



600 NE Grand Ave.
Portland, OR 97232-2736

Council meeting agenda

Thursday, November 16, 2017

2:00 PM

Metro Regional Center, Council chamber

1. Call to Order and Roll Call

2. Citizen Communication

3. Consent Agenda

3.1 Consideration of the Council Meeting Minutes for November 02, 2017 [17-4926](#)

3.2 Resolution No. 17-4836, For the Purpose of Authorizing the Chief Operating Officer to Issue a Renewed Non-System License to American Honda for Transport and Disposal of Non-Recoverable Solid Waste, Including Putrescible Waste at the Covanta Waste-to-Energy Facility Located in Brooks, Oregon [RES 17-4836](#)

Attachments: [Resolution No. 17-4836](#)
[Exhibit A to Resolution No. 17-4836](#)
[Staff Report](#)

3.3 Resolution No. 17-4837, For the Purpose of Authorizing the Chief Operating Officer to Issue a New Non-System License to the Boeing Company for Transport and Disposal of Non-Recoverable Solid Waste, Including Putrescible Waste at the Covanta Waste-to-Energy Facility Located in Brooks, Oregon [RES 17-4837](#)

Attachments: [Resolution No. 17-4837](#)
[Exhibit A to Resolution No. 17-4837](#)
[Staff Report](#)

- 3.4 Resolution No. 17-4838, For the Purpose of Authorizing the Chief Operating Officer to Issue a Renewed Non-System License to New Earth Farm for Transport of Source-Separated Food Waste to its Processing Facility Located in Hillsboro, Oregon [RES 17-4838](#)
- Attachments: [Resolution No. 17-4838](#)
[Exhibit A to Resolution No. 17-4838](#)
[Staff Report](#)
- 3.5 Resolution No. 17-4839, For the Purpose of Authorizing the Chief Operating Officer to Issue a Renewed Non-System License to Swan Island Dairy for Transport and Disposal of Non-Recoverable Solid Waste, Including Putrescible Waste at the Covanta Waste-to-Energy Facility Located in Brooks, Oregon [RES 17-4839](#)
- Attachments: [Resolution No. 17-4839](#)
[Exhibit A to Resolution No. 17-4839](#)
[Staff Report](#)
- 3.6 Resolution No. 17-4840, For the Purpose of Authorizing the Chief Operating Officer to Issue a Renewed Non-System License Jointly to Willamette Resources, Inc. and Republic Services of Clackamas and Washington Counties for the Transport of Commercial Food Waste to the Pacific Region Compost Facility Located in Monmouth, Oregon for Composting [RES 17-4840](#)
- Attachments: [Resolution No. 17-4840](#)
[Exhibit A to Resolution No. 17-4840](#)
[Staff Report](#)

- 3.7 Resolution No. 17-4841, For the Purpose of Authorizing the Chief Operating Officer to Issue a Renewed Non-System License to Arrow Sanitary Service, Inc. for Transport of Yard Debris Mixed with Residential Food Waste and Commercial Food Waste to the West Van Materials Recovery Center Located in Vancouver, Washington for Transfer to the Dirt Hugger Composting Facility Located in Dallesport, Washington
- Attachments: [Resolution No. 17-4841](#)
[Exhibit A to Reslution No. 17-4841](#)
[Staff Report](#)

4. Resolutions

- 4.1 Resolution No. 17-4847, For the Purpose of Amending the FY 2017-2018 Budget and Appropriations Schedule and FY 2017-18 through FY 2021-2022 Capital Improvement Plan to Provide for a Change in Operations
- Presenter(s): Lisa Houghton, Metro
- Attachments: [Resolution No. 17-4847](#)
[Exhibits A & B to Resolution No. 17-4847](#)
[Staff Report](#)
[Attachments 1-5 to Staff Report](#)
- 4.2 Resolution No. 17-4833, For the Purpose of Approving the Oregon Zoo Public Art Advisory Committee's Third Major Art Commission Recommendations
- Presenter(s): Don Moore, Oregon Zoo
Heidi Rahn, Oregon Zoo
Peggy Kendellen, Regional Arts and Culture Council
- Attachments: [Resolution No. 17-4833](#)
[Staff Report](#)

5. Chief Operating Officer Communication

6. Councilor Communication

7. Adjourn

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានកម្មប្រតិបត្តិការរើសអើងសម្រាប់សេចក្តីណែនាំ www.oregonmetro.gov/civilrights។ បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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Agenda Item No. 3.1

**Consideration of the Council Meeting Minutes for
November 2, 2017**

Consent Agenda

Metro Council Meeting
Thursday, November 16, 2017
Metro Regional Center, Council Chamber

Agenda Item No. 3.2

Resolution No. 17-4836, For the Purpose of Authorizing the Chief Operating Officer to Issue a Renewed Non-System License to American Honda for Transport and Disposal of Non-Recoverable Solid Waste, Including Putrescible Waste at the Covanta Waste-to-Energy Facility Located in Brooks, Oregon

Consent Agenda

Metro Council Meeting
Thursday, November 16, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A) RESOLUTION NO. 17-4836
RENEWED NON-SYSTEM LICENSE TO AMERICAN HONDA)
FOR TRANSPORT AND DISPOSAL OF NON-RECOVERABLE) Introduced by Martha J. Bennett,
SOLID WASTE, INCLUDING PUTRESCIBLE WASTE AT THE) Chief Operating Officer, with the
COVANTA WASTE-TO-ENERGY FACILITY LOCATED IN) concurrence of Tom Hughes,
BROOKS, OREGON) Council President

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

WHEREAS, American Honda holds Metro non-system license No. N-141-16 which expires on December 31, 2017; and

WHEREAS, American Honda filed a complete application seeking a renewed non-system license to deliver non-recoverable solid waste and putrescible solid waste to the Covanta Waste-to-Energy Facility for disposal under the provisions of Metro Code Chapter 5.05, "Solid Waste Flow Control;" and

WHEREAS, Metro Code Chapter 5.05 provides that the Chief Operating Officer will review applications for non-system licenses for putrescible waste and that the Metro Council will approve or deny them; 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 Metro issue a renewed non-system license to American Honda 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 American Honda 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 American Honda a renewed non-system license substantially similar to the one attached as Exhibit A.

ADOPTED by the Metro Council this ____ day of _____, 2017.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1835 | FAX 503 813 7544



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

No. N-141-17

LICENSEE:
American Honda Motor Co., Inc. 16800 NE Sandy Blvd. Portland, OR 97230
CONTACT PERSON:
David Misitano Phone: (503) 251-1426 E-mail: david_misitano@ahm.honda.com
MAILING ADDRESS:
American Honda Motor Co., Inc. 16800 NE Sandy Blvd. Portland, OR 97230

ISSUED BY METRO:

Paul Slyman
Property and Environmental Services Director

Date



1	NATURE OF WASTE COVERED BY LICENSE
	Non-recoverable solid waste mixed with putrescible waste, including restroom and lunchroom waste, generated at the American Honda site located at 16800 NE Sandy Blvd in Portland, Oregon.
2	CALENDAR YEAR TONNAGE ALLOCATION
	The licensee is authorized to transport to the non-system facility listed in Section 3 up to 25 tons per calendar year of the waste described in Section 1.
3	NON-SYSTEM FACILITY
	<p>The licensee is authorized to deliver 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>Metro issues this license 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 6.</p>
4	TERM OF LICENSE
	The license term commences on January 1, 2018, and expires December 31, 2019, unless terminated sooner under Section 10.
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	MATERIAL MANAGEMENT
	<p>The licensee is authorized to deliver the waste described in Section 1 to the non-system facility listed in Section 3 under the following conditions:</p> <ul style="list-style-type: none">(a) The non-system facility must accept all solid waste that is transported under authority of this license for the sole purpose of processing and composting on-site. The licensee must not dispose of any source-separated recyclable material, except as provided in Section 7; and(b) The non-system facility must receive, manage, process, and compost all solid waste that is transported under authority of this license in accordance with all applicable local, state and federal laws, rules, regulations, ordinances, orders, and permits.

7	RECORD KEEPING AND REPORTING
	<ul style="list-style-type: none">(a) The licensee must keep and maintain accurate records of the amount of all waste that the licensee delivers to the non-system facility described in Section 3. These records include the information specified in <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>. No later than the 15th day of each month, beginning with the first month following the commencement date of this license, the licensee must transmit to Metro in an electronic format prescribed by Metro the records required that apply to the preceding month.(b) The licensee must:<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.(c) So long as Metro provides at least three business days written notice, the licensee must make all records available to Metro (or Metro's designated agent) for inspection or copying or both. The licensee must also 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 facility named in Section 3.



8	ADDITIONAL LICENSE CONDITIONS
	<p>This license is subject to the following conditions:</p> <ul style="list-style-type: none">(a) The 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.(b) The COO may amend or terminate this license in the event that the COO determines that:<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.;iii. 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 be transferred to, and disposed of at, a facility other than the facility listed in Section 3;iv. The non-system facility listed in Section 3 fails to manage the waste subject to this license in accordance with the material management requirements described in Section 6; orv. The non-system facility listed in Section 3 generates malodors that are detectable off-site.(c) In addition to subsections (b)(i) through (b)(v) above, this license is subject to amendment, modification, suspension, or termination pursuant to the Metro Code.(d) The licensee may not transfer or assign any right or interest in this license without Metro’s prior written approval.(e) This license is subject to modification or termination by the COO 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 only authorizes the transport of solid waste to the facility listed in Section 3. The licensee is prohibited from transporting waste generated from within the Metro boundary to any non-system facility other than that specified in this license unless Metro authorizes such in writing.

9	COMPLIANCE WITH LAW
	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



	<p>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 are deemed part of this license as if specifically set forth herein.</p>
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10	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, 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. 17-4836 AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A RENEWED NON-SYSTEM LICENSE TO AMERICAN HONDA FOR TRANSPORT AND DISPOSAL OF NON-RECOVERABLE SOLID WASTE, INCLUDING PUTRESCIBLE WASTE AT THE COVANTA WASTE-TO-ENERGY FACILITY LOCATED IN BROOKS, OREGON

November 1, 2017

Prepared by: Hila Ritter
(503) 797-1862

Approval of Resolution No. 17-4836 will authorize the Chief Operating Officer (COO) to issue a renewed non-system license (NSL) to American Honda (Honda) to annually deliver up to twenty-five 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 Marion County, Oregon. The proposed NSL is a renewal of an existing license that is set to expire on December 31, 2017.

BACKGROUND

1. Overview

The applicant seeks to renew its NSL to transport non-recoverable solid waste and putrescible waste generated within the Metro region to Covanta. Covanta is a non-system waste-to-energy facility located outside of the region. Metro Code Section 5.05.040 prohibits any person from transporting solid waste to a non-system facility without an appropriate license from Metro. The proposed NSL renewal is subject to Metro Council approval because it involves putrescible waste.¹

2. The Applicant

The applicant, Honda, operates an automobile and motorcycle parts distribution center located at 16800 NE Sandy Blvd. in Portland, Oregon (Metro District 1). The facility is used primarily as a warehouse which distributes parts to 90 dealerships in seven states. The facility also houses an office, lunchroom, and automobile repair shop on site.

Honda routinely generates miscellaneous non-recoverable wastes at the above-mentioned facility which consist primarily of office, restroom, and lunchroom wastes. The facility also generates other non-hazardous wastes from its warehouse activities including labels and floor sweepings. As part of Honda's "blue skies for our children" campaign, the company makes efforts to reduce, reuse, and recycle waste whenever possible. For example, the company uses metal pallets, re-usable plastic shipping boxes, and shredded cardboard for packaging parts in an effort to reduce the amount of wood and plastic waste generated at the facility. As part of these efforts, Honda prefers to send its non-recoverable wastes to waste-to-energy facilities instead of landfills for disposal.

Honda has been authorized to transport miscellaneous non-recoverable waste including putrescible waste to Covanta since 2013 under a Metro NSL.² The current license will expire on December 31, 2017. The licensee delivered approximately twelve tons of waste to Covanta in calendar year 2016,

¹ Metro Code Section 5.05.110

² NSL No. N-141-13

exceeding its authorized tonnage by two tons. Honda has transported about five tons through September of calendar year 2017. On September 18, 2017, Honda filed a complete application seeking to renew its existing NSL with an increased tonnage limitation of fifteen tons per calendar year – an increase of five tons more than its current NSL. Metro staff recommends increasing the tonnage limitation to twenty-five tons per calendar year to allow sufficient capacity for non-recoverable waste generated at Honda.

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition to the proposed NSL.

