

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING) RESOLUTION NO. 16-4735
OFFICER TO ISSUE A RENEWED NON-SYSTEM LICENSE TO)
FUJIFILM NORTH AMERICA CORPORATION FOR TRANSPORT) Introduced by Chief Operating
AND DISPOSAL OF PUTRESCIBLE WASTE AT THE COVANTA) Officer Martha Bennett in
WASTE-TO-ENERGY FACILITY LOCATED IN BROOKS, OREGON) concurrence of Council President
) Tom Hughes,

WHEREAS, the Metro Code requires a non-system license of any person that transports solid waste generated from within the Metro Region to a non-system disposal facility; and

WHEREAS, Fujifilm North America Corporation ("Fujifilm") holds Metro Solid Waste Facility Non-System License No. N-163-14, which expires on December 31, 2016; and

WHEREAS, the solid waste authorized under the Non-System License is generated at the Fujifilm facility located in Portland, Oregon, and is transported to the Covanta Waste-to-Energy Facility ("Covanta") for disposal; and

WHEREAS, Fujifilm has filed a completed application seeking renewal of the non-system license to transport putrescible waste to Covanta for disposal under the provisions of Metro Code Chapter 5.05, "Solid Waste Flow Control;" and

WHEREAS, the Metro Code Chapter 5.05 provides that applications for non-system licenses for putrescible waste shall be reviewed by the Chief Operating Officer and are subject to approval or denial by the Metro Council; and


WHEREAS, the Chief Operating Officer has analyzed the application and considered the relevant factors under the Metro Code; and

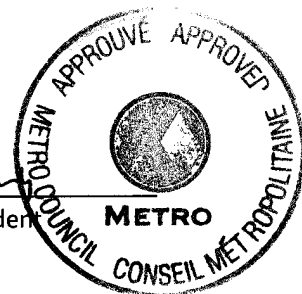
WHEREAS, the Chief Operating Officer recommends that the non-system license be renewed together with specific conditions as provided in Exhibit A to this Resolution; now therefore,

THE METRO COUNCIL RESOLVES AS FOLLOWS:


1. The non-system license renewal application of Fujifilm is approved subject to the terms, conditions, and limitations contained in Exhibit A to this Resolution.
2. The Chief Operating Officer is authorized to issue to Fujifilm a renewed Solid Waste Facility Non-System License substantially similar to the one attached as Exhibit A.

ADOPTED by the Metro Council this 1 day of December, 2016.


Tom Hughes, Council President



Approved as to Form:


Alison R. Kean, Metro Attorney

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**METRO SOLID WASTE FACILITY
NON-SYSTEM LICENSE**

No. N-163-17

LICENSEE:
Fujifilm North America Corporation 4152 NE 185 th Avenue Portland, OR 97230
CONTACT PERSON:
Dan Shuler Phone: (480) 208-6441 E-mail: dshuler@wtsonline.com
MAILING ADDRESS:
Fujifilm North America Corporation 4152 NE 185 th Avenue Portland, OR 97230

ISSUED BY METRO:

Paul Slyman
Property & Environmental Services Director

Date



1	NATURE OF WASTE COVERED BY LICENSE
	Non-recoverable solid waste commingled with putrescible waste, including restroom and lunchroom waste, generated at the Fujifilm North America Corporation site located at 4152 NE 185 th Avenue in Portland, Oregon.
2	CALENDAR YEAR TONNAGE LIMITATION
	The licensee is authorized to transport to the non-system facility described in Section 3 up to 85 tons per calendar year of the waste described in Section 1.
3	NON-SYSTEM FACILITY
	<p>The licensee is authorized to transport the waste described above in Section 1 only to the following non-system facility:</p> <p style="padding-left: 40px;">Covanta Waste-to-Energy Facility 4850 Brooklake Road, NE Brooks, OR 97305</p> <p>This license is issued on condition that the non-system facility named in this section is authorized to accept the type of waste described in Section 1. If Metro receives notice from the Oregon Department of Environmental Quality that this non-system facility is not authorized to accept such waste, Metro may immediately terminate this license pursuant to Section 7.</p>
4	TERM OF LICENSE
	The term of this license commences on January 1, 2017 and expires at midnight on December 31, 2018, unless terminated sooner under Section 7.
5	REPORTING OF ACCIDENTS AND CITATIONS
	The licensee must report to Metro any significant incidents (such as fires), accidents, and citations involving vehicles of its transportation carrier during the loading and transporting of the solid waste on behalf of the licensee.



