

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE)	RESOLUTION NO. 05-3596
RELEASE OF THE CALL FOR GRANT)	
APPLICATIONS FOR THE ORGANIC WASTE)	Introduced by Chief Operating Officer
COMPOSTING CAPITAL IMPROVEMENTS)	Michael J. Jordan, with the concurrence
MATCHING GRANT PROGRAM AND AUTHORIZING)	of Council President David Bragdon
RELEASE OF GRANT FUNDS TO QUALIFYING)	
APPLICANTS.		

WHEREAS, on December 2, 1999 the Metro Council adopted Resolution No. 99-2856, "For the Purpose of Approving a FY 1999-2000 Organic Waste Management Work Plan, and Authorizing Release of Budgeted Funds," setting forth the Council's Organic Waste Management Work Plan; and

WHEREAS, the Organic Waste Management Work Plan, written by an intergovernmental Organics Work Team, required that the ability to collect, process and compost organic waste be established in the Metro region; and

WHEREAS, Metro has joined with its local government partners to develop Compostable Organic Waste collection programs to serve the region's businesses; and

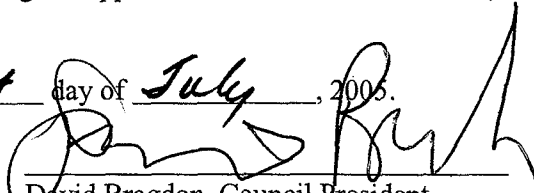
WHEREAS, Metro has also provided successful transport and processing of Compostable Organic Wastes collected via such collection programs through a contract with Cedar Grove Composting; and

WHEREAS, Cedar Grove Composting requested none of the \$500,000 in infrastructure capital funds offered by Metro allowing these dollars to be used for other organics system enhancements; and

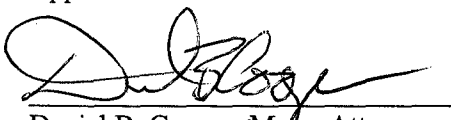
WHEREAS, to further the efficiency and effectiveness of organic waste collection programs for businesses, local governments and haulers, the Organics Work Team has developed a matching grant program to assist with capital improvements necessary to improve the ease, safety and efficiency of organic waste management and collection; and

WHEREAS, the Council designated this grant program as significant impact in the FY 2005-06 contracts list; now therefore,

BE IT RESOLVED that the Metro Council authorizes issuance of the Organic Waste Composting Capital Improvements Matching Grant Program call for grant applications attached as Exhibit A, and authorizes release of funds to qualifying applicants.

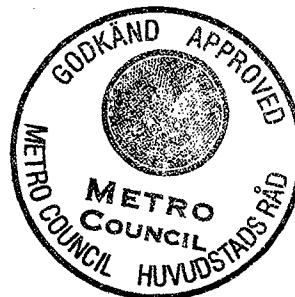
ADOPTED by the Metro Council this 21st day of July, 2005.

David Bragdon, Council President

Approved as to Form:



Daniel B. Cooper, Metro Attorney

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**ORGANIC WASTE COMPOSTING CAPITAL IMPROVEMENTS
MATCHING GRANT PROGRAM
FY 2005-06**

June 2005

BACKGROUND

The Metro region has established the goal of recovering at least 43,000 tons per year of organic waste from the business sector (e.g., all types of food waste including but not limited to: vegetables, fruit, baked goods, meats, seafood and dairy waste, and non-recyclable or food-soiled paper products). Currently, the region disposes of over 275,000 tons of food waste and soiled non-recyclable paper annually. It is estimated that approximately 60% of this waste is from the business sector.

In January 2005, Metro initiated a contract with Cedar Grove Composting, Inc. to transport and compost the acceptable organic waste delivered to Metro Central Transfer Station. The region's local governments are initiating collection programs in concert with solid waste haulers and participating businesses.

PURPOSE OF THE GRANT

This grant program is designed to offset the capital costs of initiating permanent organic waste collection programs for businesses, schools, local governments and haulers. Grant funds can be used to assist with the purchase of equipment or capital improvements necessary to improve the ease, safety and efficiency of organic waste management and collection. Examples of eligible expenses include but are not limited to collection containers or systems, container lifts or tipplers, necessary dock or loading bay reconfigurations and container washing systems. Supplies such as compostable bags, compostable service items or any other disposable single- or limited-use items are not eligible for this grant.

This grant program is not intended for demonstration or pilot projects nor is it intended for experimental, untested or unproven technologies.