2. Legal Antecedents

Metro Code Section 5.05.040 prohibits any person from utilizing a non-system facility without an appropriate license from Metro. Additionally, Metro Code Section 5.05.140 provides that, when determining whether or not to approve an NSL application, the Metro Council will 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, or used beneficially, in accordance with Oregon Department of Environmental Quality (DEQ) requirements.

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

Covanta holds a DEQ Solid Waste Energy Recovery Permit.³ No formal enforcement actions have been taken at Covanta by DEQ in the last five years and 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 regulations.

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

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.

³ Oregon DEQ permit #364

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;

Honda has an aggressive internal recycling 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 statute⁴ 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 proposed non-system license's effect with Metro's existing contractual arrangements;

Through 2019, Metro has a contractual agreement 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 the proposed license will not be transported to a general purpose landfill for disposal. Therefore, approval of the proposed license will not conflict with Metro's disposal contract.

(6) The applicant's record 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 regulations; and

In 2016, Honda exceeded its authorized tonnage amount by two tons. Honda does not have a scale onsite and has no way to weigh its compactors prior to transport to Covanta. Honda typically sends two loads to Covanta per year, one in the spring and the second in the late fall. In order to avoid possibly exceeding its authorized tonnage amount in 2017, Honda has applied for a change of authorization to increase its tonnage amount from ten tons per year to twenty-five tons for the current year. This would resolve the issue of exceeding its authorization and bring the applicant in compliance with Metro. Notwithstanding the above mentioned exceedance, Metro staff's investigation of the applicant revealed a good record of compliance with local and state agencies responsible for health, safety, and environmental regulations.

(7) Any other factor the Chief Operating Officer considers appropriate.

Covanta is the primary disposal site for solid waste generated within Marion County. Marion County generally supports the Metro-authorized flow of solid waste to Covanta.

⁴ ORS 465A.010(4)(f)(B)

3. Anticipated Effects

The effect of Resolution No. 17-4836 will be to issue a renewed NSL authorizing Honda to deliver up to twenty-five tons per calendar year of miscellaneous non-recoverable waste, including putrescible waste, to Covanta.

4. Budget/Rate Impacts

The waste covered under the proposed NSL will be delivered to Covanta. 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 application under consideration is the renewal of an existing NSL.⁵ The financial impact of this NSL has already been factored into the budget.

RECOMMENDED ACTION

Staff recommend that Council approve Resolution No. 17-4836, finding that the NSL application satisfies the requirements of Metro Code Chapter 5.05, and issuance of a renewed NSL substantially similar to the license attached to the resolution as Exhibit A.

HR
Queue

⁵ NSL No. N-141-16

Agenda Item No. 3.3

Resolution No. 17-4837, For the Purpose of Authorizing the Chief Operating Officer to Issue a New Non-System License to the Boeing Company for Transport and Disposal of Non-Recoverable Solid Waste, Including Putrescible Waste at the Covanta Waste-to-Energy Facility Located in Brooks, Oregon

Resolutions

Metro Council Meeting
Thursday, November 16, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A) RESOLUTION NO. 17-4837
NEW NON-SYSTEM LICENSE TO THE BOEING COMPANY)
FOR TRANSPORT AND DISPOSAL OF NON-RECOVERABLE) Introduced by Martha J. Bennett,
SOLID WASTE, INCLUDING PUTRESCIBLE WASTE AT THE) Chief Operating Officer, with the
COVANTA WASTE-TO-ENERGY FACILITY LOCATED IN) concurrence of Tom Hughes,
BROOKS, OREGON) Council President

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

WHEREAS, The Boeing Company holds Metro Solid Waste Facility Non-System License No. N-140-16 which expires on December 31, 2017; and

WHEREAS, The Boeing Company filed a complete application seeking a new, replacement non-system license to deliver non-recoverable solid waste and putrescible waste to the Covanta Waste-to-Energy Facility for disposal under the provisions of Metro Code Chapter 5.05, "Solid Waste Flow Control;" and

WHEREAS, Metro Code Chapter 5.05 provides that the Chief Operating Officer will review applications for non-system licenses for putrescible waste and that the Metro Council will approve or deny them; 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 Metro issue a new non-system license to The Boeing Company with specific conditions as provided in Exhibit A to this Resolution; now therefore,

THE METRO COUNCIL RESOLVES AS FOLLOWS:

1. The non-system license application of The Boeing Company 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 The Boeing Company a new Solid Waste Facility Non-System License substantially similar to the one attached as Exhibit A.

ADOPTED by the Metro Council this ____ day of _____, 2017.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1835 | FAX 503 813 7544



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

No. N-140-17

LICENSEE:
The Boeing Company 19000 NE Sandy Blvd Gresham, OR 97230
CONTACT PERSON:
Mike Bernard Phone: (971) 221-1905 E-mail: michael.p.bernard@boeing.com
MAILING ADDRESS:
The Boeing Company P.O. Box 20487 Portland, OR 97294

ISSUED BY METRO:

Paul Slyman
Property and Environmental Services Director

Date



1	NATURE OF WASTE COVERED BY LICENSE
	Non-recoverable solid waste commingled with putrescible waste, including restroom and lunchroom waste, and special waste consisting of oily solids, absorbent material, shop cleanup debris, non-hazardous shot-blasting residue and floor sweepings including mixed metal chips generated at the Boeing Company site located at 19000 NE Sandy Blvd in Gresham, Oregon.
2	CALENDAR YEAR TONNAGE ALLOCATION
	The licensee is authorized to transport to the non-system facility listed in Section 3 up to 1,000 tons per calendar year of the waste described in Section 1.
3	NON-SYSTEM FACILITY
	<p>The licensee is authorized to deliver the waste described above in Section 1 only to the following non-system facility:</p> <p style="text-align: center;">Covanta Waste-to-Energy Facility 4850 Brooklake Road, NE Brooks, OR 97305</p> <p>Metro issues this license 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 6.</p>
4	TERM OF LICENSE
	The license term commences on November 30, 2017, and expires December 31, 2019, unless terminated sooner under Section 10.
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	MATERIAL MANAGEMENT
	<p>The licensee is authorized to deliver the waste described in Section 1 to the non-system facility listed in Section 3 under the following conditions:</p> <ul style="list-style-type: none">(a) The non-system facility must accept all solid waste that is transported under authority of this license for the sole purpose of processing and composting on-site. The licensee must not dispose of any source-separated recyclable material, except as provided in Section 7; and(b) The non-system facility must receive, manage, process, and compost all solid waste that is transported under authority of this license in accordance with all applicable local, state and federal laws, rules, regulations, ordinances, orders, and permits.

7	RECORD KEEPING AND REPORTING
	<ul style="list-style-type: none">(a) The licensee must keep and maintain accurate records of the amount of all waste that the licensee delivers to the non-system facility described in Section 3. These records include the information specified in <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>. No later than the 15th day of each month, beginning with the first month following the commencement date of this license, the licensee must transmit to Metro in an electronic format prescribed by Metro the records required that apply to the preceding month.(b) The licensee must:<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.(c) So long as Metro provides at least three business days written notice, the licensee must make all records available to Metro (or Metro's designated agent) for inspection or copying or both. The licensee must also 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 facility named in Section 3.



8	ADDITIONAL LICENSE CONDITIONS
	<p>This license is subject to the following conditions:</p> <ul style="list-style-type: none">(a) The 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.(b) The COO may amend or terminate this license in the event that the COO determines that:<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.;iii. 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 be transferred to, and disposed of at, a facility other than the facility listed in Section 3;iv. The non-system facility listed in Section 3 fails to manage the waste subject to this license in accordance with the material management requirements described in Section 6; orv. The non-system facility listed in Section 3 generates malodors that are detectable off-site.(c) In addition to subsections (b)(i) through (b)(v) above, this license is subject to amendment, modification, suspension, or termination pursuant to the Metro Code.(d) The licensee may not transfer or assign any right or interest in this license without Metro’s prior written approval.(e) This license is subject to modification or termination by the COO 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 only authorizes the transport of solid waste to the facility listed in Section 3. The licensee is prohibited from transporting waste generated from within the Metro boundary to any non-system facility other than that specified in this license unless Metro authorizes such in writing.

9	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</p>



	<p>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 are deemed part of this license as if specifically set forth herein.</p>
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10	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, 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. 17-4837 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A NEW NON-SYSTEM LICENSE TO THE BOEING COMPANY FOR TRANSPORT AND DISPOSAL OF NON-RECOVERABLE SOLID WASTE, INCLUDING PUTRESCIBLE WASTE AT THE COVANTA WASTE-TO-ENERGY FACILITY LOCATED IN BROOKS, OREGON

November 1, 2017

Prepared by: Hila Ritter
(503) 797-1862

Approval of Resolution No. 17-4837 will authorize the Chief Operating Officer (COO) to issue a new non-system license (NSL) to The Boeing Company (Boeing) to annually deliver up to 1,000 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 Marion County, Oregon. The proposed NSL replaces an existing NSL¹ that currently authorizes 500 tons per calendar year and is set to expire on December 31, 2017. The proposed NSL includes an increased tonnage authorization.

BACKGROUND

Boeing seeks to replace its NSL to transport non-recoverable solid waste and putrescible waste generated within the Metro region to Covanta with an NSL with an increased tonnage amount. Covanta is a non-system waste-to-energy facility located outside of the region. Metro Code Section 5.05.040 prohibits any person from transporting solid waste to a non-system facility without an appropriate license from Metro. The proposed NSL is subject to Metro Council approval because it involves putrescible waste.²

The Applicant

The applicant, Boeing, operates an airplane parts manufacturing and assembly facility located at 19000 NE Sandy Blvd. in Gresham, Oregon (Metro Council District 1). Boeing routinely generates miscellaneous non-recoverable wastes at its facility which includes office, restroom, and lunchroom waste and special waste consisting of oily solids, absorbent material, shop cleanup debris, non-hazardous shot-blasting residue, and floor sweepings including mixed metal chips. The company makes efforts to reduce, reuse, and recycle waste and has implemented an internal diversion program in which it tracks its recovery efforts for a variety of materials generated at the site including metals, paper, cardboard, glass, wood, food waste, and landscape waste. As part of these sustainability efforts, Boeing prefers to send its non-recoverable wastes to a waste-to-energy facility instead of landfills for disposal.

Boeing has been transporting miscellaneous non-recoverable waste including putrescible waste to Covanta under authority of an NSL since October 2013.³ The current license will expire on December 31, 2017. The licensee transported approximately 360 tons to Covanta in calendar year 2016, and about 335 tons through September of calendar year 2017.

Boeing seeks to increase its tonnage authorization because overall production at the plant has increased. On September 13, 2017, Boeing submitted a complete application requesting that Metro

¹ N-140-16

² Metro Code Section 5.05.110

³ NSL No. N-140-13

replace its existing NSL with a tonnage authorization of 1,000 tons per calendar year – an increase in 500 tons per calendar year.

ANALYSIS & INFORMATION

1. Known Opposition

There is no known opposition to the proposed NSL.

2. Legal Antecedents

Metro Code Section 5.05.040 prohibits any person from utilizing a non-system facility without an appropriate license from Metro. Additionally, Metro Code Section 5.05.140 provides that, when determining whether or not to approve an NSL application, the Metro Council will 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, or used beneficially, in accordance with Oregon Department of Environmental Quality (DEQ) requirements.

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

Covanta holds a DEQ Solid Waste Energy Recovery Permit.⁴ No formal enforcement actions have been taken at Covanta by DEQ in the last five years and 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 regulations.

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

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 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;*

⁴ Oregon DEQ permit #364

Boeing has an aggressive internal recycling program and it seeks to deliver only its non-recyclable waste, including putrescible solid waste, to Covanta.

The Metro-area waste that is delivered to Covanta is not included in Metro's recovery rate calculation because state statute⁵ 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 renewal is not expected to impact the Metro region's recycling and waste reduction efforts.

(5) *The proposed non-system license's effect with Metro's existing contractual arrangements;*

Through 2019, Metro has a contractual agreement 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 the proposed license will be transported to a waste to energy facility rather than disposal. Therefore, approval of the proposed license will not conflict with Metro's disposal contract.

(6) *The applicant's record 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 regulations; and*

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

(7) *Any other factor the Chief Operating Officer considers appropriate.*

Covanta is the primary disposal site for solid waste generated within Marion County. Marion County generally supports the Metro-authorized flow of solid waste to Covanta.

