

BEFORE THE METRO COUNCIL

FOR THE PURPOSES OF AUTHORIZING CHANGE ) RESOLUTION NO. 98-2654  
ORDER NO. 1 TO THE CONTRACT FOR OPERATING )  
METRO CENTRAL AND SOUTH TRANSFER ) Introduced by Mike Burton  
STATIONS ) Executive Officer  
)

WHEREAS, The Metro Council awarded the operating contract for the Metro South and Central Transfer Stations to Browning-Ferris Industries, Inc. beginning October, 1997; and,

WHEREAS, Contract modifications are needed in order to respond to requests of customers of the Metro Transfer Stations for additional services and to make other necessary operational changes that will expand waste reduction and improve operations; and,

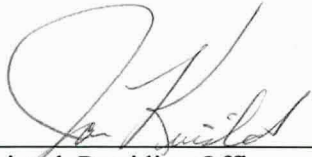
WHEREAS, Change Order No. 1, attached as Exhibit "A" provides the necessary modifications to the contract for the operation of Metro South and Central Transfer Stations; and;

WHEREAS, The resolution was submitted to the Executive Officer for consideration and was forwarded to the Council for approval; now therefore,

BE IT RESOLVED, That the Metro Council

1. Approves Change Order No. 1 to the contract between Metro and Browning-Ferris Industries, Inc. for the operation of Metro Central and South Transfer Stations; and
2. Authorizes the Executive Officer to execute Change Order No. 1 to the contract between Metro and Browning-Ferris Industries, Inc. for the operation of Metro Central and South Transfer Stations.

ADOPTED by the Metro Council this 11<sup>th</sup> day of JUNE, 1998.

  
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Jon Kvistad, Presiding Officer

Approved as to Form:

  
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Daniel B. Cooper, General Counsel

**MODIFICATION TO THE CONTRACT BETWEEN METRO  
AND BROWNING-FERRIS INDUSTRIES OF OREGON, INC.**

This change order, dated as of the last signature date below, is entered into between Metro, a metropolitan service district organized under the laws of the State of Oregon and the 1992 Metro Charter, and Browning-Ferris Industries of Oregon, Inc., "Contractor," pursuant to the Public Contract dated July 1997 (the "original contract"). In exchange for the promises and other valuable consideration described in the original contract and in this change order, the parties agree as follows:

Landscape Maintenance at Metro Central Transfer Station

1. From April 1<sup>st</sup> through September 30<sup>th</sup> of each year, Contractor shall perform landscape maintenance at Metro Central Transfer Station. Contractor shall provide an average of 16 hours per week of labor dedicated to landscape maintenance during these months. Any landscape maintenance work of more than 16 hours per week shall be approved in advance by Metro's Regional Environmental Management Director.
2. Contractor shall follow Metro's directions regarding the general nature of landscape maintenance work that is required. Contractor acknowledges that it is aware that it is Metro's policy to rely on non-chemical means of pest control and to create a native landscape that requires as little maintenance as possible.
3. For the landscape maintenance work specified in this Change Order, Metro agrees to pay Contractor \$15.00 per hour for labor costs.
4. Metro shall bear the cost of all fertilizer and other necessary supplies. All purchases of fertilizer and necessary supplies made by Contractor at Metro's expense shall be approved in advance by Metro. Metro shall bear 100% of the cost of landscape maintenance supplies approved in advance. Contractor will provide and maintain necessary tools.
5. The price paid for Contractor's labor costs will be adjusted using the Consumer Price Index as specified in Article 13 "Basis and Method of Payment" of the original Contract. The first adjustment shall be made as of July 1, 1999.
6. Metro reserves the right to cancel the Contractor's obligation to perform landscape maintenance work with 30 days prior notice to the Contractor.

Labor To Assist in Public Unloading at Metro South Station

1. From April 1<sup>st</sup> through September 30<sup>th</sup> of each year, Contractor agrees to provide laborers to assist public customers in unloading waste at Metro South Station.
2. The number and scheduling of laborers shall be based on the anticipated need for such work given expected wait times. Contractor shall submit a staffing plan to the Director of the Regional Environmental Management Department no less than 15 days before the first day of each month. In its sole discretion Metro reserves the right to change in the number and scheduling of laborers based on its expectations regarding needed assistance.
3. Metro agrees to pay for Contractor's labor costs as specified in Article 15 "Additional or Deleted Work" of the original Contract.