REQUIRED MATCH

This is a matching grant program. Applicants must provide 25% of the total project cost or grant request with cash or eligible in-kind contributions. For example, a \$10,000 project is eligible to receive \$7,500 in grant funds with the balance (\$2,500) provided by the applicant. Eligible in-kind contributions include labor and materials if directly and demonstrably related to the actual capital improvement. In-kind contributions should be valued using a defensible method and explained clearly in the application. For example, rates for labor should be consistent with those paid for similar work in other businesses or government agencies, materials and supplies should be assigned a reasonable value not to exceed lowest fair market value. Metro reserves the right in its sole discretion to determine what is or is not considered a suitable match.

CRITERIA:

Applications must include, at a minimum:

- A specific description of how the grant will be used;
- A clear justification and demonstration of need;

- A specific dollar amount requested and a well-defined match;
- An estimate of the amount of organic waste that will be recovered*; and
- A description of intended results.

Applications will be reviewed and evaluated by Metro based on the criteria listed above. Grants will be awarded using a competitive process based on the quality of the applications received and the degree to which they meet the above criteria. The number of grants awarded may be limited by the total amount of funds available and the number of requests made. Metro reserves the right to deny any requests and to provide partial funding if the demand for grant funds requires such an action.

Applicants interested in this program must complete and submit the attached application form and deliver to Metro, Solid Waste & Recycling Department, 600 NE Grand Avenue, Portland, OR 97232, attention: Jennifer Erickson.

REPORTING:

A successful grant recipient will be required to submit a short final report due 30 days after the completion of the project. The report must demonstrate how the project has met the stated criteria and the impacts the project has had on the recovery of organic waste that would have otherwise been disposed. A reporting outline will be supplied by Metro.

FUNDS AVAILABLE:

There is a total of \$250,000 available for these grants. Funds will be available beginning July 1, 2005 and ending June 30, 2006.

QUESTIONS?

Inquiries about this program may be directed to:

Jennifer Erickson

Metro Solid Waste & Recycling Department

600 NE Grand Avenue

Portland, OR 97232

(503) 797-1647 phone

(503) 797-1795 fax

ericksonj@metro.dst.or.us

**Assistance with waste recovery estimates is available to applicants.*

**APPLICATION FORM:
ORGANIC WASTE COMPOSTING CAPITAL IMPROVEMENTS
MATCHING GRANT PROGRAM
FY 2005-06**

Name of Organization/Company: _____

Address: _____

Primary Project Contact Person: _____ Phone: _____

Amount of Funding Requested: _____

Other Organizations/Companies Involved: _____

1. Please provide some background information about your company or organization.
2. Describe in detail the project you need these grant funds to support and include all companies and organizations involved and their respective roles. Be specific about the project's goals and include a clear justification of need.
3. Provide a simple cost breakdown and budget for the overall project. Indicate where grant funds will be used and the source of any other project funding and how it will be used. *(Sample budget table is provided.)*
4. Please describe the match your company or organization will provide for this project.
5. What quantity of organic waste do you estimate you will recover for composting as a result of this project? What other results do you intend? *(Assistance with waste recovery estimates is available to applicants.)*
6. Please attach any applicable bids, specifications or equipment brochures pertaining to your project.

SAMPLE COST BREAKDOWN/PROJECT BUDGET

The following cost breakdown and project budget form is provided as an example to assist applicants in developing a grant request. Although applicants are not required to follow this exact format, any limitations or conditions to grant fund requests noted below must be followed.

Project Budget and Summary	Grant Funds Requested	Matching Resources	Total Costs
Capital outlay List all items of equipment to be purchased as part of this project below and attach all applicable bids, product specification sheets, brochures, etc.	\$	\$	\$
1.)	\$	\$	\$
2.)	\$	\$	\$
3.)	\$	\$	\$
4.)	\$	\$	\$
5.)	\$	\$	\$
Labor directly associated with capital improvements Grant dollars cannot be used for labor expenses. These resources will be considered part of your match.	N/A	\$	\$
Services and supplies (e.g., printing, postage, delivery fees, etc.) Grant dollars cannot be used for services and supplies. These resources will be considered part of your match.	N/A	\$	\$
Total grant funds requested	\$		
Total matching resources committed to the project		\$	
Total project cost			\$

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STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 05-3596 FOR THE PURPOSE OF AUTHORIZING THE RELEASE OF THE CALL FOR GRANT APPLICATIONS FOR THE ORGANIC WASTE COMPOSTING CAPITAL IMPROVEMENTS MATCHING GRANT PROGRAM AND AUTHORIZING RELEASE OF GRANT FUNDS TO QUALIFYING APPLICANTS.