3. Anticipated Effects

The effect of Resolution No. 17-4837 will be to issue a replacement NSL authorizing Boeing to transport up to 1,000 tons per calendar year of non-recoverable solid waste and putrescible solid waste to Covanta. The proposed NSL commences on November 30, 2017 and expires on December 31, 2019.

4. Budget/Rate Impacts

The waste covered under the proposed NSL will be delivered to Covanta. Covanta is not a general-purpose landfill and this NSL will not impact Metro's obligations under its disposal contract. Notwithstanding that this proposed NSL will authorize 500 additional tons to Covanta, 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 application under consideration is the replacement of an existing NSL.⁶

⁵ ORS 465A.010(4)(f)(B)

⁶ NSL No. N-140-16

RECOMMENDED ACTION

The COO recommends approval of Resolution No. 17-4837, finding that the license application satisfies the requirements of Metro Code Section 5.05.140, and issuance of a new NSL substantially similar to the NSL attached to the resolution as Exhibit A.

HR
Queue

Agenda Item No. 3.4

Resolution No. 17-4838, For the Purpose of Authorizing the Chief Operating Officer to Issue a Renewed Non-System License to New Earth Farm for Transport of Source-Separated Food Waste to its Processing Facility Located in Hillsboro, Oregon

Consent Agenda

Metro Council Meeting
Thursday, November 16, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A) RESOLUTION NO. 17-4838
RENEWED NON-SYSTEM LICENSE TO NEW EARTH FARM)
FOR TRANSPORT OF SOURCE-SEPARATED FOOD WASTE) Introduced by Martha J. Bennett,
TO ITS PROCESSING FACILITY LOCATED IN HILLSBORO,) Chief Operating Officer, with the
OREGON) concurrence of Tom Hughes,
) Council President

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

WHEREAS, New Earth Farm holds Metro non-system license No. N-137-16 which expires on December 31, 2017; and

WHEREAS, New Earth Farm filed a complete application seeking a renewed non-system license to deliver source-separated food waste to its own facility under the provisions of Metro Code Chapter 5.05, "Solid Waste Flow Control;" and

WHEREAS, Metro Code Chapter 5.05 provides that the Chief Operating Officer will review applications for non-system licenses for putrescible waste and that the Metro Council will approve or deny them; and

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

WHEREAS, the Chief Operating Officer recommends that Metro issue a renewed non-system license to New Earth Farm 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 New Earth Farm 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 New Earth Farm a renewed non-system license substantially similar to the one attached as Exhibit A.

ADOPTED by the Metro Council this ____ day of _____, 2017.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1835 | FAX 503 813 7544



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

No. N-137-17

LICENSEE:
New Earth Farm 11000 NW Jackson Quarry Road Hillsboro, OR 97124
CONTACT PERSON:
Scott Olsen Phone: (503) 913-2641 E-mail: scott@newearthfarm.net
MAILING ADDRESS:
New Earth Farm 11000 NW Jackson Quarry Road Hillsboro, OR 97124

ISSUED BY METRO:

Paul Slyman
Property and Environmental Services Director

Date



1	NATURE OF WASTE COVERED BY LICENSE
	Source-separated food waste that is generated by businesses and schools within the Metro boundary and collected by New Earth Farm.
2	CALENDAR YEAR TONNAGE ALLOCATION
	The licensee is authorized to transport to the non-system facility listed in Section 3 up to 264 tons per calendar year of the waste described in Section 1.
3	NON-SYSTEM FACILITY
	<p>The licensee is authorized to deliver the waste described above in Section 1 only to the following non-system facility for processing and land application at an agronomic rate allowed by Oregon Department of Environmental Quality (DEQ):</p> <p style="text-align: center;">New Earth Farm 11000 NW Jackson Quarry Road Hillsboro, OR 97124</p> <p>Metro issues this license 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 DEQ 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 license term is from January 1, 2018, to December 31, 2019, unless terminated sooner under Section 10.
5	COVERED LOADS
	The licensee must suitably contain and cover, on all sides, all loads of source-separated food waste that are delivered under authority of this license to prevent spillage of waste while in transit to the non-system facility listed in Section 3.



6	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.
7	MATERIAL MANAGEMENT
	The licensee is authorized to deliver the waste described in Section 1 to the non-system facility listed in Section 3 under the following conditions: <ul style="list-style-type: none">(a) The non-system facility must accept all solid waste that is transported under authority of this license for the sole purpose of processing on-site. The licensee must not dispose of any source-separated recyclable material, except as provided in Section 7; and(b) The non-system facility must receive, manage, and process all solid waste that is transported under authority of this license in accordance with all applicable local, state and federal laws, rules, regulations, ordinances, orders, and permits.
8	REGIONAL SYSTEM FEE AND EXCISE TAX
	The licensee is subject to the following conditions: <ul style="list-style-type: none">(a) Source-separated food waste that is delivered under authority of this license and is accepted and composted, in accordance with all applicable regulations, at the non-system facility listed in Section 3 is exempt from regional system fee and excise tax.(b) If the licensee delivers waste under this license to the non-system facility listed in Section 3 but the material does not meet the facility's acceptance criteria (for example, the material is too contaminated for processing or composting) or the non-system facility fails to process the material as required as a condition of this license, the licensee must pay to Metro:<ul style="list-style-type: none">i. an amount equal to the regional system fee, as provided in Metro Code Title V, for each ton or portion thereof of waste delivered to the non-system facility that is ultimately delivered to a disposal site.ii. an amount equal to the excise tax, as provided in Metro Code Title VII, for each ton or portion thereof of waste delivered to the non-system facility that is ultimately delivered to a disposal site.



9	RECORD KEEPING AND REPORTING
	<p>(a) The licensee must keep and maintain accurate records of the amount of all waste that the licensee delivers to the non-system facility described in Section 3. These records include the information specified in <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>. No later than the 15th day of each month, beginning with the first month following the commencement date of this license, the licensee must transmit to Metro in an electronic format prescribed by Metro the records required that apply to the preceding month.</p> <p>(b) So long as Metro provides at least three business days written notice, the licensee must make all records available to Metro (or Metro's designated agent) for inspection or copying or both. The licensee must also 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 facility named in Section 3.</p>

10	ADDITIONAL LICENSE CONDITIONS
	<p>This license is subject to the following conditions:</p> <p>(a) The 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) The COO may amend or terminate this license 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.;iii. 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 be transferred to, and disposed of at, a facility other than the facility listed in Section 3;iv. The non-system facility listed in Section 3 fails to manage the waste subject to this license in accordance with the material management requirements described in Section 6; orv. The non-system facility listed in Section 3 generates malodors that are detectable off-site. <p>(c) In addition to subsections (b)(i) through (b)(v) above, this license is subject to amendment, suspension, or termination pursuant to the Metro</p>



	<p>Code.</p> <p>(d) The licensee may not transfer or assign any right or interest in this license without Metro's prior written approval.</p> <p>(e) This license is subject to amendment or termination by the COO 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.</p> <p>(f) This license only authorizes the transport of solid waste to the facility listed in Section 3. The licensee is prohibited from transporting waste generated from within the Metro boundary to any non-system facility other than that specified in this license unless Metro authorizes such in writing.</p>
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11	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 are deemed part of this license as if specifically set forth herein.</p>

12	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, 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. 17-4838 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A RENEWED NON-SYSTEM LICENSE TO NEW EARTH FARM FOR TRANSPORT OF SOURCE-SEPARATED FOOD WASTE TO ITS PROCESSING FACILITY LOCATED IN HILLSBORO, OREGON

November 1, 2017

Prepared by: Hila Ritter
(503) 797-1862

Approval of Resolution No. 17-4838 will authorize the Chief Operating Officer (COO) to issue a renewed non-system license (NSL) to New Earth Farm (NEF) to annually transport a maximum of 264 tons of source-separated food waste to its processing facility located at 11000 NW Jackson Quarry Road in Hillsboro, Oregon. The proposed NSL is a renewal of an existing license that is set to expire on December 31, 2017.

BACKGROUND

Overview

The applicant seeks authorization to renew its NSL to transport source-separated food waste generated by businesses and schools within the Metro region to its own facility located outside of the region. Metro Code Section 5.05.040 prohibits any person from transporting solid waste to non-system facilities without an appropriate license from Metro. The proposed NSL renewal is subject to Metro Council approval because it involves putrescible waste (food waste).¹

The Applicant

NEF, which is owned and operated by Scott Olsen, is comprised of a 16-acre farmed plot that is part of a larger, 24-acre site. Produce grown at NEF is sold to the public, area restaurants and business cafeterias. Post-consumer vegetative food waste generated at commercial facilities, in addition to some meat and dairy waste, is then delivered to NEF for processing.

NEF uses the bokashi method to process the food waste. Bokashi is an in-vessel anaerobic fermentation process that converts the majority of food waste delivered to the facility into liquid and solid soil amendments. The liquid component resulting from the process is land applied at NEF and neighboring farms. The remaining solid materials are tilled into the soil at NEF. The facility processes a smaller amount of food waste using vermicomposting and black soldier fly larvae. Solids from these processes are also used at NEF.

NEF has operated under Metro authorization since 2012, when the Metro Council granted the applicant an NSL² to annually deliver a maximum of 264 tons of source-separated food waste to NEF. The current license will expire on December 31, 2017. The licensee delivered approximately 65 tons of food waste to NEF in 2016 and temporarily ceased operations in October 2016 due to an injury sustained by Mr. Olsen. NEF would like to resume operations and on October 12, 2017, NEF submitted to Metro an application requesting that Metro renew its existing NSL with a tonnage authorization of 264 tons per calendar year – the same amount in its current authorization.

¹ Metro Code Section 5.05.110

² NSL No. N-137-12

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition to the proposed NSL.

2. Legal Antecedents

Metro Code Section 5.05.040 prohibits any person from utilizing a non-system facility without an appropriate license from Metro. Additionally, Metro Code Section 5.05.140 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;*

Metro staff has visited NEF and is aware of how feedstocks are managed at the facility. Since NEF accepts only limited amounts food waste for processing, the waste does not pose the same potential environmental risk as waste being delivered for landfill disposal. There is no known evidence of any other wastes currently being accepted at NEF that could pose a risk of environmental contamination. The environmental risk from the use of this non-system facility is presumed to be minimal because the facility is regulated and monitored by the appropriate local and state authorities.

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

Metro staff's investigation of the applicant revealed a good record of compliance with local and state agencies responsible for health, safety, and environmental regulations. The Oregon Department of Environmental Quality (DEQ) and Washington County have not received any complaints or taken any enforcement actions at NEF during the term of the current license.

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

Metro and DEQ consider the operational practices and management controls in place at NEF to be adequate and consistent with other food waste processing facilities. Waste accepted at NEF is delivered in sealed containers and the majority of processing at NEF takes place in-vessel. NEF has obtained a DEQ compost facility registration permit for its processing operation.³ In 2012 Washington County determined that NEF qualifies as an agricultural operation and is not required to obtain a county-issued franchise.

³ Composting facility Registration Permit Number 1514
Staff Report to Resolution No. 17-4838
Page 2 of 4

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

The waste subject to the proposed NSL will be delivered to NEF for use as feedstock in a composting-like process⁴ rather than disposal. Based on the waste management hierarchy, composting is considered to be a higher and better management option than land disposal. As such, renewal of the proposed NSL is likely to continue having a positive impact on the region's recycling and waste reduction efforts.

- (5) *The proposed non-system license's effect with Metro's existing contractual arrangements;*

Through 2019, Metro has a contractual agreement 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 the proposed license will be transported to a composting facility rather than disposal. Therefore, approval of the proposed license will not conflict with Metro's disposal contract.

- (6) *The applicant's record 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 regulations; and*

The applicant is currently in compliance with its Metro-issued NSL and has not had any compliance issues with regard to Metro regulations during the term of the current license. Additionally, the applicant has a good record of compliance with local and state agencies responsible for health, safety, and environmental regulations.

- (7) *Any other factor the Chief Operating Officer considers appropriate.*

NEF will provide processing capacity for the region that supports Metro's goal of diverting organics away from disposal and into recovery outlets and is providing an innovative approach to processing organics (the bokashi method).

3. Anticipated Effects

The effect of Resolution No. 17-4838 will be to issue a renewed NSL to NEF to deliver up to 264 tons per calendar year of source-separated food waste to its own facility for processing.

