

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

November 19, 1991

Council Chamber

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

Councilors Also Present: Sandi Hansen, Roger Buchanan

Chair Wyers called the regular meeting to order at 5:34 p.m.

1. Consideration of April 2, 1991 Solid Waste Committee Meeting Minutes

Motion: Councilor McFarland moved to approve the April 2, 1991 Solid Waste Committee meeting minutes.

Vote: Councilors DeJardin, Gardner, McFarland, McLain and Wyers voted aye.

The vote was unanimous and the motion passed.

2. Ordinance No. 91-437, For the Purpose of Amending Chapter 5.06 of the Metro Code to Provide for a Metro Central Station Community Enhancement Program and Creating a Metro Central Station Community Enhancement Committee

Councilor Hansen presented the report, noting the Metro Central Enhancement Committee, an advisory committee composed of members from the surrounding neighborhoods including John Sherman, Mark Young, Chris Foster, Don Joyce, Terry Scott, Ed Leek, and more recently, Mark Pohl, had been meeting since April, 1991. Councilor Hansen introduced the members who were present, and presented a map outlining the boundaries of both the neighborhood associations and the enhancement area to be served. She noted the enhancement boundaries were tighter than the neighborhood association boundaries to reflect both areas of impact and corridors of impact.

Councilor Hansen said the committee felt it was important to maintain the broad based representation received from the six neighborhood groups. She said the committee decided priority for funding was to be given to proposals offering the greatest benefit to the areas most impacted by the facility. She added that for this reason the committee felt only one vote was needed for each represented organization. She acknowledged the Composter Enhancement Committee had weighted votes for the Cully Neighborhood Association which she said had a larger residential population than the areas surrounding Metro Central, and noted it was the only enhancement committee out of five to do so. She indicated there were boundary disputes between Northwest Industrial Neighborhood Association

(Continued)

(NINA) and Linnton. She said no group got everything asked for, and said compromises were reached in all areas of discussion. Councilor Hansen requested the Solid Waste Committee recommend Ordinance No. 91-437 to the full Council for adoption.

Chair Wyers opened a public hearing.

John Sherman, representing Friends of Forest Park, Portland resident at 1912 N.W. Aspen, testified before the Committee. He noted one at large membership of the Metro Central Station Community Enhancement Committee, not a member of a neighborhood association, would come from an environmental organization based in the area. He said the transfer station was next to Forest Park, a state resource wilderness park of 5,000 acres, as well as the Willamette River greenways. He noted the advisory committee took public testimony from eleven citizens, and said based on the suggestions proffered the committee made changes to the draft document. He said there was a controversy over one person/one vote, and said of the eleven citizens who testified, ten were in favor of the one person/one vote concept. He noted an objection had come from NINA. He concurred with Councilor Hansen the boundary set for the enhancement area targeted the geographic receiving area as a priority for funding.

Arnold Rochlin, Portland resident at Rt. 2, Box 58, testified before the Committee in favor of the ordinance and said he endorsed both Councilor Hansen's and Mr. Sherman's remarks.

Roger Neu of Schnitzer Investment Corporation, 3200 N.W. Yeon Ave., Portland, and a member of the NINA board gave testimony before the Committee. He said NINA was concerned that original impact boundaries drawn did not include certain neighborhoods and special interest groups, such as the Environmental Coalition or Friends of Forest Park which were now included. He asked that deliberations include the question of whether or not votes should come from both the residents of the Forest Park Neighborhood Association (FPNA) and the Friends of Forest Park, and suggested it be considered an overlap in committee membership. He supported an amendment to the ordinance to increase the voting privileges of the NINA group as well as the Linnton group by one each, for a committee total of nine votes, to which he understood Linnton agreed. He said the issue was not in which neighborhood did the transfer station reside, and said he felt St. Helens Road and Yeon Ave., which were in both neighborhoods, carried 100% of the traffic that went to the facility. He said, although the transfer station was in an industrial neighborhood, more of a person's waking hours were spent at their place of business than at their residence. He referred to his letter dated November 18, 1991, and to a plan to open a day care facility which he felt would enhance the area. The letter has been made a part of the permanent meeting record. He looked forward to enhancement funding opportunities to study environmental

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concerns for the area, and mentioned new storm water laws as well as other concerns and potential occasions for funding. He noted a precedent set by Metro Council regarding votes with the Composter Enhancement Committee.