6	RECORD KEEPING AND REPORTING
	<p>(a) The licensee must keep and maintain accurate records of the amount of all solid waste that the licensee transports to the non-system facility described in Section 3. These records must include the information specified in the Metro document titled, <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>.</p> <p>(b) The licensee must perform the following no later than fifteen days following the end of each month:</p> <ul style="list-style-type: none">i. Transmit to Metro the records required under Section 6(a) above in an electronic format prescribed by Metro;ii. Submit to Metro a Regional System Fee and Excise Tax Report, that covers the preceding month; andiii. Remit to Metro the requisite Regional System Fees and Excise Tax in accordance with the Metro Code provisions applicable to the collection, payment, and accounting of such fees and taxes. <p>(c) The licensee must make available to Metro (or Metro’s designated agent) all records from which Sections 6(a) and 6(b) above are derived for its inspection or copying, as long as Metro provides at least three business days written notice of an intent to inspect or copy documents. The licensee must, in addition, sign or otherwise provide to Metro any consent or waiver necessary for Metro to obtain information or data from a third party, including the non-system facilities named in Section 3.</p>

7	ADDITIONAL LICENSE CONDITIONS
	<p>This license shall be subject to the following conditions:</p> <p>(a) The permissive transport of solid waste to the non-system facility, listed in Section 3, authorized by this license is subordinate to any subsequent decision by Metro to direct the solid waste described in this license to any other facility.</p> <p>(b) This license is subject to amendment or termination by Metro’s Chief Operating Officer (the “COO”) in the event that the COO determines that:</p> <ul style="list-style-type: none">i. There has been sufficient change in any circumstances under which Metro issued this license;ii. The provisions of this license are actually or potentially in conflict with any provision in Metro’s disposal contract with Oregon Waste Systems, Inc.; oriii. Metro’s solid waste system or the public will benefit from, and will be better served by, an order directing that the waste described in Section 1 of this license be transferred to, and disposed of at, a facility other



	<p>than the facility listed in Section 3.</p> <ul style="list-style-type: none">(c) This license, in addition to subsections (b)(i) through (b)(iii), above, is subject to amendment, suspension, or termination pursuant to the Metro Code.(d) The Licensee must not transfer or assign any right or interest in this license without prior written notification to, and approval of, Metro.(e) This license will terminate upon the execution of a designated facility agreement with the facility listed in Section 3 that authorizes the facility to accept the waste described in Section 1.(f) This license authorizes the transport of solid waste to the facility listed in Section 3. The transport of waste generated from within the Metro boundary to any non-system facility other than that specified in this license is prohibited unless authorized in writing by Metro.
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8	COMPLIANCE WITH LAW
	<p>The licensee must fully comply with all applicable local, regional, state and federal laws, rules, regulations, ordinances, orders, and permits pertaining in any manner to this license, including all applicable Metro Code provisions and administrative procedures adopted pursuant to Chapter 5.05 whether or not those provisions have been specifically mentioned or cited herein. All conditions imposed on the collection and hauling of the licensee’s solid waste by federal, state, regional or local governments or agencies having jurisdiction over solid waste generated by the licensee is deemed part of this license as if specifically set forth herein.</p>

9	INDEMNIFICATION
	<p>The licensee must defend, indemnify and hold harmless Metro, its elected officials, officers, employees, agents and representatives from any and all claims, demands, damages, causes of action, or losses and expenses, or including all attorneys’ fees, whether incurred before any litigation is commenced, during any litigation or on appeal, arising out of or related in any way to the issuance or administration of this non-system license or the transport and disposal of the solid waste covered by this license.</p>

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 16-4735 AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A RENEWED NON-SYSTEM LICENSE TO FUJIFILM NORTH AMERICA CORPORATION FOR TRANSPORT AND DISPOSAL OF PUTRESCIBLE WASTE AT THE COVANTA WASTE-TO-ENERGY FACILITY LOCATED IN BROOKS, OREGON

November 10, 2016

Prepared by: Will Ennis
(503) 797-1667

Approval of Resolution No. 16-4735 will authorize the Chief Operating Officer (COO) to issue a renewed non-system license (NSL) to Fujifilm North America Corporation (Fujifilm) to annually transport up to 85 tons of non-recoverable solid waste and putrescible solid waste from its facility within the Metro region to the Covanta Waste-to-Energy Facility (Covanta) in Brooks, Oregon. The proposed NSL is a renewal of an existing NSL that is set to expire on December 31, 2016.

BACKGROUND

The applicant, Fujifilm, operates a photographic processing facility located at 4152 NE 185th Avenue in Portland, Oregon (Metro District 1). The facility is used as a photographic processing plant for digital and film formats. Fujifilm's customers include Walmart, Costco and on-line retailer Shutterfly.

Fujifilm routinely generates miscellaneous non-recoverable wastes which consist primarily of non-recyclable photographic paper, misprinted gift items including mugs and mouse pads, contaminated film plastic and office, restroom, and lunchroom wastes. The facility also generates other non-hazardous wastes from its facility including empty photographic chemical containers and floor sweepings. As part of Fujifilm's company-wide sustainability program, the facility makes efforts to reduce, reuse, and recycle waste whenever possible. As part of these sustainability efforts, Fujifilm prefers to send its non-recoverable wastes to waste-to-energy facilities instead of landfills for disposal.

In November 2014, Fujifilm was issued an NSL authorizing the transport of up to 85 tons per calendar year of miscellaneous non-recoverable waste, including putrescible solid waste, generated at its facility to Covanta.¹ The NSL is set to expire on December 31, 2016. In 2015, Fujifilm transported approximately 75 tons of waste to Covanta and about 53 tons between January 1 and September 30, 2016.