4. Budget/Rate Impacts

It is Metro's policy to manage the region's waste according to the waste management hierarchy. Metro's regional system fee and excise tax rates are based on the amount of waste that is anticipated to be disposed, in conjunction with Metro's budget for the next fiscal year. Anytime waste is diverted from Metro transfer stations, and further diverted from disposal, there will be some impact in the current fiscal year to Metro's tonnage charge, enhancement fee, and the solid waste fee and tax revenues. In the case of NEF, the source-separated food waste that will continue to be transported to NEF under

⁴NEF uses the bokashi method to process the food waste. Bokashi is an in-vessel anaerobic fermentation process and converts the majority of food waste delivered to the facility into liquid and solid soil amendments.

authority of this proposed NSL and will continue to be exempt from the fee and tax because it will be composted using the bokashi method.

The historical diversion authorized under this proposed NSL has already been factored into Metro's rates and budget – which further reduces any fiscal impact of granting this license renewal.

RECOMMENDED ACTION

Staff recommends approval of Resolution No. 17-4838 finding that the license application satisfies the requirements of Metro Code Section 5.05.140, and issue an NSL substantially similar to the proposed NSL attached to the resolution as Exhibit A.

HR
Queue

Agenda Item No. 3.5

Resolution No. 17-4839, For the Purpose of Authorizing the Chief Operating Officer to Issue a Renewed Non-System License to Swan Island Dairy for Transport and Disposal of Non-Recoverable Solid Waste, Including Putrescible Waste at the Covanta Waste-to-Energy Facility Located in Brooks, Oregon

Consent Agenda

Metro Council Meeting
Thursday, November 16, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A) RESOLUTION NO. 17-4839
RENEWED NON-SYSTEM LICENSE TO SWAN ISLAND DAIRY)
FOR TRANSPORT AND DISPOSAL OF NON-RECOVERABLE) Introduced by Martha J. Bennett,
SOLID WASTE INCLUDING PUTRESCIBLE WASTE AT THE) Chief Operating Officer, with the
COVANTA WASTE-TO-ENERGY FACILITY LOCATED IN) concurrence of Tom Hughes,
BROOKS, OREGON) Council President

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

WHEREAS, Swan Island Dairy holds Metro non-system license No. N-167-15 which expires on December 31, 2017; and

WHEREAS, Swan Island Dairy filed a complete application seeking a renewed non-system license to deliver non-recoverable solid waste including putrescible solid waste to the Covanta Waste-to-Energy Facility for disposal under the provisions of Metro Code Chapter 5.05, "Solid Waste Flow Control;" and

WHEREAS, Metro Code Chapter 5.05 provides that the Chief Operating Officer will review applications for non-system licenses for putrescible waste and that the Metro Council will approve or deny them; 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 Metro issue a renewed non-system license to Swan Island Dairy 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 Swan Island Dairy 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 Swan Island Dairy a renewed non-system license substantially similar to the one attached as Exhibit A.

ADOPTED by the Metro Council this ____ day of _____, 2017.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1835 | FAX 503 813 7544



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

No. N-167-17

LICENSEE:
Swan Island Dairy 4950 N Basin Ave Portland, OR 97217
CONTACT PERSON:
Corey Hester Phone: (503) 975-0399 E-mail: corey.hester@kroger.com
MAILING ADDRESS:
Swan Island Dairy 4950 N Basin Ave Portland, OR 97217

ISSUED BY METRO:

Paul Slyman
Property and Environmental Services Director

Date



1	NATURE OF WASTE COVERED BY LICENSE
	Non-recoverable non-putrescible waste mixed with putrescible waste generated at the Swan Island Dairy site located at Swan Island Dairy, 4950 N Basin Avenue, in Portland, Oregon.
2	CALENDAR YEAR TONNAGE ALLOCATION
	The licensee is authorized to transport to the non-system facility listed 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 deliver the waste described above in Section 1 only to the following non-system facility:</p> <p style="text-align: center;">Covanta Waste-to-Energy Facility 4850 Brooklake Road, NE Brooks, OR 97305</p> <p>Metro issues this license 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 6.</p>
4	TERM OF LICENSE
	The license term commences on January 1, 2018, and expires December 31, 2019, unless terminated sooner under Section 10.
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	MATERIAL MANAGEMENT
	<p>The licensee is authorized to deliver the waste described in Section 1 to the non-system facility listed in Section 3 under the following conditions:</p> <ul style="list-style-type: none">(a) The non-system facility must accept all solid waste that is transported under authority of this license for the sole purpose of processing and composting on-site. The licensee must not dispose of any source-separated recyclable material, except as provided in Section 7; and(b) The non-system facility must receive, manage, process, and compost all solid waste that is transported under authority of this license in accordance with all applicable local, state and federal laws, rules, regulations, ordinances, orders, and permits.

7	RECORD KEEPING AND REPORTING
	<ul style="list-style-type: none">(a) The licensee must keep and maintain accurate records of the amount of all waste that the licensee delivers to the non-system facility described in Section 3. These records include the information specified in <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>. No later than the 15th day of each month, beginning with the first month following the commencement date of this license, the licensee must transmit to Metro in an electronic format prescribed by Metro the records required that apply to the preceding month.(b) The licensee must:<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.(c) So long as Metro provides at least three business days written notice, the licensee must make all records available to Metro (or Metro's designated agent) for inspection or copying or both. The licensee must also 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 facility named in Section 3.



8	ADDITIONAL LICENSE CONDITIONS
	<p>This license is subject to the following conditions:</p> <ul style="list-style-type: none">(a) The 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.(b) The COO may amend or terminate this license in the event that the COO determines that:<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.;iii. 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 be transferred to, and disposed of at, a facility other than the facility listed in Section 3;iv. The non-system facility listed in Section 3 fails to manage the waste subject to this license in accordance with the material management requirements described in Section 6; orv. The non-system facility listed in Section 3 generates malodors that are detectable off-site.(c) In addition to subsections (b)(i) through (b)(v) above, this license is subject to amendment, modification, suspension, or termination pursuant to the Metro Code.(d) The licensee may not transfer or assign any right or interest in this license without Metro’s prior written approval.(e) This license is subject to modification or termination by the COO 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 only authorizes the transport of solid waste to the facility listed in Section 3. The licensee is prohibited from transporting waste generated from within the Metro boundary to any non-system facility other than that specified in this license unless Metro authorizes such in writing.

9	COMPLIANCE WITH LAW
	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



	<p>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 are deemed part of this license as if specifically set forth herein.</p>
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10	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, 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. 17-4839 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A RENEWED NON-SYSTEM LICENSE TO SWAN ISLAND DAIRY FOR TRANSPORT AND DISPOSAL OF NON-RECOVERABLE SOLID WASTE, INCLUDING PUTRESCIBLE WASTE AT THE COVANTA WASTE-TO-ENERGY FACILITY LOCATED IN BROOKS, OREGON

November 1, 2017

Prepared by: Hila Ritter
(503) 797-1862

Approval of Resolution No. 17-4839 will authorize the Chief Operating Officer (COO) to issue a renewed non-system license (NSL) Swan Island Dairy to annually transport up to 85 tons of non-recoverable non-putrescible waste mixed with putrescible waste from its facility within the Metro region to the Covanta Waste-to-Energy Facility (Covanta) in Marion County, Oregon. The proposed NSL is a renewal of an existing license that is set to expire on December 31, 2017.¹

BACKGROUND

Overview

The applicant seeks authorization to renew its NSL to transport non-recoverable waste generated at the Swan Island Dairy site to Covanta. Metro Code Section 5.05.040 prohibits any person from transporting solid waste to non-system facilities without an appropriate license from Metro. The proposed NSL renewal is subject to Metro Council approval because it involves putrescible waste (food waste).²

The Applicant

Swan Island Dairy is a Kroger Company owned dairy plant, located at 4950 N. Basin Avenue in Portland, Oregon (Metro District 5). The facility is a dairy product processing plant.

Swan Island Dairy routinely generates miscellaneous non-recoverable wastes which consist primarily of non-recyclable ingredient bags, label backings, excess ingredient powders, garbage bags, plastics and non-recoverable food waste. The facility makes efforts to reduce, reuse, and recycle waste whenever possible. For example, the facility separates out HDPE and PET plastics, cardboard, shrink wrap and wood waste which are delivered to recycling operations. As part of these sustainability efforts, Swan Island Dairy prefers to send its non-recoverable waste to waste-to-energy facilities instead of landfills for disposal.

Swan Island Dairy has been authorized to transport non-recoverable waste to Covanta since 2015 under a Metro NSL. The current license will expire December 31, 2017. The licensee transported approximately 74 tons to Covanta in calendar year 2016, and about 45 tons through September of calendar year 2017.

On October 26, 2017, Swan Island Dairy filed a complete application seeking a renewed NSL authorizing the delivery of up to 85 tons per calendar year (the same amount in its current

¹ N-167-15

² Metro Code Section 5.05.110

Staff Report to Resolution No. 17-4839

Page 1 of 3

authorization), of miscellaneous non-recoverable non-putrescible waste mixed with putrescible waste, generated at its facility to Covanta.

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition to the proposed NSL.

2. Legal Antecedents

Metro Code Section 5.05.040 prohibits any person from utilizing a non-system facility without an appropriate license from Metro. Additionally, Metro Code Section 5.05.140 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, or used beneficially, in accordance with Oregon Department of Environmental Quality (DEQ) requirements.

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

Covanta holds a DEQ Solid Waste Energy Recovery Permit.³ No formal enforcement actions have been taken at Covanta by DEQ in the last five years and 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 regulations.

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

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;*

³ Oregon DEQ permit #364
Staff Report to Resolution No. 17-4839
Page 2 of 3

Swan Island Dairy has an internal recycling 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 statute⁴ 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 proposed non-system license's effect with Metro's existing contractual arrangements;*

Through 2019, Metro has a contractual agreement 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 the proposed license will not be transported to a general purpose landfill for disposal. Therefore, approval of the proposed license will not conflict with Metro's disposal contract.

- (6) *The applicant's record 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 regulations; and*

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

- (7) *Any other factor the Chief Operating Officer considers appropriate.*

Covanta is the primary disposal site for solid waste generated within Marion County. Marion County generally supports the Metro-authorized flow of solid waste to Covanta.

3. Anticipated Effects

The effect of Resolution No. 17-4839 will be to issue a renewed NSL to Swan Island Dairy to transport up to 85 tons per calendar year of miscellaneous non-recoverable waste, including putrescible waste, to Covanta.

4. Budget/Rate Impacts

The waste covered under the proposed NSL will be delivered to Covanta. 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 application under consideration is the renewal of an existing NSL.⁵ The financial impact of this NSL has already been factored into the budget.

⁴ ORS 465A.010(4)(f)(B)

⁵ NSL No. N-167-15

RECOMMENDED ACTION

Staff recommend that Council approve Resolution No. 17-4839 finding that the NSL application satisfies the requirements of Metro Code Chapter 5.05, and issue a renewed NSL substantially similar to the proposed NSL attached to the resolution as Exhibit A.

HR
Queue

Agenda Item No. 3.6

Resolution No. 17-4840, For the Purpose of Authorizing the Chief Operating Officer to Issue a Renewed Non-System License Jointly to Willamette Resources, Inc. and Republic Services of Clackamas and Washington Counties for the Transport of Commercial Food Waste to the Pacific Region Compost Facility Located in Monmouth, Oregon for Composting

Consent Agenda

Metro Council Meeting
Thursday, November 16, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A)	RESOLUTION NO. 17-4840
RENEWED NON-SYSTEM LICENSE JOINTLY TO WILLAMETTE)	
RESOURCES, INC. AND REPUBLIC SERVICES OF CLACKAMAS AND)	Introduced by Martha J. Bennett,
WASHINGTON COUNTIES FOR THE TRANSPORT OF COMMERCIAL)	Chief Operating Officer, with the
FOOD WASTE TO THE PACIFIC REGION COMPOST FACILITY)	concurrence of Tom Hughes,
LOCATED IN MONMOUTH, OREGON)	Council President

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

WHEREAS, Willamette Resources, Inc. and Republic Services of Clackamas and Washington Counties jointly hold Metro non-system license No. N-005-16(4) which expires on December 31, 2017; and

WHEREAS, Willamette Resources, Inc. and Republic Services of Clackamas and Washington Counties filed a complete application seeking a renewed non-system license to deliver commercial food waste to Pacific Region Compost facility under the provisions of Metro Code Chapter 5.05, "Solid Waste Flow Control;" and

WHEREAS, Metro Code Chapter 5.05 provides that the Chief Operating Officer will review applications for non-system licenses for putrescible waste and that the Metro Council will approve or deny them; 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 Metro issue a renewed non-system license to Willamette Resources, Inc. and Republic Services of Clackamas and Washington Counties 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 Willamette Resources, Inc. and Republic Services of Clackamas and Washington Counties 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 Willamette Resources, Inc. and Republic Services of Clackamas and Washington Counties a renewed non-system license substantially similar to the one attached as Exhibit A.