Councilor DeJardin said he was pleased to hear of possibilities for combining enhancement funding with local private industry funding to accomplish goals. He commented regarding the two vote issue, and said the intent of the committee format was development of a consensus regarding priorities. He felt two votes for one group would damage the undertaking for consensus and felt polarization would occur instead.

In response to Councilor McLain, Mr. Neu said NINA felt it was possible that without weighted voting NINA's concerns and issues would not be heard.

Bob Holmstrom, President, FPNA, and resident at 2934 N.W. 53rd Drive, Portland, testified before the Committee. He said his neighborhood was impacted by illegal dumping along the route to the transfer station, and blamed increasing fees at the transfer station as the cause. He supported the ordinance as written.

Don Joyce, 226 N.W. Hermosa Blvd., testified before the Committee, and said he had been a member of the Metro Central Enhancement Committee, an advisory committee for development of funding and membership criteria for the transfer station enhancement committee to be formed. He supported other testimony before the Committee with the exception of comments by NINA. He referred to the funding criteria, page 7, paragraph H, and read into the record the following: "Projects/programs shall meet one or more of the following goals. Priority shall be given to those projects that meet the greatest number of goals and which offer benefits to the area most directly impacted by the facility." He said the advisory committee had considered NINA's concerns, and said the paragraph referenced provided the benefits NINA wanted.

Joan Chase, representing Linnton Neighborhood Association, said NINA and Linnton were involved in a boundary dispute over the transfer station, and indicated both neighborhoods wanted to claim it as being in their neighborhood. She said if two votes were given to NINA, Linnton wanted two votes also, and supported the advisory committee's work.

Nancy Rosenlund, 5830 N.W. Cornell Rd., and member of FPNA, read testimony from Molly O'Reilly, 1414 N.W. 53rd Drive, into the record. Ms. O'Reilly's testimony has been made a part of the permanent meeting record. Ms. Rosenlund said traffic to the transfer station would go through the FPNA by way of Skyline Blvd., Cornell, Germantown Rd. and Newberry. Ms. Rosenlund said Friends of Forest Park felt the park benefitted the city as a whole, and she supported the ordinance as written.

Chair Wyers closed the public hearing.

Motion: Councilor McFarland moved to recommend Ordinance No. 91-437 to the full Council for adoption.

Councilor Gardner said he had received letters in the last week pointing out NINA should receive more votes due to impact. He said he came to the meeting with no preconceptions, and said the funding criteria provided for extra consideration for the area immediately around the facility. He said the giving of weighted voting to certain neighborhoods in the case of the Composter Enhancement Committee was the result of unique circumstances and a departure from practice. He supported the ordinance as written.

Chair Wyers supported the ordinance as written, and said in a compromise by definition not all sides would get what they wanted. She said the document before the Committee was crafted by citizens who deliberated at length, and said she was pleased to see an environmental representative on the committee, and supported one person/one vote.

Councilor McLain echoed support for Councilor DeJardin's and Councilor Gardner's remarks regarding the one person/one vote concept.

Vote: Councilors DeJardin, Gardner, McFarland, McLain and Wyers voted aye.

The vote was unanimous and the motion passed.

3. Ordinance No. 91-436, For the Purpose of Amending the Metro Code to Clarify the Purpose and Function of the Rate Review Committee, and Declaring an Emergency

John Houser, Council Analyst, presented the staff report, and said the Council approved in September Resolution No. 91-1485 which set up a special task force to examine the role and function of the Metro Rate Review Committee. He said Ordinance No. 91-436 would create a new Metro Code chapter to outline the roles and functions of the Rate Review Committee, and said the ordinance charged the Committee with reviewing rate issues and making recommendations to the Council. He noted the ordinance set forth the membership make up and length of term for members of the Rate Review Committee. He said the ordinance would establish intent that proposed rates and proposed Metro budget for each fiscal year would be voted on simultaneously in early May. He explained the rationale that the budget would have a direct connection in justifying the rate.

