

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING) RESOLUTION NO. 02- 3232
METRO TO ENTER INTO AGREEMENTS TO)
PURCHASE AND DELIVER EQUIPMENT ON)
BEHALF OF FOOD DONATION) Introduced by Mike Burton,
INFRASTRUCTURE GRANT RECIPIENTS IN) Executive Officer
LIEU OF DIRECT CASH GRANTS)

WHEREAS, on December 2, 1999, the Metro Council adopted Resolution No. 99-2856, "For the Purpose of Approving a FY 1999-2002 Organics Waste Management Plan, and Authorizing Release of Budgeted Funds," thereby approving the fiscal year 1999-2000 Organics Waste Program Initiative and the 1999-2000 Organics Program Work Plan; and,

WHEREAS, the Organics Program Initiative that the Metro Council approved authorized development of a grant program to provide funding to qualifying charitable organizations to increase their capability to collect, receive, store and distribute perishable foods; and,

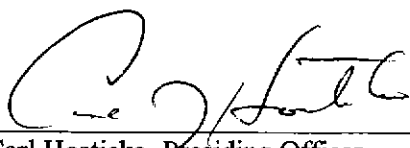
WHEREAS, the Staff of the Regional Environmental Management Department has determined that certain equipment sought by potential grant recipients can be acquired at lower cost by allowing Metro to entering into agreements to purchase and deliver equipment on behalf of grant recipients in lieu of direct cash grants, thereby allowing bulk equipment purchases with discounts allowed for governmental entities; and,

WHEREAS, staff of the Regional Environmental Management Department and of the Administrative Services Department have recommended amendment to the Organics Program Initiative specifically to allow such use of grant programs funds; and,

WHEREAS, funds for such are available in the 2002-03 budget; now therefore,

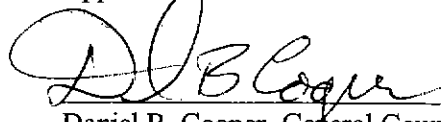
BE IT RESOLVED that the Metro Council hereby approves the attached amendment of the FY 1999-2002 Organic Waste Management Program Initiative to allow Metro to enter into agreements to purchase and deliver equipment on behalf of grant recipients in lieu of direct cash grants.

ADOPTED by the Metro Council this 7th day of November, 2002.



Carl Hosticka, Presiding Officer

Approved as to Form:



Daniel B. Cooper, General Counsel

Exhibit A
Resolution No. 02-3232
Metro
Regional Commercial Organics Work Plan 1999-2002
September 2002 revision

Overview: According to the revised Regional Solid Waste Management Plan recovery rates, the region must recover 52,000 tons of organic waste in order to meet its established goals. This plan, cooperatively developed by the Regional Organics Work Team comprised of Metro, DEQ and local government staff, is designed to guide the region in the direction of increased recovery while adhering to the solid waste hierarchy of reduce, reuse, recycle, recover, compost, landfill.

This plan takes a two-track approach to organic waste management. The first track emphasizes waste prevention, donation and diversion. This is considered to be a least-cost approach as preventing the generation of the material in the first place removes the need to manage it as a waste product; donation is the highest end-use of food that is produced, and diversion to animal feed is the next step down in the hierarchy. Each of these approaches can be implemented in a relatively rapid fashion in that an existing infrastructure is present in the region, and outreach materials may be produced with short turnaround. While the food donation infrastructure does exist, some assistance and support will be necessary to enhance capacity to accommodate a new and increased flow of material.

The second track focuses on developing a processing system to accommodate organic waste that cannot be diverted to higher-end uses. Every effort will be made to utilize existing infrastructure and tailor generator and collection programs to fit within existing operations and regulatory systems. Several pilot projects will be initiated within the next 18 to 24 months to determine the economic feasibility of a regional organics collection and processing system. If the pilots prove successful, the Regional Organics Team will move rapidly towards the development of a permanent collection and processing infrastructure. If the pilots prove that organic waste collection and processing are not economically feasible in the current solid waste environment, only Track 1 programs will be fully implemented, and the group will revisit the issue at a later date. The decision to develop permanent collection and processing facilities is contingent upon economic feasibility. If feasible, and the program determines that public participation is required to leverage processing capacity, then we may face a large, lump-sum budget request within the next two to three years

A series of outreach efforts with a global message to the general public about the regional organic waste efforts will be planned for roll-out once programs are implemented. It is unknown what the specific concept or costs of such efforts will be at this time as they are dependent on the extent of the programs implemented. Additional funds to cover this effort will be proposed in future budget requests.

