases of approximately \$4 over the next four years to a per can increase, and said he would give the matter review.

Councilor Devlin asked what assumptions were used regarding the contracts for Metro Central and Metro South, which he noted would sunset during the four year period under discussion.

Mr. Martin said present contracted rates would increase incrementally in accordance with the Consumers Price Index (CPI) for the two transfer stations and contracts would need to be rebid at comparable prices. He felt the assumption was conservative.

Councilor Devlin noted cost comparisons were related to Metro tipping fees and that other costs were related to operation of two transfer stations versus three transfer stations.

Mr. Martin agreed, and said higher charges to individual customers were also related to haul distance to a transfer station, and noted reducing travel distance would impact rate to customer.

Councilor McFarland noted costs for St. Johns Landfill closure would decrease in time, and asked how that reduction in expenditures figured into the equations given. Mr. Martin said approximately \$1.5 million would need to be contributed to the closure reserves through the four year period under discussion, and said he had included that expenditure in the projections. He said, unless a future requirement developed, in time a reduction in the rate should be realized coincident with the St. Johns Landfill closure completion.

Chuck Geyer, presented a short history of Metro's efforts to site a transfer station in Washington County which began with the adoption of Metro's first solid waste management plan in 1974-75 called the Cormet Plan. He said the plan envisioned a system of two transfer processing plants, which he said would shred the waste, extract materials and transfer the remaining portion to a landfill or energy recovery plant. He said a third transfer station only was to be located in Washington County, and said a site had been identified in that plan; however, he said, the site was dropped due to local opposition. Mr. Geyer said later in the '70's another site was identified in Washington County noting local opposition caused that siting to be unsuccessful as well. He went on to say in 1981 the adopted system plan was re-evaluated, and said the new analysis showed that three transfer stations only were the optimum number. He said the processing approach was abandoned, and said implementation of the 1981 analysis began with construction and opening of the Metro South transfer station in 1983. He said it was then

COUNCIL SOLID WASTE COMMITTEE

December 1, 1992

Page 6

referred to the Clackamas Transfer and Recycling Center and was located in Oregon City. Mr. Geyer said in October of 1984 the Metro Council adopted Resolution No. 84-506, which he said formally updated the Metro Solid Waste Management Plan to include a system of three publicly owned transfer stations, Metro South, the Washington County transfer and recycling center to be located in Eastern Washington County and operational by 1986, and a third station to be located in Portland and operational upon closure of the St. Johns Landfill. Mr. Geyer went on to say Metro subsequently purchased a site for the Washington County transfer station, however, he said, that project was canceled in 1987. He said Metro Central was located in Northwest Portland and opened in January, 1991. Mr. Geyer said after the unsuccessful attempt to site a publicly owned facility, Metro joined with representatives of Washington County and developed the Metro West Transfer and Material Recovery Plan, which he said was adopted by the Metro Council in October, 1991, as a chapter of the Regional Solid Waste Management Plan. He said this chapter of the plan called for two transfer and material recovery facilities for Washington County to be privately owned and operated. Mr. Geyer said after adoption of the plan, Metro staff conducted a franchise request for the western portion of Washington County in late 1991. He said two franchise applications were evaluated, and said Metro decided not to pursue the project due to concerns over cost and tonnage availability. He went on to say staff were then directed to pursue the franchise request process in the eastern portion of Washington County, and said one application had been received in July, 1992 from Willamette Resources, Inc. (WRI), which he said was to be located in the Wilsonville area. Mr. Geyer said the application was evaluated, and he said the evaluation committee recommended proceeding with negotiations. He said the Executive Officer concurred and staff began negotiations in September, 1992. He said as part of the procurement process Metro had entered into a design agreement with WRI allowing for joint design by WRI and Metro. Mr. Geyer said the agreement allowed for reimbursement to WRI should negotiations prove unsuccessful. He said the agreement included two phases: Phase I; a conceptual phase obligating Metro for up to \$20,000 in reimbursable design costs to consultants employed by WRI; and Phase II, which he said would make Metro liable for up to \$100,000 in design costs should negotiations prove unsuccessful.