In response to Councilor McFarland, Mr. Houser agreed the Executive Officer would appoint the Rate Review Committee members with the exception that the Council member to the Committee would be appointed by the Council Presiding Officer.

In response to Councilor McLain, Mr. Houser said criteria could be changed by amendment. Todd Sadlo commented the ordinance called for an annual

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review, and said the language could be changed to read "may" instead of "shall."

Councilor McLain read Section 5.08.050(a), beginning with the first sentence, "reviewing and making recommendations to the Council regarding solid waste disposal rates impacting Metro budget, the Committee shall apply criteria established by the resolution of the Council...shall review established criteria annually..." She said it appeared to be a definite process for an annual review.

Councilor McFarland and Councilor DeJardin agreed that annual review would be beneficial, and could be presented by the Council member to the Rate Review Committee in the form of a brief report.

Main Motion: Councilor McFarland moved to recommend Ordinance No. 91-436 to the full Council for adoption.

Motion as Amended: Councilor McFarland moved to amend Ordinance No. 91-436 with language stating the Metro Councilor serving on the Rate Review Committee would act as chair of the committee.

Mr. Houser suggested that under 5.08.030 where was mentioned the "Rate Review Committee be composed of seven members as follows:", that language be inserted to read, "the Metro Councilor who shall serve as Committee chair..."

Councilor McFarland said it would be necessary to delete language on page 2 (d) which stated the "Rate Review Committee shall choose its officers and establish its own by laws."

Councilor DeJardin did not favor the amendment, and said he felt citizen leadership was a necessary option and should not be precluded.

Chair Wyers supported having a Councilor as Chair of the Rate Review Committee similarly to the 1 $\frac{1}{2}$  for Recycling Committee, and added Roberts Rules of Order would be valid for by-laws.

Chair Wyers clarified the amendment on the table was to add language on page 2 at 5.08.030 (a) "one Metro Councilor who shall serve as Committee Chair" and to delete item (d) under that same Section heading.

Vote on Motion as Amended: Councilors Gardner, McFarland, McLain and Wyers voted aye. Councilor DeJardin voted nay. The motion passed and Ordinance No. 91-436A was recommended to the full Council for adoption.

Councilor Gardner said it appeared two sets of criteria were being established, one set in the Resolution No. 91-1533 following Ordinance No. 91-436 dealing with Metro owned and operated facilities, and a second set of criteria established in the Metro Code applicable to Metro franchised facilities, and asked if his reading was correct.

Chair Wyers indicated she had not had the opportunity to review the resolution and would like to defer consideration of the resolution.

Mr. Sadlo agreed concerning revision of the resolution, and Mr. Houser indicated the Solid Waste Planning staff had recently initiated a broad based review of the franchise code.

Vote on Main Motion: Councilors DeJardin, Gardner, McFarland, McLain and Wyers voted aye.

The vote was unanimous and the motion passed.

4. Resolution No. 91-1533, For the Purpose of Adopting Amended Solid Waste Disposal Rate Policies

Roosevelt Carter, Solid Waste Budget and Finance Manager, commented the resolution before the Committee was a consolidation of Council's existing policies with regard to rate setting.

Mr. Houser noted he had provided copies of Resolution No. 91-1533 to the non-Metro members who served on the Rate Review Task Force and asked for their comments.

The Solid Waste Committee agreed to continue consideration of Resolution No. 91-1533.

5. Phase I Five Year Financial Plan

o Public Affairs

Vickie Rucker, Public Affairs Director, distributed the department's Five Year Financial Plan, Phase I, which presented Waste Reduction Programs historical information and overview in report form. The report has been made a part of the permanent meeting record.

Chair Wyers referenced a document from the Finance and Management Information Department entitled "Overview - Historical Findings" and indicated the format was helpful. She said the format used by the Public Affairs Department was also helpful. Mr. Houser noted the reports from the other departments would be verbal, and said he had provided copies of the format to the other departments as a possible model to use.

o Solid Waste Department

Mr. Carter indicated the department planned to provide a Five Year Financial Plan document to the Committee similar to the report from Finance and Management Information Department, and presented a verbal report.