ADOPTED by the Metro Council this ____ day of _____, 2017.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1835 | FAX 503 813 7544



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

No. N-005-17(4)

LICENSEE:
Willamette Resources, Inc. & Republic Services of Clackamas and Washington Counties 10295 SW Ridder Rd. Wilsonville, OR 97070
CONTACT PERSON:
Jason Jordan Phone: (503) 404-4180 E-mail: jason.jordan@republicservices.com
MAILING ADDRESS:
Willamette Resources, Inc. & Republic Services of Clackamas and Washington Counties 10295 SW Ridder Rd. Wilsonville, OR 97070

ISSUED BY METRO:

Paul Slyman
Property and Environmental Services Director

Date



1	NATURE OF WASTE COVERED BY LICENSE
	<p>(a) Source-separated, commercial food waste generated within the Metro boundary and received at Willamette Resources, Inc. in accordance with its Metro Solid Waste Facility Franchise; and</p> <p>(b) Source-separated, commercial food waste that is generated within the Metro region and collected by Republic Services of Clackamas and Washington Counties.</p>
2	CALENDAR YEAR TONNAGE ALLOCATION
	<p>The licensee is authorized to transport to the non-system facility listed in Section 3 up to 20,000 tons per calendar year of the waste described in Section 1.</p>
3	NON-SYSTEM FACILITY
	<p>The licensee is authorized to deliver the waste described above in Section 1 only to the following non-system facility for processing and composting:</p> <p style="text-align: center;">Pacific Region Compost Facility 29969 Camp Adair Road Monmouth, Oregon 97361</p> <p>Metro issues this license 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 DEQ 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
	<p>The license term is from January 1, 2018, to December 31, 2019, unless terminated sooner under Section 10.</p>
5	COVERED LOADS
	<p>The licensee must suitably contain and cover, on all sides, all loads of source-separated food waste that are delivered under authority of this license to prevent spillage of waste while in transit to the non-system facility listed in Section 3.</p>



6	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.

7	MATERIAL MANAGEMENT
	<p>The licensee is authorized to deliver the waste described in Section 1 to the non-system facility listed in Section 3 under the following conditions:</p> <ul style="list-style-type: none">(a) The non-system facility must accept all solid waste that is transported under authority of this license for the sole purpose of processing on-site. The licensee must not dispose of any source-separated recyclable material, except as provided in Section 7; and(b) The non-system facility must receive, manage, and process all solid waste that is transported under authority of this license in accordance with all applicable local, state and federal laws, rules, regulations, ordinances, orders, and permits.

8	REGIONAL SYSTEM FEE AND EXCISE TAX
	<p>The licensee is subject to the following conditions:</p> <ul style="list-style-type: none">(a) Source-separated food waste that is delivered under authority of this license and is accepted and composted, in accordance with all applicable regulations, at the non-system facility listed in Section 3 is exempt from regional system fee and excise tax.(b) If the licensee delivers waste under this license to the non-system facility listed in Section 3 but the material does not meet the facility's acceptance criteria (for example, the material is too contaminated for processing or composting) or the non-system facility fails to process the material as required as a condition of this license, the licensee must pay to Metro:<ul style="list-style-type: none">i. an amount equal to the regional system fee, as provided in Metro Code Title V, for each ton or portion thereof of waste delivered to the non-system facility that is ultimately delivered to a disposal site.ii. an amount equal to the excise tax, as provided in Metro Code Title VII, for each ton or portion thereof of waste delivered to the non-system facility that is ultimately delivered to a disposal site.



9	RECORD KEEPING AND REPORTING
	<p>(a) The licensee must keep and maintain accurate records of the amount of all waste that the licensee delivers to the non-system facility described in Section 3. These records include the information specified in <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>. No later than the 15th day of each month, beginning with the first month following the commencement date of this license, the licensee must transmit to Metro in an electronic format prescribed by Metro the records required that apply to the preceding month.</p> <p>(b) So long as Metro provides at least three business days written notice, the licensee must make all records available to Metro (or Metro's designated agent) for inspection or copying or both. The licensee must also 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 facility named in Section 3.</p>

10	ADDITIONAL LICENSE CONDITIONS
	<p>This license is subject to the following conditions:</p> <p>(a) The 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) The COO may amend or terminate this license 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.;iii. 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 be transferred to, and disposed of at, a facility other than the facility listed in Section 3;iv. The non-system facility listed in Section 3 fails to manage the waste subject to this license in accordance with the material management requirements described in Section 6; orv. The non-system facility listed in Section 3 generates malodors that are detectable off-site. <p>(c) In addition to subsections (b)(i) through (b)(v) above, this license is subject to amendment, suspension, or termination pursuant to the Metro</p>



	<p>Code.</p> <p>(d) The licensee may not transfer or assign any right or interest in this license without Metro's prior written approval.</p> <p>(e) This license is subject to amendment or termination by the COO 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.</p> <p>(f) This license only authorizes the transport of solid waste to the facility listed in Section 3. The licensee is prohibited from transporting waste generated from within the Metro boundary to any non-system facility other than that specified in this license unless Metro authorizes such in writing.</p>
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11	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 are deemed part of this license as if specifically set forth herein.</p>

12	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, 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. 17-4840 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A RENEWED NON-SYSTEM LICENSE JOINTLY TO WILLAMETTE RESOURCES, INC. AND REPUBLIC SERVICES OF CLACKAMAS AND WASHINGTON COUNTIES FOR TRANSPORT OF COMMERCIAL FOOD WASTE TO THE PACIFIC REGION COMPOST FACILITY LOCATED IN MONMOUTH, OREGON

November 1, 2017

Prepared by: Hila Ritter
503-797-1862

Approval of Resolution No. 17-4840 will authorize the Chief Operating Officer (COO) to issue a renewed non-system license (NSL) jointly to Willamette Resources, Inc. (WRI) and Republic Services of Clackamas and Washington Counties (Republic) to annually transport a maximum of 20,000 tons of commercial food waste to the Pacific Region Compost facility (PRC) located at 29969 Camp Adair Road in Monmouth, Oregon. The proposed NSL is a renewal of an existing license that is set to expire on December 31, 2017.¹

BACKGROUND

1. Overview

The applicant seeks to renew its NSL to transport commercial food waste generated within the Metro region to PRC. PRC is a non-system composting facility located outside of the region. Metro Code Section 5.05.040 prohibits any person from transporting solid waste to non-system facilities without an appropriate license from Metro. The proposed NSL renewal is subject to Metro Council approval because it involves putrescible waste (food waste).²

2. The Applicant

Republic Services Inc., is the parent company of WRI, Republic, and PRC. Republic Services Inc. is a waste management company headquartered in Phoenix, Arizona. Republic Services Inc. is also the contract operator for the Metro South Transfer Station.

WRI and Republic have transported waste to PRC under Metro authorization since 2009.³ Under the current NSL, the licensee delivered about 15,275 tons of food waste to PRC in calendar year 2016 and approximately 9,800 tons through September of calendar year 2017. The current license will expire on December 31, 2017. On September 20, 2017, the applicant submitted to Metro a complete application requesting that Metro renew its existing NSL with a tonnage authorization of 20,000 tons per calendar year – the same amount in its current authorization.

ANALYSIS/INFORMATION

1. Known Opposition

¹ Non-System License No. N-005-16(4)

² Metro Code Section 5.05.110

³ Non-System License No. N-005-09(4)

There is no known opposition to the proposed NSL.

2. Legal Antecedents

Metro Code Section 5.05.040 prohibits any person from utilizing a non-system facility without an appropriate license from Metro. Additionally, Metro Code Section 5.05.140 provides that, when determining whether or not to approve an NSL application, the Metro Council will 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 non-system facility identified in this proposed license is a yard debris and food waste composting facility that is well known to Metro staff. The facility accepts composting feedstock that consists primarily of source-separated food waste, yard debris, and wood waste.

The facility initially began accepting food waste from its affiliated haulers within the Willamette Valley (i.e., Corvallis, Albany and Salem) in November 2009. Prior to this, PRC accepted only wood waste and yard debris for composting. In early 2010, PRC began accepting Metro-area food waste that was delivered under authority of NSLs. In 2011, the facility began accepting commercial food waste from the Metro South Transfer Station.

The environmental risk from the use of this non-system facility is presumed to be minimal because the facility is fully regulated and monitored by the appropriate local and state authorities as described below.

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

PRC is permitted by the Oregon Department of Environmental Quality (DEQ). DEQ staff report that the facility is currently in compliance with the terms of its solid waste permit.⁴ Additionally, PRC operates under a franchise agreement with Benton County. Benton County staff report that the facility is compliance with the terms of its franchise. Metro staff's investigation of the applicant, destination facility, and parent company revealed a good record of compliance with local and state agencies responsible for health, safety, and environmental regulations during the term of the current NSL.

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

PRC operates under the authority of a Solid Waste Disposal Site Permit issued by DEQ. The facility manages all of the waste it receives, including commercial food waste, in accordance with the requirements of its DEQ-issued permit.

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

⁴ Solid Waste Disposal Site Permit: Composting Facility No. 1418

The waste subject to the proposed NSL will be delivered to PRC for the purpose of composting rather than disposal. Based on the waste management hierarchy, composting is considered to be a higher and better management option than land disposal. As such, approval of the proposed NSL is likely to continue having a positive impact on the region's recycling and waste reduction efforts.

- (5) *The proposed non-system license's effect with Metro's existing contractual arrangements;*

Through 2019, Metro has a contractual agreement 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 the proposed license will be composted and not be disposed at a general-purpose landfill. Therefore, approval of the proposed license will not conflict with Metro's disposal contract.

In addition, Republic Services Inc. currently serves as Metro's contractor for processing organic waste received at the Metro South Transfer Station – including commercial food waste.

- (6) *The applicant's record 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*

Metro issued a Notice of Violation (NOV) to the applicant in March 2016.⁵ The violation was cited for WRI exceeding its annual tonnage limit in 2015 for waste transported to Coffin Butte under authority of another NSL⁶ and is unrelated to the requirements of NSL No. N-005-16(4). The violation has since been resolved and the applicant is currently in compliance with all of Metro's solid waste regulations. Notwithstanding the above-referenced NOV, Metro staff's investigation of the applicant revealed a good record of compliance with local and state agencies responsible for health, safety, and environmental regulations.

- (7) *Any other factor the Chief Operating Officer considers appropriate.*

The proposed NSL will renew the applicant's current authorization. PRC provides important processing and composting capacity for the region that supports Metro's goal of diverting organics away from disposal and into recovery outlets.

3. Anticipated Effects

The effect of Resolution No. 17-4840 will be to issue a renewed NSL jointly to WRI and Republic to transport up to 20,000 tons per calendar year of source-separated commercial food waste to PRC for composting.

4. Budget/Rate Impacts

It is Metro's policy to manage the region's waste according to the waste management hierarchy. Metro's regional system fee and excise tax rates are based on the amount of waste that is anticipated to be disposed, in conjunction with Metro's budget for the next fiscal year. Anytime waste is diverted from

⁵ NOV No. NOV-394-16

⁶ NSL No. N-005-15(3)B

Metro transfer stations, and further diverted from disposal, there will be some impact in the current fiscal year to Metro's tonnage charge, enhancement fee, and the solid waste fee and tax revenues. In the case of WRI and Republic, the source-separated food waste that will be transported to PRC under authority of this proposed NSL will continue to be exempt from the fee and tax because it will be composted.

The historical diversion authorized under this proposed NSL has already been factored into Metro's rates and budget – which further reduces any fiscal impact of granting this license renewal.

RECOMMENDED ACTION

Staff recommend that Council approve Resolution No. 17-4840, finding that the license renewal application satisfies the requirements of Metro Code chapter 5.05. Resolution No. 17-4840 will authorize the COO to issue a renewed NSL, similar to the one attached to the resolution as Exhibit A, to WRI and Republic.