4. Metro reserves the right to cancel the Contractor's obligation to perform public unloading work with 30 days prior notice to the Contractor.

#### Transfer of Treated Non-Infectious Medical Waste

1. Contractor shall transfer non-infectious medical waste including, but not limited to autoclaved sharps delivered to the Metro Transfer Stations with an approved Special Waste Permit issued to the generator by Metro.
2. Contractor reserves the right to reject any medical waste that it determines in the Contractor's sole discretion to be unsafe for handling.
3. Metro agrees to pay Contractor a special handling fee of the greater of \$10.00 per ton or \$10.00 per pallet, of medical waste transferred under this Change Order. Such payment shall be in addition to the per ton unit prices specified in Article 13 "Basis and Method of Payment" in the original Contract.
4. Metro reserves the right to cancel the Contractor's obligation to perform the transfer of medical waste with 30 days prior notice to the Contractor.

#### Pilot Project for Expanded Operating Hours for Automated Transactions

1. Contractor shall cooperate with Metro in a pilot project designed to examine the need for 24-hour operation of the transfer stations. The pilot project shall run through September 1, 1998, at which time Metro shall, at its option, determine whether to extend 24-hour operations under the conditions described in this Change Order for the duration of the contract.
2. Contractor shall provide at each transfer station one employee trained in handling and management of commercial waste to manage commercial waste received through the automated scalehouse during all times that Metro has opened the Transfer Stations to automated transactions. Such employee shall conduct necessary observation of loads, conduct load checks, respond to hazardous waste incidents, and operate equipment necessary for transfer operations.
3. Metro retains the right to determine the hours that the Transfer Stations are open for commercial haulers using the automated scale system. The hours may be different for Metro Central Station and Metro South Station, based on the demand for off-hour deliveries.
4. In the event of failure of the automated scale system during hours that Metro has not staffed the scalehouses, Contractor shall respond by manually recording truck weights and operating gates necessary to allow commercial haulers to continue to tip waste.
5. Contractor shall not be required to respond to failures of the automated scale system if the failure rate is higher than 5% of all transactions between the hours of 6 P.M. to 7 A.M. Metro will be responsible for either correcting the automation problem or providing necessary staff for manual processing of transactions if the failure rate is higher than 5%.
6. Metro shall pay Contractor for labor costs associated with this change in work at the rate of \$21.84 per hour. In the event that Metro determines, in its sole discretion, to implement this work during weekends, weekend payment rates shall be adjusted to reflect overtime as required by State law.

7. The price paid for Contractor's labor costs shall be adjusted using the Consumer Price Index as specified in Article 13 "Basis and Method of Payment" of the original Contract.

Except as modified herein, all other terms and conditions of the original contract and previous change orders (if any) remain in full force and effect.

CONTRACTOR

METRO

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Signature

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Signature

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Print name and title

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Print name and title

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Date

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Date

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## REGIONAL ENVIRONMENTAL MANAGEMENT COMMITTEE REPORT

### CONSIDERATION OF RESOLUTION NO. 98-2654, FOR THE PURPOSE OF AUTHORIZING CHANGE ORDER NO. 1 TO THE CONTRACT FOR OPERATING METRO CENTRAL AND SOUTH TRANSFER STATIONS

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Date: June 2, 1998

Presented by: Councilor McLain

**Committee Recommendation:** At its June 2 meeting, the Committee considered Resolution 98-2654 and voted unanimously to send the resolution to the Council with a do pass recommendation. Voting in favor: Councilors McFarland and Washington and Chair Morissette.

**Background:** Metro entered into a contract with Browning-Ferris Industries (BFI) to operate the Metro Central and South Transfer Stations beginning October 1, 1997. Several issues have arisen affecting operations and maintenance at the two stations. These include landscape maintenance, unloading assistance for self-haulers, handling and disposal of treated medical waste and installation of a 24-hour automated scale system. Each of these issues is addressed in the proposed resolution as change orders to the original contract.

**Committee Issues/Discussion:** Bruce Warner, Director, Regional Environmental Management, presented the staff report. He indicated that the resolution addressed four main issues. First, he noted that the resolution would transfer responsibility for landscape maintenance at Metro Central to BFI during the spring and summer months. Second, the resolution would authorize BFI to hire additional labor to assist self haulers with unloading at Metro South. The staffing level would be determined by the need to meet REM's goal of not having traffic extend out on to Washington Street near the transfer station. The budget impact could range from \$14,000 to \$51,000.