Councilor Gardner and Chair Wyers affirmed interest in a summary document of the report given by Mr. Carter. Chair Wyers requested Mr. Carter present the summary at the next Solid Waste Committee meeting.

- o Planning & Development Department

Becky Crockett, Regional Planning Supervisor, distributed a copy of the historical financial data document to the Committee, and presented a verbal report on the Five Year Financial Plan.

Ms. Crockett indicated she would provide the Committee with a document similar to the report from Finance and Management Information Department. Chair Wyers confirmed the Committee's interest in the report.

Chair Wyers commented the information presented was not meant to be a justification of department work, and said the Committee supported the work of the department. She said the intent of the Five Year Financial Plan was to be a tool to look at direction.

Councilor McLain expressed interest in a standardized format. Chair Wyers asked the departments to work together toward that end.

## 6. Quarterly Reports

- o Solid Waste Department
- o Planning & Development Department

Mr. Houser noted the quarterly reports had been received by Council staff on November 18, 1991, and said the department had experienced technical difficulties in producing the documents in the proscribed format.

Chair Wyers indicated the desire of the Committee to review the quarterly reports prior to discussion. Bob Martin, Director of Solid Waste Department, agreed to give an overview at the next Solid Waste Committee meeting. Chair Wyers requested Councilor Hansen be provided with copies of the reports, and also indicated interest in reporting on unfilled FTE positions. Mr. Martin said the majority of unfilled positions were deliberately unfilled with the intent to remain so until a Washington County facility went into operation. He said budgeting was done for a Washington County facility without knowing for certain whether it would be on line in the current fiscal year. He said the intent was to give a sense of the staffing level which would be required for the operation of the facility. He said proposals for the Washington County facility had just been received, and stated the department would not be hiring any of those

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positions in the current fiscal year, and said the funding levels to be carried forward in the next fiscal year could be ascertained.

Mr. Houser noted Ms. Crockett had provided the department's quarterly report in time for the agenda packet, and asked if the Committee desired to review at this time. Chair Wyers deferred consideration of all the reports to the next meeting.

Chair Wyers recessed the meeting for five minutes.

Chair Wyers reconvened the meeting at 7:20 p.m.

7. Solid Waste Updates

o General Staff Reports

Mr. Martin said the proposals for the Washington County solid waste facility were opened on November 18, 1991, and said two proposals were received, which he noted would be evaluated over the next four to five days prior to coming before the Committee and the full Council with a recommendation. He said one proposal was from A.C. Trucking for expansion of the existing facility, and a second proposal was received from Waste Management. He said Waste Management was proposing a transfer station on another piece of industrial property in Forest Grove. He said the proposals would be reviewed and evaluated, a recommendation would be made and negotiations would begin with one and keep the other in reserve.

In response to Councilor McLain, Mr. Martin said public testimony would be welcome before the Solid Waste Committee and before the full Council at the time of the recommendation. He noted the department would be seeking information from the city departments, planning and public works which would be impacted and would bring information gathered before the Committee. Chair Wyers expressed concern regarding the timeliness of public input, and asked if citizens could sit in on discussions evaluating the proposers. Mr. Martin said an evaluation committee had been selected, and suggested that the department prior to making recommendation bring forward a summary of the two proposals received with a preliminary evaluation, and suggested opening up for public comment at that time.

Chair Wyers requested that process be initiated, and asked Mr. Martin and Mr. Houser to coordinate the process. Mr. Martin said the preliminary evaluation and taking of public testimony could possibly take place at the second meeting in December. Chair Wyers agreed and indicated a later time would be acceptable as well.

8. Ordinance No. 91-434, For the Purpose of Granting a Franchise to Oregon Hydrocarbons, Inc. for the Purpose of Operating a Petroleum Contaminated Soil (PCS) Processing Facility



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Mr. Martin presented the staff report, and said a rotary kiln process was proposed by Oregon Hydrocarbons to burn the hydrocarbons out of the PCS, processing approximately 32 thousand tons of material per year at a site located in the Rivergate industrial area. He said untreated soil would be stored indoors and on a liner to prevent leakage into ground and surface waters. He said contaminated liquids from soils would not be discharged into the city storm or sanitary systems.