HR
Queue

Agenda Item No. 3.7

Resolution No. 17-4841, For the Purpose of Authorizing the Chief Operating Officer to Issue a Renewed Non-System License to Arrow Sanitary Service, Inc. for Transport of Yard Debris Mixed with Residential Food Waste and Commercial Food Waste to the West Van Materials Recovery Center Located in Vancouver, Washington for Transfer to the Dirt Hugger Composting Facility Located in Dallesport, Washington

Consent Agenda

Metro Council Meeting
Thursday, November 16, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A RENEWED) RESOLUTION NO. 17-4841
NON-SYSTEM LICENSE TO ARROW SANITARY SERVICE, INC FOR)
TRANSPORT OF YARD DEBRIS MIXED WITH RESIDENTIAL FOOD WASTE) Introduced by Martha J. Bennett,
AND COMMERCIAL FOOD WASTE TO THE WEST VAN MATERIAL) Chief Operating Officer, with the
RECOVERY CENTER LOCATED IN VANCOUVER, WASHINGTON FOR) concurrence of Tom Hughes, Council
TRANSFER TO THE DIRT HUGGER COMPOSTING FACILITY LOCATED IN) President
DALLESFORT, WASHINGTON

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

WHEREAS, Waste Connections of Oregon, Inc. dba Arrow Sanitary Service filed a complete application to transport yard debris mixed with residential food waste and commercial food waste to the West Van Material Recovery Center for transfer to the Dirt Hugger composting facility, under the provisions of Metro Code Chapter 5.05, "Solid Waste Flow Control;" and

WHEREAS, yard debris mixed with residential food waste and commercial food waste will be collected from the Metro area and transported to the West Van Material Recovery Center for consolidation, reload and transport to the Dirt Hugger composting facility; and

WHEREAS, the West Van Materials Recovery Center is a transfer station and material recovery facility that is owned and operated by Waste Connections, Inc., and is regulated by the Clark County Public Health Department and the State of Washington Department of Ecology; and

WHEREAS, the Dirt Hugger composting facility is authorized by the Klickitat County Health Department and the State of Washington Department of Ecology to accept and compost food wastes that include post-consumer meat and dairy products; and

WHEREAS, Metro Code Chapter 5.05 provides that the Chief Operating Officer will review applications for non-system licenses for putrescible waste and that the Metro Council will approve or deny them; 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 Metro issue a renewed non-system license to Arrow Sanitary Service 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 Arrow Sanitary Service 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 Arrow Sanitary Service a renewed non-system license substantially similar to the one attached as Exhibit A.

ADOPTED by the Metro Council this ____ day of _____, 2017.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1835 | FAX 503 813 7544



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

No. N-029-17(3)

LICENSEE:
Arrow Sanitary Service 12820 NE Marx Portland, OR 97230
CONTACT PERSON:
Derek Ranta Phone: (503) 884-9332 E-mail: derekr@wcnx.org
MAILING ADDRESS:
Arrow Sanitary Service 12820 NE Marx Portland, OR 97230

ISSUED BY METRO:

Paul Slyman
Property and Environmental Services Director

Date



1	NATURE OF WASTE COVERED BY LICENSE
	(a) Source-separated yard debris mixed with residential food waste that is generated by residential customers within the Metro region and collected by Arrow Sanitary Service, and (b) Source-separated food waste generated by commercial customers within the Metro region and collected by Arrow Sanitary Service.
2	CALENDAR YEAR TONNAGE ALLOCATION
	The licensee is authorized to transport to the non-system facility listed in Section 3 up to 13,000 tons per calendar year of the waste described in Section 1.
3	NON-SYSTEM FACILITY
	<p>The licensee is authorized to deliver the waste described above in Section 1 only to the following non-system facility for the purpose of transfer to the Dirt Hugger facility located at 168 US 197 in Dallesport, Washington for composting:</p> <p style="text-align: center;">West Van Material Recovery Center 6601 NW Old Lower River Road Vancouver, WA 98666</p> <p>Metro issues this license 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 DEQ 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 license term is from January 1, 2018, to December 31, 2019, unless terminated sooner under Section 10.
5	COVERED LOADS
	The licensee must suitably contain and cover, on all sides, all loads of source-separated food waste that are delivered under authority of this license to prevent spillage of waste while in transit to the non-system facility listed in Section 3.



6	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.
7	MATERIAL MANAGEMENT
	<p>The licensee is authorized to deliver the waste described in Section 1 to the non-system facility listed in Section 3 under the following conditions:</p> <ul style="list-style-type: none">(a) The non-system facility must accept all solid waste that is transported under authority of this license for the sole purpose of processing on-site. The licensee must not dispose of any source-separated recyclable material, except as provided in Section 7; and(b) The non-system facility must receive, manage, and process all solid waste that is transported under authority of this license in accordance with all applicable local, state and federal laws, rules, regulations, ordinances, orders, and permits.
8	REGIONAL SYSTEM FEE AND EXCISE TAX
	<p>The licensee is subject to the following conditions:</p> <ul style="list-style-type: none">(a) Source-separated food waste that is delivered under authority of this license and is accepted and composted, in accordance with all applicable regulations, at the non-system facility listed in Section 3 is exempt from regional system fee and excise tax.(b) If the licensee delivers waste under this license to the non-system facility listed in Section 3 but the material does not meet the facility's acceptance criteria (for example, the material is too contaminated for processing or composting) or the non-system facility fails to process the material as required as a condition of this license, the licensee must pay to Metro:<ul style="list-style-type: none">i. an amount equal to the regional system fee, as provided in Metro Code Title V, for each ton or portion thereof of waste delivered to the non-system facility that is ultimately delivered to a disposal site.ii. an amount equal to the excise tax, as provided in Metro Code Title VII, for each ton or portion thereof of waste delivered to the non-system facility that is ultimately delivered to a disposal site.



9	RECORD KEEPING AND REPORTING
	<p>(a) The licensee must keep and maintain accurate records of the amount of all waste that the licensee delivers to the non-system facility described in Section 3. These records include the information specified in <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>. No later than the 15th day of each month, beginning with the first month following the commencement date of this license, the licensee must transmit to Metro in an electronic format prescribed by Metro the records required that apply to the preceding month.</p> <p>(b) So long as Metro provides at least three business days written notice, the licensee must make all records available to Metro (or Metro’s designated agent) for inspection or copying or both. The licensee must also 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 facility named in Section 3.</p>

10	ADDITIONAL LICENSE CONDITIONS
	<p>This license is subject to the following conditions:</p> <p>(a) The 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) The COO may amend or terminate this license 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.;iii. 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 be transferred to, and disposed of at, a facility other than the facility listed in Section 3;iv. The non-system facility listed in Section 3 fails to manage the waste subject to this license in accordance with the material management requirements described in Section 6; orv. The non-system facility listed in Section 3 generates malodors that are detectable off-site. <p>(c) In addition to subsections (b)(i) through (b)(v) above, this license is subject to</p>



	<p>amendment, suspension, or termination pursuant to the Metro Code.</p> <p>(d) The licensee may not transfer or assign any right or interest in this license without Metro’s prior written approval.</p> <p>(e) This license is subject to amendment or termination by the COO 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.</p> <p>(f) This license only authorizes the transport of solid waste to the facility listed in Section 3. The licensee is prohibited from transporting waste generated from within the Metro boundary to any non-system facility other than that specified in this license unless Metro authorizes such in writing.</p>
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11	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 are deemed part of this license as if specifically set forth herein.</p>

12	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, 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. 17-4841 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A RENEWED NON-SYSTEM LICENSE TO ARROW SANITARY SERVICE, INC FOR TRANSPORT OF YARD DEBRIS MIXED WITH RESIDENTIAL FOOD WASTE AND COMMERCIAL FOOD WASTE TO THE WEST VAN MATERIAL RECOVERY CENTER LOCATED IN VANCOUVER, WASHINGTON FOR TRANSFER TO THE DIRT HUGGER COMPOSTING FACILITY LOCATED IN DALLESPOUR, WASHINGTON

November 1, 2017

Prepared by: Hila Ritter
(503) 797-1862

Approval of Resolution No. 17-4841 will authorize the Chief Operating Officer (COO) to issue a renewed non-system license (NSL), similar to the proposed license attached to this resolution as Exhibit A, to Arrow Sanitary Service (Arrow). The proposed NSL will authorize Arrow to annually deliver a combined total of up to 13,000 tons per calendar year of yard debris mixed with residential food waste and commercial food waste from the Metro region to the West Van Material Recovery Center (West Van) located in Vancouver, Washington for transfer to the Dirt Hugger composting facility located at 168 US 197 in Dallesport, Washington. The proposed NSL is a renewal of an existing license that is set to expire on December 31, 2017.¹

BACKGROUND

Overview

The applicant seeks renewed authorization to transport residential food waste mixed with yard debris and commercial food waste generated within the Metro region to a non-system facility, West Van, for transfer to the Dirt Hugger facility for composting. Both facilities are located outside the region. Metro Code Section 5.05.025 prohibits any person from transporting solid waste to non-system facilities without an appropriate license from Metro. The proposed NSL is subject to Metro Council approval because it involves putrescible waste (food waste).

The Applicant

Waste Connections, Inc., headquartered at 3 Waterway Square Place, in The Woodlands, Texas, is the parent company that owns both Arrow and West Van.

Arrow has been authorized to transport yard debris mixed with residential food waste and commercial food waste from the Metro region to the West Van for transfer to the Dirt Hugger composting facility since 2014 under a Metro NSL. The current license will expire December 31, 2017. The licensee transported approximately 1,660 tons to West Van in calendar year 2016, and about 1,395 tons through September of calendar year 2017.

On October 10, 2017, Arrow submitted a complete application to Metro requesting renewed authorization to transport a combined total of up to 13,000 tons of food waste (6,500 tons residential yard debris mixed with food waste and 6,500 tons commercial food waste) to West Van for transfer to

¹ NSL N-029-15(3)
Staff Report to Resolution No. 17-4841
Page 1 of 4

the Dirt Hugger facility for composting.

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition.

2. Legal Antecedents

Metro Code Section 5.05.040 provides that a waste hauler may transport solid waste generated within Metro to any non-system facility only by obtaining an NSL. Metro Code further requires applications for NSLs for putrescible waste (such as food waste) to be reviewed by the COO and are subject to approval or denial by the Metro Council. Under Metro Code Subsection 5.05.043, the Council shall consider the following factors to the extent relevant to determine whether or not to issue an NSL:

- (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 non-system facility (West Van) identified in this proposed license is a fully permitted transfer station rather than a landfill and thus does not pose the same potential environmental risk from wastes delivered from prior users. West Van is a fully permitted transfer station for garbage, recyclables and organic material. West Van is regulated by Clark County Public Health and the Washington State Department of Ecology. Staff is not aware of any wastes collected by Arrow and accepted by West Van that could pose a risk of environmental contamination.

The Dirt Hugger composting facility is authorized to accept for composting crop residue, source-separated pre-consumer and post-consumer food waste (including vegetables, fruits, grains, meats, dairy, eggs and fats), manure from herbivorous animals, wood waste and yard debris. Staff is not aware of any wastes accepted at the Dirt Hugger composting facility that could pose a risk of environmental contamination. The environmental risk from the use of this non-system facility is presumed to be minimal because the facility is fully regulated and monitored by the appropriate local and state authorities.

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

West Van is regulated by the Clark County Public Health Department and the Washington State Department of Ecology. Based on information from Clark County staff, West Van is fully compliant with respect to all environmental rules and regulations. West Van operates in accordance with its Clark County approved Operations Plan, which specifies the procedures for handling and reloading food waste at the facility.

According to Klickitat County Health Department and Washington State Department of Ecology, the Dirt Hugger composting facility operates in compliance with all federal, state, and local requirements, rules and regulations and has had no violations related to public health, safety or environmental regulations.

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

West Van is a fully permitted as a transfer station by the Clark County Public Health Department and the Washington State Department of Ecology. West Van uses operational practices and management controls that are typical of transfer stations and that Metro considers adequate for the protection of health and the environment.

In addition, Dirt Hugger uses operational practices and management controls that are typical of a food waste composting facility. Dirt Hugger has obtained all necessary composting and air quality permits from the Klickitat County Health Department and Washington State Department of Ecology.

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

The waste subject to the proposed NSL will be delivered to Dirt Hugger for the purpose of composting rather than disposal. Based on the waste management hierarchy, composting is considered to be a higher and better management option than land disposal. As such, approval of the proposed NSL is likely to continue having a positive impact on the region's recycling and waste reduction efforts.

- (5) *The proposed non-system license's effect with Metro's existing contractual arrangements;*

Through 2019, Metro has a contractual agreement 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 the proposed license will be delivered to a composting facility rather than disposed at a general-purpose landfill. Thus, approval of the requested license does not conflict with Metro's disposal contract or any other of its existing contractual arrangements.

- (6) *The applicant's record 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*

As a solid waste hauling company, Arrow has a good record of compliance with local and state agencies responsible for public health, safety, and environmental rules and regulations.