The following draft plan provides the details and the accompanying resources needed for the immediate implementation of a regional organic waste management plan. During the first three years, the team has chosen to target efforts towards large organics-rich businesses and industries. These targeted businesses are:

- Large retail grocery stores
- Large restaurants
- Hotels
- Institutional cafeterias*
- Produce wholesale warehouses

(*Institutional cafeterias include food service operations in schools and universities, hospitals, large office buildings, corporate campuses, prisons, etc.)

While this plan focuses on the commercial sector, the team may address the possibility of a residential plan in the future. At this time, however, the team feels that the commercial sector has the majority of clean, accessible and recoverable food wastes.

TRACK 1: WASTE PREVENTION, DONATION AND DIVERSION

Develop focused outreach and education programs for targeted food-intensive businesses to increase waste prevention, donation and diversion practices.

A. Waste Prevention	FTE	1999-00 Budget	2000-01 Budget	2001-02 draft Budget
1. Research and development: <ul style="list-style-type: none"> ▪ Research nature of each targeted business category to determine most suitable entry point for effective waste prevention messages. ▪ Determine number and location of each targeted business within the region. ▪ Research current methods used for information dissemination within each industry (professional or industry organizations, etc.) ▪ Research existing outreach and educational materials developed for use in targeted industries. 	0.16 Interns	\$5,000	0	0
<ul style="list-style-type: none"> ▪ Develop partnerships with industry associations to create suitable and effective outreach messages, appropriate outreach methods, and to lend credence to the program (seek out sponsorships or endorsements.) 	Organics Team	0	0	0
2. Develop focused outreach and education on waste prevention coupled with on-site assistance: <ul style="list-style-type: none"> ▪ Utilize research results and existing materials currently in use in the region to tailor specific materials for production. 	Organics Team	0	0	0
<ul style="list-style-type: none"> ▪ Develop effective outreach tools and methods based on results of research. (design and printing) 	Contract	\$25,000	0	\$2,000
<ul style="list-style-type: none"> ▪ Develop distribution plan for materials developed. 	Organics Team	0	0	0
<ul style="list-style-type: none"> ▪ Hire temporary staff to distribute materials, provide on-site assistance, coordinate contacts with business groups, provide presentations, provide feedback to Regional Organics Team for future program changes. (total 8,000 hours = 16-20 hours per targeted business) 	2.0*	0	\$73,710	\$70,000
SUB-TOTAL (Section A)	2.16	\$30,000	\$73,710	\$72,000

*These FTE will also perform Track 2 outreach functions within the targeted business community.

B. Donation	FTE	1999-00 Budget	2000-01 Budget	2001-02 draft Budget
1. Coordinate with charitable organizations to enhance donation infrastructure and build capacity: <ul style="list-style-type: none"> ▪ Develop grant program to provide funding, <u>property or equipment</u> -to qualifying charitable organizations to increase their capability to collect, receive, store and distribute perishable foods. 	Organics Team	0	\$200,000 matching grant fund	\$200,000 matching grant fund
<ul style="list-style-type: none"> ▪ Create an interagency work team that meets on a quarterly basis to assess outreach and coordinate messages between Metro, local governments and charitable agencies to ensure consistent and effective direction. ▪ Work with DEQ to provide statewide outreach and assistance programs that will supplement activities within the Metro region to increase capacity. 	Organics Team	0	0	0
2. Design, print and distribute educational and outreach materials for targeted businesses in coordination with charitable agencies. <ul style="list-style-type: none"> ▪ Research targeted businesses' level of knowledge and comfort regarding food donation to identify barriers and opportunities. 	0.09 intern	\$2,500	0	0
<ul style="list-style-type: none"> ▪ Work with agencies to refine message regarding Good Samaritan Laws, liability issues, “myths and realities” of food donation in all outreach materials developed (in tandem with waste prevention outreach and educational materials). ▪ Work with DEQ and other associations (such as AOR) to develop alternative vehicles for information dissemination regarding food donation and liability throughout the state to enhance knowledge. 	Organics Work Team	0	0	0
<ul style="list-style-type: none"> ▪ Design and print educational materials. 	Metro	\$1,000		\$2,000
SUB-TOTAL (Section B)	.09	\$3,500	\$200,000	\$202,000