The third issue addressed in the resolution is the disposal of treated non-infectious medical waste. Several major hospitals in the region are installing equipment to treat certain types of medical wastes prior to disposal. The intent is to qualify such wastes for disposal through a transfer station. The hospitals have requested that Metro develop a fee system for such disposal. The change order establishes a special handling fee the greater of \$10/ton or \$10 per pallet. This fee would be collected by Metro and then passed on to BFI. Councilor Washington asked if staff intends to inspect the treatment systems in use at the various hospitals. Warner responded that staff would examine the loads at the transfer stations but that it did not intend to directly visit the hospitals.

The fourth change relates to the installation of automated scaling systems at both transfer stations. These systems would allow the stations to operate up to 24 hours a day. While no scalehouse staff would be needed, limited on site staffing would be needed during the overnight hours. REM Staff has determined that there appears to be enough traffic to operate Metro Central 24 hours a days on weekdays. Additional pilot tests are being conducted at Metro South. The change order would pay BFI for any additional staffing needed for additional hours of operation beyond those specified in the original contract. The potential annual cost of this additional staffing could range from \$48,266 (24-hour operation of Metro Central on weekdays only) to \$184,548 (24 hour operation of both stations, seven days a week).

**EXECUTIVE SUMMARY**  
**RESOLUTION 98-2654**  
**BFI TRANSFER STATION OPERATIONS**

**PROPOSED ACTION**

Resolution 98-2654 authorizes Change Order No. 1 to the contract with Browning-Ferris Industries, Inc. for the operation of the Metro transfer stations. The Change Order establishes prices that BFI will charge Metro for:

- Expanded hours for haulers using the automated scale system,
- Transfer of treated medical waste,
- Labor to assist the public in unloading waste at Metro South, and
- Landscape maintenance at Metro Central

**WHY NECESSARY**

- Expanded Hours. Haulers are requesting 24-hour access to the stations to avoid traffic congestion. Change Order No. 1 allows Metro to conduct a pilot study of expanded hours.
- Transfer of Medical Waste. Hospitals in the region are installing on-site sterilizers to reduce disposal costs for medical waste. The hospitals have requested that Metro accept sterilized waste.
- Public Unloading. A major cause of long lines at Metro South is the time it takes the public to unload vehicles. Change Order No. 1 allows Metro to direct BFI to assist in unloading if necessary to reduce long lines.
- Landscape Maintenance at Metro Central. BFI can provide the most cost-effective labor for landscape maintenance during the summer at Metro Central.

**ISSUES/CONCERNS**

- Appropriate procedures will be followed to ensure that treated medical waste is safely transferred without hazardous exposure to workers.

**BUDGET/FINANCIAL IMPACTS**

- Change Order No. 1 would increase the BFI contract by up to \$921,713 if Metro chooses to extend the contract for the full 5 years.
- These costs were either already budgeted (landscape maintenance), will be passed on to customers as special waste charges (medical waste), or can be implemented as needed to match the revenue growth associated with increasing customers and tonnage (public unloading and extended hours).

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 98-2654 FOR THE PURPOSE OF AUTHORIZING CHANGE ORDER NO. 1 TO THE CONTRACT FOR OPERATING METRO CENTRAL AND SOUTH TRANSFER STATIONS

Date: April 21, 1998

Presented by: Bruce Warner,  
Terry Petersen

## PROPOSED ACTION

Adopt Resolution No. 98-2654 for the purpose of authorizing Change Order No. 1 to the contract for operating Metro Central and South Transfer Stations.

## FACTUAL BACKGROUND AND ANALYSIS

Browning-Ferris Industries, Inc. (BFI) was awarded the contract for operating the Metro Central and South Transfer Stations beginning October 1, 1997. Metro, BFI, and the customers of the transfer stations have identified several changes that are needed in the contract in order to expand waste reduction, improve operations, and expand services. In order to make these changes, the original contract between BFI and Metro needs to be modified.