- (7) *Any other factor the Chief Operating Officer considers appropriate.*

Reloading source-separated food waste at West Van for delivery to the Dirt Hugger facility for composting will provide additional recovery capacity which benefits the region's organics recovery program. Further, the Dirt Hugger composting facility provides an additional option for food waste composting to the region.

3. Anticipated Effects

The effect of Resolution No. 17-4841 will be to issue a renewed NSL to Arrow authorizing the transport of up to 13,000 tons per calendar year of yard debris mixed with residential food waste and commercial food waste from the Metro region to West Van for consolidation, reloading and transport

to the Dirt Hugger facility for composting.

4. Budget Impacts

It is Metro's policy to manage the region's waste according to the waste management hierarchy. Metro's regional system fee and excise tax rates are based on the amount of waste that is anticipated to be disposed, in conjunction with Metro's budget for the next fiscal year. Anytime waste is diverted from Metro transfer stations, and further diverted from disposal, there will be some impact in the current fiscal year to Metro's tonnage charge, enhancement fee, and the solid waste fee and tax revenues. In the case of Arrow, the source-separated food waste that will be transported to West Van and then Dirt Hugger under authority of this proposed NSL will continue to be exempt from the fee and tax because it will be composted.

The historical diversion authorized under this proposed NSL has already been factored into Metro's rates and budget – which further reduces any fiscal impact of granting this license renewal.

RECOMMENDED ACTION

Staff recommends that Council approve Resolution No. 17-4841 finding that the license application satisfies the requirements of Metro Code chapter 5.05. Resolution 17-4841 will authorize the COO to issue a renewed NSL, similar to the one attached to the resolution as Exhibit A, to Arrow.

HR
Queue

Agenda Item No. 4.1

Resolution No. 17-4847, For the Purpose of Amending the FY 2017-2018 Budget and Appropriations Schedule and FY 2017-18 through FY 2021-2022 Capital Improvement Plan to Provide for a Change in Operations

Resolutions

Metro Council Meeting
Thursday, November 16, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE FY 2017-18 BUDGET AND APPROPRIATIONS SCHEDULE AND FY 2017-18 THROUGH FY 2021-22 CAPITAL IMPROVEMENT PLAN TO PROVIDE FOR A CHANGE IN OPERATIONS)

RESOLUTION NO 17-4847 Introduced by Martha Bennett, Chief Operating Officer, with the concurrence of Council President Tom Hughes

WHEREAS, the Metro Council has reviewed and considered the need to increase appropriations within the FY 2017-18 Budget; and

WHEREAS, Metro Code chapter 2.02.040 requires Metro Council approval to add any new position to the budget; and

WHEREAS, the need for the increase of appropriations has been justified; and

WHEREAS, adequate funds exist for other identified needs; and

WHEREAS, ORS 294.463(1) provides for transfers of appropriations within a fund, including transfers from contingency that do not exceed 15 percent of a fund’s appropriations, if such transfers are authorized by official resolution or ordinance of the governing body, and

WHEREAS, ORS 294.463(3) provides for transfers of appropriations or of appropriations and a like amount of budget resources between funds of the municipal corporation when authorized by an official resolution or ordinance of the governing body stating the need for the transfer, and

WHEREAS, ORS 294.338(2) allows an increase in appropriations due to specific purpose grants or gifts when authorized by an official resolution or ordinance of the governing body stating the need for the recognition., now, therefore

BE IT RESOLVED,

- 1. That the FY 2017-18 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled “Revision” of Exhibits A and B to this Resolution for the purpose of recognizing new grants, approving new FTE, transferring funds from contingency and providing for increased appropriations.
2. That the FY 2017-18 through FY 2021-22 Capital Improvement Plan is hereby amended accordingly.

ADOPTED by the Metro Council this 16th day of November, 2017.

Tom Hughes, Council President

APPROVED AS TO FORM:

Alison Kean, Metro Attorney

Exhibit A
Resolution 17-4847
Schedule of Appropriations

GENERAL FUND	<u>Current</u> <u>Appropriation</u>	<u>Revision</u>	<u>Revised</u> <u>Appropriation</u>
Council	4,870,875	-	4,870,875
Office of the Auditor	751,334	-	751,334
Office of Metro Attorney	2,602,771	-	2,602,771
Information Services	5,338,674	150,000	5,488,674
Communications	1,933,422	-	1,933,422
Finance and Regulatory Services	5,382,456	116,921	5,499,377
Human Resources	3,016,714	45,000	3,061,714
Property and Environmental Services	2,548,484	250,000	2,798,484
Parks and Nature	11,724,456	-	11,724,456
Planning and Development Department	16,599,483	-	16,599,483
Research Center	4,523,501	-	4,523,501
Special Appropriations	4,329,429	-	4,329,429
Non-Departmental			
Debt Service	2,011,850	-	2,011,850
Interfund Transfers	17,315,624	143,963	17,459,587
Contingency	2,375,198	(705,884)	1,669,314
<i>Total Appropriations</i>	85,324,271	-	85,324,271
Unappropriated Balance	28,642,989	-	28,642,989
Total Fund Requirements	\$113,967,260	\$0	\$113,967,260
MERC FUND			
MERC	73,395,537	1,709,105	75,104,642
Non-Departmental			
Interfund Transfers	5,830,412		5,830,412
Contingency	55,122,491	(1,709,105)	53,413,386
<i>Total Appropriations</i>	134,348,440	-	134,348,440
Total Fund Requirements	\$134,348,440	\$0	\$134,348,440
OREGON ZOO ASSET MANAGEMENT FUND			
Visitor Venues - Oregon Zoo	5,415,100	(135,318)	5,279,782
Non-Departmental			
Interfund Transfers		135,318	135,318
Contingency	137,400	-	137,400
<i>Total Appropriations</i>	5,552,500	-	5,552,500
Total Fund Requirements	\$5,552,500	\$0	\$5,552,500
OREGON ZOO INFRASTRUCTURE/ANIMAL WELFARE FUND			
Visitor Venues - Oregon Zoo	12,678,074	135,318	12,813,392
Non-Departmental			
Interfund Transfers	515,894	-	515,894
Contingency	3,265,000	-	3,265,000
<i>Total Appropriations</i>	16,458,968	135,318	16,594,286
Unappropriated Balance	17,028,010	-	17,028,010
Total Fund Requirements	\$33,486,978	\$135,318	\$33,622,296
OREGON ZOO OPERATING FUND			
Visitor Venues - Oregon Zoo	36,453,401	143,963	36,597,364
Non-Departmental			
Interfund Transfers	4,431,724	-	4,431,724
Contingency	1,243,054	-	1,243,054
<i>Total Appropriations</i>	42,128,179	143,963	42,272,142
Total Fund Requirements	\$42,128,179	\$143,963	\$42,272,142

Exhibit A
Resolution 17-4847
Schedule of Appropriations

	<u>Current Appropriation</u>	<u>Revision</u>	<u>Revised Appropriation</u>
PARKS AND NATURAL AREAS LOCAL OPTION LEVY FUND			
Parks and Nature	12,450,136	35,000	12,485,136
Special Appropriations	2,240,711	-	2,240,711
Non-Departmental			
Interfund Transfers	4,308,772	-	4,308,772
Contingency	2,300,823	-	2,300,823
<i>Total Appropriations</i>	<u>21,300,442</u>	<u>35,000</u>	<u>21,335,442</u>
Total Fund Requirements	\$21,300,442	\$35,000	\$21,335,442
SOLID WASTE FUND			
Property and Environmental Services	68,549,126	239,362	68,788,488
Finance and Regulatory Services	103,083	-	103,083
Non-Departmental			
Interfund Transfers	6,110,323	-	6,110,323
Contingency	16,135,329	(239,362)	15,895,967
<i>Total Appropriations</i>	<u>90,897,861</u>	<u>-</u>	<u>90,897,861</u>
Unappropriated Balance	29,866,723	-	29,866,723
Total Fund Requirements	\$120,764,584	\$0	\$120,764,584
Total Appropriations	563,275,305	314,281	563,589,586
Total Unappropriated Balance	83,051,096	-	79,041,438
TOTAL BUDGET	\$646,326,401	\$314,281	\$642,631,024

All Other Appropriations Remain as Previously Adopted

Exhibit B
Resolution 17-4847
Schedule of FTE

	Current		Revised
	<u>FTE</u>	<u>Revision</u>	<u>FTE</u>
GENERAL FUND			
TOTAL FUND FTE	303.75	2.25	306.00
OREGON ZOO OPERATING FUND			
TOTAL FUND FTE	197.60	1.00	198.60
SOLID WASTE FUND			
TOTAL FUND FTE	118.79	1.00	119.79
TOTAL FTE	879.31	4.25	883.56

All Other FTE Remain as Previously Adopted

STAFF REPORT

FOR THE PURPOSE OF AMENDING THE FY 2017-18 BUDGET AND APPROPRIATIONS SCHEDULE AND FY 2017-18 THROUGH FY 2021-22 CAPITAL IMPROVEMENT PLAN TO PROVIDE FOR A CHANGE IN OPERATIONS

Date: November 16, 2017

Presented by: Lisa Houghton 503-797-1829

BACKGROUND

The following amendments have been proposed for Council review and action:

Program Director

The Oregon Zoo is requesting an additional 1.00 FTE Program Director to help meet their Diversity, Equity and Inclusion goals. Specifically, the Program Director will help with internal culture by including the following in the strategic engagement plan for internal and external stakeholders:

- Proposing methods to reinforce the foundation for an inclusive work culture
- Identifying areas where more feedback is warranted
- Identifying and strengthening workplace acknowledgement programs per the Metro-HR actions to build employee engagement
- Identifying and implementing solutions for perceived gaps in employee engagement

Due to the amount of effort this will take, it is necessary to create a position to lead this important work. The position will be funded by the General Fund in the first year and then the Oregon Zoo beginning in year two. Annualized cost of the position is estimated at \$181,800; this budget amendment reflects a partial year.

This action requests the addition of 1.00 FTE, increased appropriations authority in the Oregon Zoo Operating Fund and a transfer of \$143,963 from the General Fund contingency.

Program Director

Finance and Regulatory Services is requesting an additional 1.00 FTE Program Director to manage the Asset Management and Capital Planning Program. The position will support implementation of the Strategic Asset Management Plan designed to achieve Metro's 2021 Public Assets Goals, and respond to the November 2016 Capital Project Management Audit recommendations. The new position will be funded through the annual support services cost allocation plan. Annualized cost of the position is estimated at \$167,100; this budget amendment reflects a partial year with an anticipated spring 2018 hiring date.

This action requests the addition of 1.00 FTE and a transfer of \$55,711 from the General Fund contingency.

Program Analyst II

Finance and Regulatory Services is requesting an additional 1.00 FTE Program Analyst II to support the agency's payroll functions. An on-going project reviewing the entire payroll process has identified a series of improvements that would increase efficiency, decrease errors, and improve record-keeping. In order to successfully implement the proposed changes, additional staff is needed. Post-implementation,

the job duties of this position would shift and FRS would assume specific daily tasks currently completed by Human Resources which are accounting in nature. Annualized cost of this position is estimated at \$91,800; this budget amendment reflects a partial year.

This action requests the addition of 1.00 FTE and a transfer of \$61,210 from the General Fund contingency.

Associate Public Affairs Specialist

Property and Environmental Services is requesting an additional 1.00 FTE Associate Public Affairs Specialist to provide increased capacity for project management, content development and analytics reporting for PES Communications. Increasing staff levels is the preferred solution since utilizing a contractor, tasked with balancing the increased frequency, scale, and duration of PES communications projects, would be cost-prohibitive. Additionally, department work processes and work products will improve with a dedicated member of staff that has a vested interest in achieving agency and department goals. Annualized cost of this position is estimated at \$92,000; this budget amendment reflects a partial year.

This action requests the addition of 1.00 FTE and a transfer of \$61,362 from the Solid Waste Fund contingency.

Lead Custodian

Property and Environmental Services is requesting an additional 0.25 FTE to increase an existing 0.50 FTE Lead Custodian position to 0.75 FTE. The additional FTE will provide sufficient hours for staff to complete critical project and personnel functions that cannot be accomplished in the current daily four hour shift. Annualized costs for the FTE increase are estimated at \$15,500; this budget amendment does not request additional appropriations. The department will absorb any changes to personnel service costs within existing appropriations.

This action requests the additional 0.25 FTE.