C. Diversion	FTE	1999-00 Budget	2000-01 Budget	2001-02 draft Budget
1. Conduct market study to determine existing and potential options for increased diversion of acceptable, non-edible foods to animal feed uses: <ul style="list-style-type: none"> ▪ Research current animal feed options, facilities accepting food wastes, tonnage currently diverted, barriers to increased diversion, feedstock requirements, strength and viability of current animal feed market, etc. ▪ Research existing professional and industry associations, government agencies and others involved in regulating animal feed operations and disseminating information to those involved in the industry. ▪ Research current levels of land application of food wastes along with applicable laws and regulations. 	<i>Contractor</i>	\$20,000	0	0
2. Implement animal feed diversion program if research proves increased market capacity exists and can be utilized.	Organics Team	0	0	\$100,000
SUB-TOTAL (Section C.)	0	\$20,000	0	\$100,000
TOTAL (Track 1)	2.50	\$53,500	\$273,710	\$374,000

TRACK 2: ORGANIC WASTE COLLECTION AND PROCESSING INFRASTRUCTURE DEVELOPMENT				
Develop a wide range of processing options using existing infrastructure to the greatest extent possible.				
A. Generator Programs	FTE	1999-00 Budget	2000-01 Budget	2001-02 draft Budget
1. Target larger organics generators in concentrated areas and conduct research on willingness to participate in an organics collection program. <ul style="list-style-type: none"> ▪ Focus on franchised areas that will not have mandatory separation programs. ▪ Identify physical and financial barriers. 	Organics Work Team	0	0	0
2. Research proportions of pre- and post-consumer food waste generated by each business type to best tailor separation and collection programs.	Contractor	\$60,000	0	0
3. Develop specific educational materials focused on generator types, geographic area, hauler equipment, and end-use of materials collected. (design and print)	Contractor	0	\$10,000	\$4,000
SUB-TOTAL (Section A.)	0	\$60,000	\$10,000	\$4,000

B. Development of Collection Infrastructure	FTE	1999-00 Budget	2000-01 Budget	2001-02 draft Budget
1. Utilize information gathered by City of Portland organics collection and processing pilot project to determine feasibility of implementing Portland's organic waste recycling requirement ordinance.	Organics Work Team	\$10,000	0	0
2. Work with area haulers and businesses to determine feasible organics collection routes throughout the region. <ul style="list-style-type: none"> Research hauler willingness/potential to develop collection cooperatives. 	Organics Work Team	0	0	0
3. Work with haulers to determine equipment needs, collection schedules and assistance required to implement routes.	Organics Work Team	0	0	0
4. Determine true costs of collection to facilitate future planning decisions. <ul style="list-style-type: none"> Conduct pilot projects throughout the region to assess costs. 	Organics Work Team	\$50,000	\$40,000	0
SUB-TOTAL (Section B.)	0	\$60,000	\$40,000	0