The contractual changes included in Change Order No. 1 that would be implemented by approval of Resolution No. 98-2654 are as follows:

1. Landscape Maintenance at Metro Central Transfer Station. When the original contract was negotiated with BFI, Metro intended to contract with the Multnomah County Department of Juvenile and Adult Community Justice for laborers to do landscape maintenance at Metro Central Station. However, given the size of the County work crews and the amount of landscaping at Metro Central Station, it has been difficult for the County to provide the proper level of landscape maintenance. There often has been either too much or too little work to be done given the size of the crew. In lieu of the County contract, this Change Order establishes a price that BFI will charge Metro for providing 16 hours of labor per week for landscape maintenance at Metro Central Station during the months of April through September. Metro would continue to be responsible for landscape maintenance at Metro South Station and during the winter at Metro Central Station.
2. Labor to Assist in Public Unloading at Metro South Station. Metro has recently made a number of improvements at Metro South Station that should significantly reduce long lines during peak hours. These include a new scale, new scalehouse, and an additional traffic lane on the approach to the scales. However, the number of public customers continues to increase. Considering the growth in public customers combined with the construction that Metro plans for Metro South this summer, there are likely to be continued traffic problems during peak hours. This Change Order establishes a price that BFI will charge Metro for additional laborers to assist the public in unloading waste during peak periods. Because the typical long unloading time by public customers is one of the main causes of long lines, this additional staffing should help reduce traffic problems. This Change Order allows Metro to specify how much additional labor is needed, based on the expected number of customers.
3. Transfer of Treated Non-Infectious Medical Waste. Several hospitals in the Metro region are planning to install large-scale sterilizers to treat their medical waste. The hospitals have requested that Metro develop procedures for transferring treated medical waste to the Columbia Ridge Landfill. This Change Order establishes a price that BFI will charge for transferring treated non-infectious

medical waste.

4. Pilot Project for 24-Hour Operation of the Automated Scale System. Metro has recently installed an automated scale system for weighing commercial trucks at the transfer stations. Several haulers have requested that Metro allow access to the facilities during the night. This would help reduce both on-site traffic during peak daytime hours and congestion on roads leading to the stations. This Change Order establishes a price that BFI will charge for the necessary staffing during the expanded hours of operation. The hours of operation will be expanded to 24-hours per day on a pilot basis through August 1998. At that time, the REM Department will examine the amount of usage and determine whether continuation of the expanded hours is justified given the additional cost.

#### BUDGET IMPACT

The FY97-98 REM Department budget includes \$6,760,479 for transfer station contractual operations with actual expenditures expected to be \$5,981,301, primarily due to the lower contract prices in the BFI contract that began October 1997. The work described in this Change Order would be paid for from this appropriation. The FY98-99 REM Department budget includes \$5,981,301 for transfer station contractual operations which should be a sufficient appropriation to cover the work in this Change Order.

1. Landscape Maintenance at Metro Central Transfer Station. The REM Department's FY97-98 budget includes \$23,607 for contracts related to landscape maintenance. The proposed budget for FY98-99 includes \$20,000 for contractual services required for landscape maintenance. The total annual cost associated with this change order would be \$6,192 (plus minor costs for materials). The remainder of the appropriation will be used for landscape maintenance at Metro South Transfer Station.
2. Labor to Assist in Public Unloading at Metro South Station. The annual cost of this contract change is expected to range from \$13,824 (1,152 labor hours @ \$12 per hour) to \$51,840 (4,320 labor hours @ \$12 per hour). Actual hourly rates will be determined when BFI hires the employees, but the \$12 per hour figure is a reasonable estimate. The REM Department will determine the appropriate level based on actual traffic problems with the goal being to avoid public lines spilling out onto Washington Street in front of the transfer station.
3. Transfer of Treated Non-Infectious Medical Waste. The REM Department expects that total expenditures related to transfer of medical waste would not exceed \$10,000 per year. Metro Code Chapter 5.02 specifies that "a special waste surcharge and a special waste permit application fee shall be collected on all special wastes disposed of at Metro facilities." Per this requirement, the REM Department will pass the BFI contract price for medical waste established under this Change Order on to all customers delivering medical waste to the Metro transfer stations.
4. Pilot Expanded Hours for Haulers Using the Automated Scale System. The annual cost of this contract change is expected to range from \$48,266 (2,210 labor hours @ \$21.84 per hour for weekday 24-hour operation at Metro Central only) to \$184,548 (4,940 labor hours @ \$21.84 per hour weekday 24-hour operation and 2,340 labor hours @ \$32.76 for weekend 24-hour operation at both Metro Central and South). The wide variation in costs reflects the uncertainty regarding the demand for night delivery of solid waste at each of the transfer stations. There appears to be sufficient demand at Metro Central during weekdays because of the proximity to downtown Portland where night collection is required. The REM Department will expand the automated hours of operation to include Metro South and weekends at Metro Central only if there is sufficient demand to justify the extra expenditures.



EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 98-2654.

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