Date: July 21, 2005

Presented by: Mike Hoglund
Jennifer Erickson

PROPOSED ACTION

Adopt Resolution No. 05-3596 to release the call for grants for the Organic Waste Composting Capital Improvements Matching Grant Program and authorize release of grant funds to qualifying applicants.

BACKGROUND

The Metro region has established the goal of recovering at least 45,000 tons per year of commercially-generated organic waste (e.g., all types of food waste including but not limited to: pre- and post-consumer vegetative waste, pre- and post-consumer meats, seafood and dairy waste and non-recyclable or food-soiled paper) from the waste stream. Currently, the region disposes of over 275,000 tons of food waste and soiled non-recyclable paper annually. It is estimated that approximately 60% of this waste is from the commercial sector and 40% from residences.

In December 1999, the Metro Council adopted a three-year Organic Waste Management Work Plan that was developed by an intergovernmental team (Resolution No. 99-2856, "For the Purpose of Approving a FY 1999-2000 Organic Waste Management Work Plan and Authorizing Release of Budgeted Funds.") This Plan provides for a three-track approach to the recovery and diversion of the region's organic wastes. The Plan emphasizes waste prevention and recovery of food for human use, diversion of food for animal feed and the development of processing infrastructure for organic materials not suitable for other uses. The region has spent the past four years developing strong and successful food recovery programs in partnership with food banks and is now transitioning into the next phase of the Plan: the collection and composting of food wastes not suitable for human or animal consumption. Recovery and processing of this material in to a beneficial end product is critical if the region is to meet its state-mandated solid waste recovery goals.

The collection and processing infrastructure to handle such materials has been developed via a contract with Cedar Grove Composting for transport and processing with BFI/Allied for inspection and reloading services at Metro Central. Organics have been accepted for composting at Metro Central Transfer Station since February 2005. Tonnage has steadily increased from 25 tons in the month of February, to 400 tons in May, and is on track to exceed 750 tons for the month of June 2005.

The City of Portland has been the first to implement a comprehensive collection program with the Cities of Gresham and Beaverton indicating plans to follow suit in the near future. Experience so far has indicated that certain barriers exist that prevent efficient program implementation for those already participating and prevent some from participating at all. These barriers are primarily the need for capital improvements such as retrofitting equipment, upgrading loading or service bays, and purchasing equipment or supplies that would improve the ease, safety and efficiency of organic waste management and collection. Examples of eligible expenses include, but are not limited to, collection containers or systems, container lifts or tippers, necessary dock or loading bay reconfigurations and container washing systems. Supplies such as compostable bags, compostable service items or any other disposable single or limited-use items will not be eligible for this grant. This grant program is also not intended for demonstration or pilot projects nor is it intended for experimental, untested or unproven technologies.

This is a matching grant program. Applicants must provide 25% of the total project cost or grant request with cash or eligible in-kind contributions. For example, a \$10,000 project is eligible to receive \$7,500 in grant funds with the balance (\$2,500) provided by the applicant. Eligible in-kind contributions include labor and materials if directly and demonstrably related to the actual capital improvement. In-kind contributions must be valued using a defensible method and explained clearly. For example, rates for labor should be consistent with those paid for similar work in other businesses or government agencies, materials and supplies should be assigned a reasonable value not to exceed lowest fair market value. Metro will determine what is or is not considered a suitable match.

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition.

2. Legal Antecedents

Resolution No. 99-2856, "For the Purpose of Approving a FY 1999-2000 Organic Waste Management Work Plan and Authorizing Release of Budgeted Funds."

Resolution No. 04-3497 "For the Purpose of Entering into an Agreement with Cedar Grove Composting Inc., for the Transport, Processing and Composting of Compostable Organic Wastes from Metro Transfer Stations."

3. Anticipated Effects

Enhancement of, and increased participation in, the region's organic waste collection and composting system and increased recovery of Compostable Organic Waste.

4. Budget Impacts

None. This program is budgeted as part of the Organic Waste Management Work Plan. Metro Council has already approved both the Organics Plan and its budget, so there is no additional fiscal impact. The \$250,000 earmarked for this grant program is in the existing fund balance and therefore the only financial impact of expending these dollars is foregone interest earnings.

RECOMMENDED ACTION

The Chief Operating Officer recommends approval of Resolution No. 05-3596.

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