C. Utilization and Enhancement of Existing Infrastructure for Delivery and Processing of Organic Wastes	FTE	1999-00 Budget	2000-01 Budget	2001-02 draft Budget
1. Develop tip fee at Metro Central Station for the acceptance of organic waste for processing (currently in process).	Organics Work Team	0	0	0
2. Build local infrastructure by working closely with facilities throughout the region to research potential and assist with the implementation of organics reload and processing. <ul style="list-style-type: none"> Work with facility operators, local officials, etc. to research and determine feasibility and likelihood of varied degrees of delivery and reload of organics on a case-by-case basis. Assist with the development of pilot projects to test feasibility of reloading for off-site processing or for acceptance of organic waste for potential of on-site processing. Continue to utilize the two currently-available existing processing options (Arlington and LRI) while working to develop local processing capacity. Examine development of local options such as on-site processing at transfer stations and MRFs as well as local yard debris processors. Consider the use of a short-term Metro subsidy to support organics collection and processing until more economically viable local options are developed. 	Organics Work Team	\$50,000	\$600,000 (pilot projects, infrastructure, grants, loans, etc.)	\$500,000 (pilot projects, infrastructure, grants, loans, etc.)

3. Work closely with Metro transfer station operator (BFI/Allied) to develop organics delivery options. <ul style="list-style-type: none"> Develop protocols for acceptance reload and transport of organics to appropriate processing facilities. 	Organics Work Team	0	0	0
4. Investigate financial assistance opportunities such as state tax credits for recycling businesses.	DEQ	0	0	0
SUB-TOTAL (Section C.)	0	0	\$600,000	\$500,000

D. Organics Market Development	FTE	1999-00 Budget	2000-01 Budget	2001-02 draft Budget
1. Re-establish 1 FTE in Waste Reduction to implement a permanent and meaningful market development program focusing on organics, commercial, and C&D.		0	0	0
SUB-TOTAL (Section D.)	0	\$0	\$0	\$0

TOTAL TRACK 1	2.50	\$53,500	\$273,710	\$374,000
TOTAL TRACK 2	0.25	\$170,000	\$650,000	\$504,000
SUB-TOTAL (Tracks 1 and 2)	2.75	\$223,500	\$923,710	\$878,000
Less Currently Budgeted Funds		(\$240,000)	\$0	\$0
GRAND TOTAL New Funds Needed	2.75	\$0	\$923,710	\$878,000

For future consideration:

- Identify potential generators who may benefit from on-site processing options.
- Consider public/private purchase and development of processing facilities if existing infrastructure proves unsuitable.

ORGANICS PLAN TIMELINE AND BUDGET

FY 1999-2000 Program Initiatives

The following Organics Program initiatives are scheduled to commence within the current fiscal year. Those tasks that span fiscal years have had their budgets adjusted accordingly to indicate each year's particular resource needs.

TRACK 1

Waste Prevention:

1. Research and development.

BUDGET: \$5,000

2. Develop focused outreach and education on waste prevention coupled with on-site assistance.

BUDGET: \$25,000

Donation:

1. Coordinate with charitable organizations to enhance donation infrastructure and build capacity for recovered food. Create inter-agency work team to assess outreach needs and coordinate messages.

BUDGET: \$0

2. Design, print and distribute educational and outreach materials for targeted business groups in coordination with charitable agencies.

BUDGET: \$3,500

Diversion:

1. Conduct market study to determine the existing and potential options for increased diversion of acceptable, non-edible food wastes to animal feed uses.

BUDGET: \$20,000

TOTAL TRACK 1: \$53,500

TRACK 2:

Generator Programs:

1. Target larger organics generators in concentrated areas and conduct research on willingness to participate in an organics collection program.

BUDGET: \$0

2. Research the proportions of pre- and post-consumer food waste generated by each business type to best tailor separation and collection programs.

BUDGET: \$60,000

Development of Collection Infrastructure:

1. Utilize information gathered by City of Portland organics collection and processing pilot project to determine feasibility of implementing Portland's organic waste recycling requirement ordinance.

BUDGET: \$10,000

2. Work with area haulers and businesses to determine feasible organic organics collection routes throughout the region.

BUDGET: \$0

3. Work with haulers to determine equipment needs, collection schedules and assistance required to implement routes.

BUDGET: \$0

4. Determine true costs of collection to facilitate future planning decisions. (begin pilot projects throughout region)

BUDGET: \$50,000

Utilization and enhancement of existing infrastructure for delivery and processing of organic wastes:

1. Develop tip fee at Metro Central Station for the acceptance of organic waste for processing.

BUDGET: \$0

2. Build local infrastructure by working closely with facilities throughout the region to research potential and assist with the implementation of organics reload and processing.