Mr. Martin referenced Metro Code (Section 5.01.180) which provided for exemption of an applicant from rate setting and rate regulation. He said the department recommended Metro grant the request made by the applicant in that regard.

Mr. Martin said Oregon Hydrocarbons had achieved a DEQ solid waste disposal permit, and said their air quality permit was pending.

In response to Councilor DeJardin, Mr. Martin said the company was operating a similar facility in Nevada and had a good record in that state.

Councilor McFarland suggested approval be given to the company contingent upon receipt of the air quality permit. Mr. Martin felt the step was unnecessary as the franchise stated the applicant must operate in accordance with federal, state and local regulations. Chair Wyers was interested in stipulating the contingency suggested by Councilor McFarland. Mr. Houser said he and Mr. Sadlo has discussed the issue and had agreed language changes on page one of the resolution under section no. 1. He suggested deleting the phrase, "...within 10 days of the adoption of this ordinance...", and substitute language there to read, "...upon receipt of evidence that Oregon Hydrocarbons, Inc. has received the required state air discharge permit."

Main Motion: Councilor McFarland moved to recommend Ordinance No. 91-434 to the full Council for adoption.

Motion to Amend: Councilor McFarland moved to amend Ordinance No. 91-434 with language as described in Committee discussion.

Vote on Motion to Amend: Councilors DeJardin, Gardner, McFarland, McLain and Wyers voted aye.

The vote was unanimous and the motion passed.

Vote on Main Motion: Councilors DeJardin, Gardner, McFarland, McLain and Wyers voted aye.

The vote was unanimous and the motion passed. Ordinance No. 91-434A was recommended to the full Council for adoption.

8. Ordinance No. 91-438, For the Purpose of Granting a Franchise to RMAC International, Inc. for the Purpose of Operating a Petroleum Contaminated Soil Processing Facility and Declaring an Emergency

Mr. Martin and Senior Solid Waste Planner Phil North presented the staff report, and said RMAC International, Inc. was seeking a franchise for a similar operation in the Troutdale area. Mr. Martin noted Mr. John Spencer was present and available to answer questions. Mr. Martin said RMAC expected to process 40 thousand tons of material per year, and indicated the company had the DEQ solid waste disposal permit. Mr. North stated RMAC did not require an air quality permit because it was a different type of process.

Chair Wyers opened a public hearing.

John Spencer, President, RMAC International, and resident at 1080 N.W. Perimeter, Troutdale, said the processing facility did not have a air discharge permit. He said it had a letter permit from DEQ since it did not discharge air pollutants with the exception of discharge from propane heaters which was below the limit set by the DEQ. He said the unit had operated in the state of Oregon for a year as a portable unit, and said it was planned to be located permanently. Mr. Spencer said the technology used did not burn the contaminant, but, he said, the contaminant was separated from the soil and was then treated.

In response to Councilor DeJardin, Mr. Spencer said he maintained a recycling business in Troutdale for tires. He said the company recycled about 100 tons of tires daily, which he said were turned into oil, gas and a fuel product.

Chair Wyers inquired regarding Mr. Spencer's relationship with a company she indicated was known as SRH. Mr. Spencer said he had owned a portion of SRH, which he said he sold to SRH employees, and said he was no longer in the company. Chair Wyers indicated SRH was in arrears to Metro, and said she was concerned the Committee proceed with care so as not to approve operation for a company which a history tied to another company which did not pay its bills.

Mr. Spencer said SRH and RMAC had no ties.

Mr. Sadlo said an credit account with SRH had been established with Metro for use of solid waste disposal facilities. He said the application received by SRH in August, 1989 listed Mr. Spencer as the major stockholder and officer signing the credit form. Mr. Sadlo said the amount SRH was currently in arrears was \$5,310. Mr. Sadlo said he understood Mr. Spencer was no longer associated with SRH.

In response to Chair Wyers, Mr. Spencer said he turned over the operation of SRH to others in January, 1991. In response to Chair Wyers, Mr. Spencer

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said SRH owed him an undisclosed sum of money. In response to Chair Wyers, Mr. Spencer said SRH conducted the business of environmental engineering, did environmental consulting, and was connected currently with a Seattle based enterprise.