James Watkins, Solid Waste Engineering & Analysis Manager, referenced Mr. Martin's memorandum dated November 30, 1992 regarding issues and questions related to the Eastern Washington County Transfer and Materials Recovery Facility and discussed the Department responses contained in the memorandum. This document has been made part of the permanent meeting record. He discussed tonnage forecasts from FY 1994 to FY 2013, flow control, and distances for haulers. In response to Councilor Moore, Mr. Geyer said Metro South did not have a materials recovery capability built into the facility. Mr. Geyer discussed the maps in the memorandum.

COUNCIL SOLID WASTE COMMITTEE

December 1, 1992

Page 7

Councilor Devlin asked if the vendor could ask regarding the option to rebid. Solid Waste Department staff said no, and said it was Metro's option.

Terry Petersen presented the staff report regarding tonnage forecasting, and discussed assumptions regarding population and employment forecasting and per capita disposal of waste rates, and said assumptions were updated every three years.

Mr. Houser suggested Department staff present a visual guideline to the Committee demonstrating the differences and sensitivity reflected in the model.

Councilor McFarland asked regarding the possibility of the Composter resuming operation and when. Mr. Martin said he believed equal probability for the Composter as not + or - 25%. He said would know more soon and earliest for operation start up would not be for approximately 1 1/2 years.

Chair Wyers opened a public hearing.

Chair Wyers commended Council staff and the Department staff regarding the questions and answers prepared for discussion.

Rick Winterhalter, read into the record a letter from Clackamas County dated November 30, 1992 and signed by the Clackamas County Board of County Commissioners. This document has been made part of the permanent meeting record.

Estle Harlan, consultant for the solid waste industry, representing Tri County Consultants, testified before the Committee. She addressed Clackamas County haulers' concerns, and said haulers' routes were set up based on proximity to the transfer station and that equipment purchases were sized according to the routes. She said delays due to lines increased costs to haulers, who then would attempt to load more onto the trucks to decrease the number of visits to the transfer station. She said haulers were receiving tickets on a frequent basis due to the problems of illegal overweight in the trucks. She said flow control had been suggested as an answer, but, she said, it disrupted routes and routing. Ms. Harlan noted when the composter facility opened, individual Clackamas County haulers were asked to dispose at the composter because of the types of loads generated. She said this created increased expenses, and mentioned specifically Oak Grove Disposal who were allowed not to do so because it was cost prohibitive. Ms. Harlan felt if it could have been known another transfer station was not needed, then in hindsight Metro might not have located Metro Central. She said these factors in turn translated into increased costs to consumers.

Ms. Harlan indicated individual haulers were keeping records, and said a large size Clackamas County company on the west side as well as one small company on the east side had weekly curbside bin recycling programs. She said the west side company had grown substantially and had a more aggressive recycling program. Ms. Harlan said records were for the period ending September 30, 1991 and for the period ending September 30, 1992, and were for tonnage going to the transfer station. She said the records were within .4 ton of being exactly the same for the two periods and showed no decline. She said the smaller company located in the Milwaukie had almost no commercial customers, had no growth in residential, and she said their disposal volume over the year actually increased slightly with curbside bins and a yard debris program.

Ms. Harlan said construction and demolition debris going outside of the region accounted for the decrease inside the region thus escaping Metro user fees. Ms. Harlan emphasized the matter should be enforced and contributed to drops in tonnages and fees from haulers.

Ms. Harlan said the rate impact formula assuming a 28 pound can which was picked up 4.3 times month = 128.4 pounds per month divided by 2,000 pounds per ton = 6% of one ton multiplied by \$1. She said using this formula every \$1 of Metro rate = \$.06 per month. She said the formula previously was based on a 38 pound can before recycling which translated to \$1 = \$.083 impact per \$1 of Metro rate.