BUDGET: \$50,000 (grants/contracts)

3. Work closely with Metro transfer station operator to develop organics delivery options.

BUDGET: \$0

4. Investigate financial assistance opportunities such as state tax credits for recycling businesses.

BUDGET: \$0

TOTAL TRACK 2: \$170,000

FY 1999-2000 TOTAL: \$223,500

Current FY 1999-2000 budgeted funds: \$240,000

FY 2000-2001 Program Initiatives

The following Organics Program initiatives are scheduled to commence within the next fiscal year. Those tasks that span fiscal years have had their budgets adjusted accordingly to indicate each year's particular resource needs.

TRACK 1

Waste Prevention:

1. Develop focused outreach and education on waste prevention coupled with on-site assistance. Hire 2.0 FTE temporary staff for 2 year positions to distribute materials, provide on-site assistance, coordinate contacts with business groups, provide presentations, provide feedback to Regional Organics Team for future program changes.

BUDGET: \$73,710 (year 1)

Donation:

1. Coordinate with charitable organizations to enhance donation infrastructure and build capacity for recovered food. Develop a 2-year matching grant program to provide funding to qualifying charitable organizations to increase their capacity to collect, receive, store and distribute perishable foods.

BUDGET: \$200,000 (year 1)

TOTAL TRACK 1: \$273,710

TRACK 2:

Generator Programs:

1. Develop specific educational materials focused on generator types, geographic area, hauler equipment, and end-use of materials collected.

BUDGET: \$10,000

Development of Collection Infrastructure:

1. Determine true costs of collection to facilitate future planning decisions. (begin pilot projects throughout region)

BUDGET: \$40,000

Utilization and enhancement of existing infrastructure for delivery and processing of organic wastes:

1. Build local infrastructure by working closely with facilities throughout the region to research potential and assist with the implementation of organics reload and processing.

BUDGET: \$600,000

Local Organics Market Development:

1. Re-establish 1 FTE in Waste Reduction to implement a permanent and meaningful market development program focusing on organics, commercial and C&D. (organics work represents one-quarter of the FTE)

BUDGET: \$0 (1 FTE to fill vacant position—budgeted separately)

TOTAL TRACK 2: \$650,000

FY 2000-01 TOTAL: \$923,710

FY 2001-02 Program Initiatives

The following Organics Program initiatives are scheduled to commence within fiscal year 2001-02. Those tasks that span fiscal years have had their budgets adjusted accordingly to indicate each year's resource needs.

These are *draft* figures.

TRACK 1

Waste Prevention:

1. Develop focused outreach and education on waste prevention coupled with on-site assistance. Begin second and final year of employment of 2.0 FTE temporary staff to distribute materials, provide on-site assistance, coordinate contacts with business groups, provide presentations, provide feedback to Regional Organics Team for future program changes.

BUDGET: \$70,000 (year 2)

Donation:

1. Coordinate with charitable organizations to enhance donation infrastructure and build capacity for recovered food. Implement the final year of the matching grant program to provide funding to qualifying charitable organizations to increase their capacity to collect, receive, store and distribute perishable foods.

BUDGET: \$200,000 (year 2)

Diversion:

1. Implement animal feed diversion program if research proves increased market capacity exists and can be utilized.

BUDGET: \$100,000

Outreach:

1. Update and reprint focused education and outreach materials.

BUDGET: \$4,000

TOTAL TRACK 1: \$374,000

TRACK 2:

Generator Programs:

1. Update and reprint focused education and outreach materials.

BUDGET: \$4,000

Utilization and enhancement of existing infrastructure for delivery and processing of organic wastes:

2. Build local infrastructure by working closely with facilities throughout the region to research potential and assist with the implementation of organics reload and processing.