In response to Councilor Gardner, Mr. Spencer said he transferred the management of SRH in January, 1991 to the employees with Mr. Richardson and two others in charge. In response to Councilor Gardner, Mr. Spencer said he currently maintained a portion of the ownership in order to receive payment, but, he said, he was not involved with or associated with the company.

Mr. Houser referenced a memorandum from Jennifer Sims, Finance and Management Information Director, in which it was stated that the SRH account became delinquent in late 1989 and early 1990, reaching a high balance outstanding of \$44,000 in March, 1990 at which time, due to its delinquent condition, it was placed on a cash only basis. He said the current SRH balance outstanding was \$5,310.

Chair Wyers acknowledged business aspects of the proposal before the Committee were different, but, she said, she had concerns.

Mr. Spencer reiterated RMAC was never owned by nor part of SRH. He said he had been a officer of SRH independent of RMAC, that SRH was a corporation, doing business as a corporation and not as an individual. He noted he was not involved with SRH during 1990-91. He said he turned the company over in January 1991.

He said he was a minor stockholder in RMAC, and said the majority stockholders were successful in business in Oregon and in other states. He said RMAC had no ties with SRH.

Chair Wyers said as representatives of the public it was needful for the Committee to have an understanding in order to make decisions when entering into a franchise.

Councilor McLain commented regarding history following individuals from one company to the next, and said it was important to be cautious concerning problems with individual credit histories. She urged the Committee to concentrate on the financial stability of the organization before the Committee and the financial stability of the individuals who owned the organization. She felt there was a distinct difference between SRH even though an individual was the same, and RMAC, which she noted had different funding sources. She said the Committee should go forward unless staff had information that RMAC was not solvent. She said it was necessary for the Committee to review the responsibility of the people and organization applying for franchises, said she understood the discussion and had enough information to go ahead.

Councilor McFarland suggested consideration be continued on the matter.

Chair Wyers felt the company having an arrears account in the amount of \$44,000 when Mr. Spencer was involved was an issue. She asked Mr. Martin if the Committee would have purview over the company's ability to pay its creditors should the Committee approve the franchise. Mr. Martin said the granting of a franchise by Metro did not constitute a guarantee they would pay their bills to subcontractors.

Chair Wyers asked Mr. Martin what was Metro's involvement with SRH. Mr. Martin was uncertain.

Councilor McLain agreed Metro was not in a position to guarantee a business would pay its debts when issuing a business license or franchise. She said policy could be reviewed, and criteria established for applicants. She felt if further information or guidance to staff was needed, it was appropriate to set consideration of the matter over.

Councilor DeJardin said a previous company with arrears should not be an issue, and said the company, RMAC, was enjoying a relationship with the state and wanted to grow, and said it was unnecessary to continue the dialogue.

Motion: Councilor DeJardin moved to recommend Ordinance No. 91-438 to the full Council for adoption.

Mr. Martin said Metro franchise code gave Metro the right to suspend or revoke a franchise if findings occurred that a franchisee violated any Metro ordinance or provision which would include fees owed.

Mr. Sadlo said there was a performance bond requirement of franchisees.

Vote: Councilors DeJardin, Gardner, McFarland, McLain and Wyers voted aye.

Councilor DeJardin noted he was not in favor of the Committee approving of franchises, since he felt the Committee was acting as an administrative board. He said the matter before the Committee was evidence of his contention. He said companies requesting franchises had to comply with a number of legal requirements in order to obtain them, and said he felt staff should be dealing with such issues.

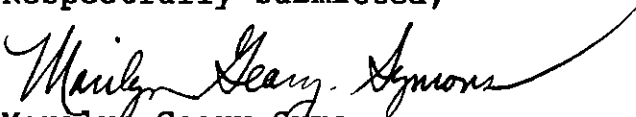
Chair Wyers said she felt it was important to remember Committee members had the right to ask questions as deemed necessary or appropriate.

The vote was unanimous and the motion passed.

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There being no further business, the meeting adjourned at 8:06 p.m.

Respectfully submitted,

  
Marilyn Geary-Symons  
Committee Clerk