On September 1, 2016, Fujifilm filed a complete application seeking a renewed NSL authorizing the transport of up to 85 tons per calendar year of miscellaneous non-recoverable waste, including putrescible solid waste, generated at its facility to Covanta. This is the same tonnage authorization as its current NSL. The proposed license is subject to approval or denial by the Metro Council because, in addition to the non-recoverable waste, it also authorizes the delivery of putrescible waste to a non-system facility.²

¹ Metro Solid Waste Facility Non-System License No. N-163-14

² Metro Code Section 5.05.040

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition to the proposed NSL.

2. Legal Antecedents

Metro Code Section 5.05.025 prohibits any person from utilizing non-system facilities without an appropriate license from Metro. Additionally, Section 5.05.043 of the Metro Code provides that, when determining whether or not to approve an NSL application, the Metro Council shall consider the following factors to the extent relevant to such determination.

- (1) *The degree to which prior users of the non-system facility and waste types accepted at the non-system facility are known and the degree to which such wastes pose a future risk of environmental contamination;*

The proposed disposal site is a waste-to-energy facility rather than a landfill and thus does not pose the same potential environmental risk from waste delivered from prior users. Air emissions from the facility are controlled through the use of high efficiency combustion within the furnace/boiler as well as by selective non-catalytic reduction, spray dryer absorbers, fabric filter baghouses and an activated carbon injection system. The ash generated at the facility is then disposed at a monofill that is permitted by the Oregon Department of Environmental Quality (DEQ).

- (2) *The record of regulatory compliance of the non-system facility's owner and operator with federal, state and local requirements, including but not limited to public health, safety and environmental rules and regulations;*

Covanta is permitted by the DEQ. Metro staff received verbal confirmation from the DEQ and Marion County that Covanta is in compliance with federal, state, and local requirements. Staff has also received confirmation that Covanta has a good compliance record with respect to public health, safety and environmental rules and regulations.

- (3) *The adequacy of operational practices and management controls at the non-system facility;*

Covanta screens incoming waste for hazardous, radioactive, and other unacceptable materials and has a state-of-the-art emissions control system to minimize the risk of future environmental contamination. In addition, Covanta uses operational practices and management controls that are considered by the DEQ to be appropriate for the protection of health, safety, and the environment.

- (4) *The expected impact on the region's recycling and waste reduction efforts;*

Fujifilm has an aggressive sustainability program and it seeks to deliver only its non-recyclable waste, including putrescible solid waste, to Covanta instead of a landfill. The Metro-area waste that is

delivered to Covanta is not included in Metro's recovery rate calculation because state statute³ stipulates that only those wastesheds that burn mixed solid waste for energy recovery within their wasteshed boundaries may count a portion of it towards their DEQ recovery rate calculation. Marion County is the only wasteshed within Oregon that hosts a waste-to-energy facility within its boundaries; therefore, it is the only wasteshed that is currently allowed to include a portion of the in-County waste that is delivered to Covanta in its recovery rate. Approval of the proposed license is not expected to impact the Metro region's recycling and waste reduction efforts.

(5) *The consistency of issuing the license with Metro's existing contractual arrangements;*

Metro has a contractual obligation to deliver a minimum of 90 percent of the region's putrescible waste that is delivered to general purpose landfills during the calendar year, to landfills owned by Waste Management. The waste subject to this proposed license will not be disposed at a general-purpose landfill. Thus, approval of the proposed license will not conflict with Metro's disposal contract.

(6) *The record of the applicant regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement and with federal, state and local requirements, including but not limited to public health, safety and environmental rules and regulations; and*

The applicant has a good record of compliance with regard to Metro regulations.

(7) *Such other factors as the Chief Operating Officer deems appropriate for purposes of making such determination.*

Covanta is the primary disposal site for solid waste generated within Marion County. At certain times during the year, in order to operate more efficiently, the facility requires more solid waste than is generated within the County. During these times, Marion County supports the Metro-authorized flow of solid waste to Covanta.

3. Anticipated Effects

The effect of Resolution No. 16-4735 will be to issue a renewed NSL authorizing Fujifilm to transport up to 85 tons per calendar year of miscellaneous non-recoverable waste, including putrescible waste, to Covanta. The proposed NSL would commence on January 1, 2017 and expire on December 31, 2018.

4. Budget/Rate Impacts

Covanta is not a general-purpose landfill and this NSL will not impact Metro's obligations under its disposal contract. The regional system fee and excise tax will continue to be collected on Metro-area waste delivered to Covanta under the authority of the proposed NSL. The proposed NSL is a renewal of an existing authorization and the financial impact of this NSL has already been factored into the budget.

³ ORS 465A.010(4)(f)(B)

RECOMMENDED ACTION

The COO recommends that the Metro Council adopt Resolution No. 16-4735. Approval of this resolution will authorize the COO to issue an NSL to Fujifilm subject to the requirements listed in Metro Code Chapter 5.05, as well as the special conditions that are incorporated into the proposed NSL (attached as Exhibit A to the proposed resolution).

WE:bjl