BUDGET: \$500,000 (year 2)

Local Organics Market Development:

1. Continue support of 1 FTE in Waste Reduction to implement a permanent and meaningful market development program focusing on organics, commercial and C&D. (organics work represents one-quarter of the FTE)

BUDGET: \$0

TOTAL TRACK 2: \$504,000

FY 2001-02 TOTAL: \$878,000

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SOLID WASTE AND RECYCLING COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 02-3232, FOR THE PURPOSE OF AUTHORIZING METRO TO ENTER INTO AGREEMENTS TO PURCHASE AND DELIVER EQUIPMENT ON BEHALF OF FOOD DONATION INFRASTRUCTURE GRANT RECIPIENTS IN LIEU OF DIRECT CASH GRANTS

Date: November 6, 2002

Presented by: Councilor McLain

Committee Recommendation: At its November 6 meeting, the Solid Waste and Recycling Committee voted 3-0 to recommend Council adoption of Resolution No. 02-3232. Voting in favor: Councilors McLain, Monroe and Chair Atherton. Voting against: None. Absent: Councilors Bragdon and Park.

Background: In 1999, the Council adopted a 3-Year Waste Reduction Initiatives Program that included a regional organics work plan. This plan was designed to enhance to removal, diversion and recovery of food waste from the region's wastestream. The plan emphasizes the donation, collection and distribution of usable food items as a low cost solution. REM staff has been working to implement this element of the work plan by assisting the existing food donation and distribution infrastructure to enhance its collection capability and storage capacity.

A grant program has been established to assist food donation and distribution agencies in the purchase of equipment such as freezers, coolers and collection equipment and vehicles. To date a total of \$573,000 in grants have been made. It is estimated that the grants resulted in the recovery of an additional 5,181 tons of food with an avoided disposal cost of \$647,650 and a dollar value of over \$17 million to the food banks that recovered the food.

REM staff recently determined that volume purchasing of the types of equipment being sought through the grant program could result in significant savings. The department sought and obtained Council approval to amend its budget to transfer grant funds to allow for the direct purchase of this equipment by Metro. The estimated savings during the current year budget would be about \$50,000.

Committee Issues/Discussion: Lee Barrett, REM Waste Reduction and Outreach Manager and Jennifer Erickson, Senior Solid Waste Planner, presented the staff report. Barrett explained that the purpose of the proposed resolution would be to allow Metro to enter into agreement with various food donation service grant recipients for the purchase and delivery of equipment by Metro in lieu of receiving a direct cash grant. He noted that the departments grant program related to food donation and distribution agencies is currently in its fourth and final year and provided historical information concerning the program.

Erickson explained that historically the program had received 6-8 requests each year, until the current year when 17 requests were received. The total requested was \$290,000, while only \$200,000 in funding was available. Staff's review of the requests found that, in many cases, purchase requests were being made for identical types of equipment such as freezers. Staff then investigated the potential for savings through bulk purchase of such equipment and found that Metro could receive both a volume and governmental agency discount that would result in a saving of about \$50,000. She indicated that, as a result of these savings, the program would be able to fund all of the qualifying grant applicants and have a remaining balance of \$32,000.

Councilor McLain asked if Metro would be assuming any liability as the result of directly purchasing the equipment. Marv Fjordbeck, Senior Assistant Counsel, responded that title to the equipment would not

go through Metro. The equipment would be delivered directly to the food donation agencies. He indicated that the Office of General Council would work to eliminate or minimize Metro's risk in the agreements authorized by the resolution.

Councilor McLain asked how staff intended to allocate the remaining \$32,000. Erickson indicated that the amount of remaining funds had only been calculated recently. She noted that the department and the organics team would be examining alternative uses shortly and that the funds would remain in the organics program.

Key Public Testimony: None.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO.02-3232, FOR THE PURPOSE OF AUTHORIZING METRO TO ENTER INTO AGREEMENTS TO PURCHASE AND DELIVER EQUIPMENT ON BEHALF OF FOOD DONATION INFRASTRUCTURE GRANT RECIPIENTS IN LIEU OF DIRECT CASH GRANTS.