Ms. Harlan said regarding the possibility of a flexible rate was a concern in the largest district which was unregulated commercial Portland. She said should a route be located closer to a facility which was priced lower it would be an unfair competitive advantage to that hauler. She said the industry argued for uniform rates to keep both haulers and consumers on a level playing field.

Ms. Harlan said lines at Metro South become bad for drop box haulers, noting they began when St. Johns landfill closed. She noted haulers on the border of Multnomah or Clackamas County could go either way, and noted that as long as rates were lower at St. Johns it was worth the time to dispose at there. She said when closure occurred that tonnage came crashing into Clackamas County.

Steve Schwab, owner, Sunset Garbage and past president of Clackamas County haulers, said his company's route took them toward North Portland currently. He said the company chose not to go to Metro Central because of the inability and inaccessibility to get in and out of the transfer station. He said his shop was located in S.E. Portland, and said they disposed at Metro South because it was more convenient. He said it would be an appropriate location for a condensed route from downtown Portland. He said a differential of approximately 15 minutes occurred for his company whether they disposed at Metro Central or Metro South.

COUNCIL SOLID WASTE COMMITTEE

December 1, 1992

Page 9

Mr. Schwab noted his company disposed at the 10 o'clock hour which he felt should be a convenient time. He said leaving the station was not convenient, and said it was difficult to decide whether to take the Fremont Bridge route or another route and across the Ross Island Bridge. He said it was not Metro's fault, but noted it was because of another city design problem in that the Mt. Hood Freeway was never constructed. He summarized by saying routing was a large problem, and said he as a hauler disagreed that Metro Central was the answer.

Councilor McFarland questioned Mr. Schwab regarding waiting in line at Metro South as opposed to delivering to Metro Central. Mr. Schwab said at 10 a.m. the line was not bad as Metro South, and noted peak hours were 11:30.

Steve Larrance, Chair, Washington County Facilities Design Steering Committee, referenced his letter to the Committee dated December 1, 1992. This document has been made part of the permanent meeting record. He invited Council Staff and Councilors to attend the next meeting of the Steering Committee. Councilor Moore indicated interest in attending as well.

Chair Wyers closed the public hearing.

Councilor Devlin inquired regarding Council action prior to Phase II, and noted his recollection from the past that action did not occur until negotiations were completed.

Chair Wyers said the Committee had requested responses to the questions from Council Staff prior to authorizing by consent of the Committee to proceed to Phase II. She indicated it was not a Council decision.

Mr. Martin said Phase I was completed and said the Department was prepared to go to Phase II. He said he was not necessarily seeking permission to go to Phase II, but, he said, should the Committee wish the Department not go to Phase II, he would want to hear their remarks.

Councilor Van Bergen recalled the previous phasing process for Western Washington County which was terminated prior to letting out the bid. He asked what was the possibility for the same thing to occur again.

Mr. Martin said he felt confident enough to proceeding with the procurement and bidding process. He said whether at the completion of the process he would recommend proceeding to build or not build, he could not currently give comment.

The Committee discussed further tonnage forecasts and tonnage capacity at the proposed transfer station. Councilor Devlin said he would defend the need for the Eastern Washington County transfer station.

COUNCIL SOLID WASTE COMMITTEE
December 1, 1992
Page 10

Chair Wyers asked whether staff and Councilors felt they needed to have additional time to review the matter of continuing to Phase II.

Councilor Van Bergen entered letters received by the Committee into the record including a letter from Thompson, Adams, DeBast and Helzer, Attorneys at Law dated December 1, 1992, and a letter from the Washington County Haulers Association dated December 1, 1992.

Chair Wyers requested the matter be placed as the first item on the agenda for the next Solid Waste Committee meeting to be held December 14, 1992.

There being no further business, the meeting adjourned at 8:28 p.m.

Respectfully submitted,


Marilyn Geary-Symons
Committee Recorder