Date: September 20, 2002

Prepared by: Jennifer Erickson

BACKGROUND

In December 1999, Council adopted the Metro Regional Organics Work Plan which is designed to increase the diversion and recovery of food waste and soiled paper from the waste stream. This plan takes a two-track approach to organic waste management. The first track emphasizes waste prevention, donation and diversion. This is considered to be a least-cost approach as preventing the generation of the material in the first place removes the need to manage it as a waste product; donation is the highest end-use of food that is produced, and an established system to collect and redistribute donated food exists in the region.

While the food donation infrastructure does exist, assistance and support is necessary to enhance capacity to accommodate a new and increased flow of material. Emphasizing food donation also helps to address the problems of hunger in the region and the state. Oregon ranks highest in the nation for the incidence of hunger and sixth for food insecurity. In 2000, 650,000 Oregonians ate meals from emergency food boxes at least once during the year.

The Organics Work Team has established a grant program to assist with the development of infrastructure to increase the recovery of perishable food that would have otherwise been landfilled. These grants are intended to assist in all aspects of food recovery infrastructure development. Examples of requests may include, but are not limited to the following:

- Funds for the purchase of coolers or freezers to increase the ability to recover and store perishable or prepared foods.
- Funds to assist with food collection systems or vehicles.
- Funds to assist with development of new programs for the recovery, storage and distribution of perishable or prepared foods.

A recent assessment of the program to date demonstrated that the grants have been very successful. Recipient agencies estimate an additional 5,181 tons of food will be recovered as a result of these grants. The avoided disposal cost¹ of this recovered food is \$647,650 and the dollar value² to food banks of the additional recovered food is \$17,305,208.

A cost-benefit analysis demonstrates the effectiveness and value of these grants. The net benefit of the grants is more than \$17 million, which far exceeds the \$573,406 given in grants. The benefit-cost ratio indicates that the average benefit per dollar of grant funds disbursed is 31, illustrating a high level of return for the funds distributed.

¹ Based on \$125 per ton for collection and disposal.

² Based on \$1.67 per pound as calculated by America's Second Harvest.

During the 2002-03 grant cycle, Metro received seventeen requests for grants, many more than in previous years. In an effort to reduce costs and increase efficiency, Metro staff combined the refrigeration and freezer equipment requested, and sought quotes from vendors to supply, deliver and install the equipment. As a result of volume purchasing as well as a government rate, Metro could combine direct cash grants for some requests where Metro does not see a price advantage with volume purchasing and distribution of the requested equipment to all grant recipients for a program total of approximately \$150,000. This is in contrast to the over \$250,000 that would be spent if cash was granted directly to all of the agencies to have them purchase all equipment on their own. This volume purchasing also would allow for Metro to upgrade some of the equipment requested by these agencies for little or no increased cost. Passage of this resolution would amend the Organics Work Plan, as shown in Exhibit A, to include property or equipment as well as funds in this grant program.

Previous Council Review: The Metro Regional Organics Work Plan has been previously reviewed and approved by the Council via Resolution No. 99-2856. Results from an assessment study of the Food Donation Infrastructure Grant program were presented at Council Solid Waste and Recycling Committee work session for review and discussion on May 15, 2002.

ANALYSIS/INFORMATION

1. Known Opposition:

None.

2. Legal Antecedents:

Metro developed a Regional Solid Waste Management Plan (a functional plan) adopted by Council via Ordinance 95-624, For the Purpose of Adopting the Regional Solid Waste Management Plan. The Metro Regional Organics Work Plan has been previously reviewed and approved by the Council via Resolution No. 99-2856.

3. Anticipated Effects

This resolution will allow Metro to directly purchase equipment in lieu of cash grants saving approximately \$50,000.

4. Budget Impacts:

A total of \$200,000 has been approved for this program in the FY 2002-03 budget of this program. Adopting this resolution will result in the savings of nearly \$50,000.

RECOMMENDED ACTION

The Executive Officer recommends approval of Resolution No. 02-3232.

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