Metropolitan Regional Center- Building Assessments

Property and Environmental Services is requesting \$250,000 to further evaluate three high priority repair projects at the Metro Regional Center. The funds requested will be used to pay for contractors to evaluate the scope of the repairs needed. Any funds remaining after the assessments are complete will be spent on the recommended repairs. The three assessments are as follow:

- A fire suppression system assessment – estimated cost \$20,000
- An arc flash (electrical system) study – estimate cost of \$100,000
- A structural assessment of the building to identify potential concrete repairs – estimated cost of \$130,000

This action requests a \$250,000 transfer from the General Fund Contingency.

Information Services-Software Projects

Information Services is requesting \$150,000 to fund the following high priority projects the department has insufficient staff capacity to execute or oversee.

Payroll and scheduling:

- IS helped lead a team that reviewed payroll systems and process issues. Findings indicate that some complex issues can be resolved or improved by changing a few key processes. Information Services is requesting \$30,000 for consulting services to determine how to implement these changes and to identify and mitigate and risks associated with the changes for this portion of the project.
- The payroll system review also identified enhancements to Kronos timekeeping software and functions that would reduce reliance on manual scheduling processes currently used at several Visitor Venues. Management of the project and implementation of the software will require a dedicated resource. Estimated costs for a contracted resource is \$90,000.

Learning Management System:

- The Information Services FY 17-18 budget includes \$160,000 to purchase a new learning management system. The current version of the software will no longer be on first tier support as of fall 2018. Without additional capacity, the implementation of this new system would require moving staff off other projects or pushing this project to fiscal year 2018-19. The requested funding of \$30,000 is for project management for the implementation.

This action requests a \$150,000 transfer from the General Fund contingency.

Transfer of Resources between Funds

The Oregon Zoo is requesting a transfer from the Oregon Zoo Asset Management Fund to the Oregon Zoo Infrastructure and Animal Welfare Fund to offset expenditures erroneously charged to the bond fund rather than the asset management fund. This budget amendment will ensure that all resources generated by the 2008 bond measure are spent as directed by Council and the voters of the region. The transfer out of the Oregon Zoo Asset Management Fund will be offset by a reduction in other capital expenditures.

This action requests a \$135,318 transfer from the Oregon Zoo Asset Management Fund to the Oregon Zoo Infrastructure and Animal Welfare Bond Fund and a related increase in appropriations authority in the Oregon Zoo Infrastructure and Animal Welfare Bond Fund.

Human Resource- Staff Training and Classification Study

Human Resources is requesting \$45,000 to fund the following projects associated with staff training and compensation studies.

- \$25,000 is requested to support the agency's leadership academy for managers and supervisors. The academy's multi day courses are designed to provide supervising staff a common understanding of their supervisory roles, improve staff performance and reduce employment related risks to the agency.
- \$20,000 is requested to support a classification study of Metro non-represented personnel. A similar study was conducted on MERC non-represented personnel last year with the intent of following up with this additional classification study. These studies are essential to retaining and recruiting staff.

This action requests the transfer of \$45,000 from the General Fund contingency.

Recognition of Grant Revenues

Parks Planning and Operations was awarded an Oregon State Marine Board grant in July 2017. The funds will be used to replace the pump out and port-a-potty dump station at the M. James Gleason

Boat Ramp. Grant funds include \$30,000 in dedicated federal Clean Vessel Act funds and \$5,000 in state recreational boater funds.

This action requests the recognition of \$35,000 in grant revenues and an equal amount of additional appropriations authority in the Parks and Natural Areas Local Levy Option fund.

Property and Environmental Services- Solid Waste Fund - Capital Improvement Plan Changes

The following Capital Improvement Projects require revision as follows:

- Metro Central Station Camera Expansion Project (#77106)
The department plans to install video cameras at the Metro Central station to provide better visibility and transparency in station operations. The estimated cost for the cameras' installation and licenses is \$178,000. Funding for this project will come from contingency.
- Blue Lake Gazebo and Shade Structure (#75620K)
The gazebo and shade structure is a small maintenance and repairs project that has increased in scope and duration. Project costs have increased by an estimated \$39,000. Funding of these increases will be paid by the budgeted funds for contracted professional services and no additional appropriation is necessary.
- Metro Central and South Stations' Compactor Projects (#SMC002 and #SMS001)
Solid Waste is in the process of replacing Metro's five preload compactors, including two budgeted for replacement in FY 17-18. Replacement costs for each compactor have increased by approximately 10 percent or \$150,000. Funding for the increases will come from the cancellation of two projects and no additional appropriation is necessary.
- Saint John's Landfill Flare Replacement Project (#77002)
Metro received bids for the replacement of the landfill flare at the St Johns landfill that exceeded the amount budgeted by \$190,000. The increased cost will be paid for by a project that has been delayed until the next year and no additional appropriation is necessary.

This action requests a \$178,000 transfer from the Solid Waste contingency and also amends the FY 2017-18 through FY 2021-22 Capital Improvement Plan. Attachment 1 outlines the Capital Project Details changes requested.

MERC Venues Capital Improvement Plan Changes

The MERC Capital Improvement Programs face challenges common in large or complex construction projects such as accelerated time lines for operational demands, labor shortages, scope changes and emergency projects that require a reassessment of planned projects. As a result of these factors; the MERC Venues propose the following revisions to capital projects:

- Portland's 5 Centers for the Arts:
 - Arlene Schnitzer Concert Hall Orchestra Shell Project (#8R092)
The Arlene Schnitzer Concert Hall orchestra shell is 33 years old and in need of replacement. The proposed new project includes digital system for acoustic applications and would significantly enhance the sound quality for the primary users, the Oregon Symphony, as well as offer new flexibility for other users. Project costs have increased by \$1,330,000 for FY 17-18 and \$1,845,000 for FY18-19.

- *Antoinette Hatfield Hall Roof Project (#8R179)*
The Antoinette Hatfield Hall Roof project is currently in the design stage, and total project costs are estimated to increase by \$100,000. Design and engineering will address roof replacement, parapet wall repair, and green roof recommendations that fall in line with Metro sustainability goals.
- *Newmark Lighting Overhaul Phase II & III Project (#8R089)*
Project savings from prior year of \$123,063 shifted to FY 2017-18
- *Winningstad - House Lighting Control & Dimmers Project (8R090)*
Project savings from prior year of \$73,550 shifted to FY 2017-18
- *Newmark LED Cyclorama Light Fixtures Project (#8R143)*
Project savings from prior year of \$70,000 shifted to FY 2017-18
- *Keller – Roof and Drains Replacement Project (#8R098)*
Project savings from prior year of \$90,000 shifted to FY 2017-18
- *ASCH – Portland Sign Assessment and Refurbishment Project (#8R099)*
Project savings from prior year of \$150,000 shifted to FY 2017-18
- *ASCH – Cooling Tower and Associated Piping Project (design portion) (#8R120)*
Project savings from prior year of \$10,000 shifted to FY 2017-18
- *Keller Backstage Dressing Tower Elevator Overhaul Project (#8R175)*
This project has been delayed until FY 2021-22 resulting in a FY 2017-18 decrease of \$300,000
- *ArtBar Replacement Project (#85108)*
This project has been delayed until FY 2018-19 resulting in a FY 2017-18 decrease of \$125,000
- *Antoinette Hatfield Hall Rotunda Door Replacement Project (#8R180)*
This project has been delayed until FY 2018-19 resulting in a FY 2017-18 decrease of \$75,000
- *Arlene Schnitzer Concert Hall Elevator Overhaul – Front of House (#P5TBD69)*
This project has been shifted on the FY 2017-18 through FY 2021-22 Capital Improvement Plan from FY 2020-21 to FY 2018-19. The estimated costs have not changed.
- *Arlene Schnitzer Concert Hall Elevator Overhaul – Back of House (#P5TBD68)*
This project has been shifted on the FY 2017-18 through FY 2021-22 Capital Improvement Plan from FY 2021-22 to FY 2018-19. In addition the estimated costs have decreased from \$485,000 to \$400,000

This action requests a \$1,446,613 transfer from the Portland5's Centers for the Performing Arts contingency and also amends the FY 2017-18 through FY 2021-22 Capital Improvement Plan. Attachment 2 outlines the Capital Project Details changes requested.

- *EXPO:*

- *Shore Power Improvements Project Phase III (#8R202)*
A new building is proposed as Phase III of the Expo Shore Power Improvements, to provide permanent housing over the electrical infrastructure improvement (switchgear). This

improvement is a PGE requirement/stipulation to provide a safe and compliant facility for PGE and/or Expo staff as they interact with the new switchgear. The estimated cost is \$100,000.

- Electronic Signage & Landscaping Project (#8N011)
Project savings from prior year of \$47,548 shifted to FY 2017-18
- Halls D & E Roof Replacement Project (#8R136)
Project savings from prior year of \$20,939 shifted to FY 2017-18
- Security Camera Access Control System Project (#8R112)
Project savings from prior year of \$82,138 shifted to FY 2017-18
- Audio Visual Equipment Project (#8N020)
Project savings from prior year of \$11,867 shifted to FY 2017-18

This action requests a \$262,492 transfer from the EXPO contingency and also amends the FY 2017-18 through FY 2021-22 Capital Improvement Plan. Attachment 3 outlines the Capital Project Details changes requested.

- OCC (CIP changes only):
 - Staff and Setup Supervisor Support Spaces Project (#8R191)
This project will upgrade infrastructure and increase usability in two spaces within OCC. The original budget estimate of \$380,000 was insufficient after factoring in scope elements such as power, network and HVAC infrastructure improvements and furniture. The revised estimate is \$644,000. The increase will be covered by reducing the budget for the OCC Mass Notification Fire Alarm upgrade project.
 - Mass Notification Fire Upgrade Project (#8R163)
Project savings of \$264,000 shifted to the Staff and Setup Supervisor Support Spaces Project

This action amends the FY 2017-18 through FY 2021-22 Capital Improvement Plan. Attachment 4 outlines the Capital Project Details changes requested

Property and Environmental Services- General Asset Management Fund - Capital Improvement Plan Changes (CIP changes only)

The following Capital Improvement Projects require revision as follows:

- MRC Daycare Center Renewal and Remodel Project (#PSTBD024) and MRC Table 6 Tenant Improvements (#MRC02)
These changes will reallocate \$200,000 of the \$300,000 budgeted for project # MRC002 Table 6 Tenant Improvements to a project designed to renew and remodel portions of the MRC Daycare center. This proposed project involves a remodel of select interior areas to provide a safe, functional and modernized space for children and teachers and repair portions of Metro property.
- Merge of Central Environmental System (#01324) and MRC Rooftop Air-handler (#MRC001) Projects
This merger of two projects is necessary because they cannot be accomplished separately. The change will reallocated project #01324 Central Environmental System \$216,800 to the project

MRC001 MRC Rooftop Air-handler and the new combined project will be named MRC HVAC & BAS Upgrades.

This action amends the FY 2017-18 through FY 2021-22 Capital Improvement Plan. Attachment 5 outlines the Capital Project Details changes requested.

ANALYSIS/INFORMATION

1. **Known Opposition:** None known.

Legal Antecedents: ORS 294.463(1) provides for transfers of appropriations within a fund, including transfers from contingency that do not exceed 15 percent of a fund's appropriation, if such transfers are authorized by official resolution or ordinance of the governing body. ORS 294.463(3) provides for transfers of appropriations or of appropriations and a like amount of budget resources between funds of the municipal corporation when authorized by an official resolution or ordinance of the governing body stating the need for the transfer. ORS 294.338(2) allows an increase in appropriations due to specific purpose grants or gifts when authorized by an official resolution or ordinance of the governing body stating the need for the recognition. Metro code chapter 2.02.040 requires the Metro Council to approve the addition of any position to the budget. Metro's adopted financial policies require any project exceeding \$100,000 or an existing CIP project increasing greater than 20 percent to receive Council approval.

2. **Anticipated Effects:** This action provides for changes in operations as described above, recognizes new grants, provides additional appropriations authority and adds 4.25 FTE.

3. **Budget Impacts:** This action has the following impacts on the FY 2017-18 budget:

- Adds 1.00 FTE Program Director in the Zoo Operating Fund, Zoo Administration Department and requests \$143,963 from the General Fund contingency.
- Adds 1.00 FTE Program Director in the General Fund, Finance and Regulatory Services Department and requests \$55,711 from the General Fund contingency.
- Adds 1.00 FTE Program Analyst II in the General Fund, Finance and Regulatory Services Department and requests \$61,210 from the General Fund contingency.
- Adds 1.00 FTE Associate Public Affairs Specialist in the Solid Waste Fund, PES Communications Department and requests \$61,362 from the Solid Waste Fund contingency
- Adds 0.25 FTE Lead Custodian to the General Fund, MRC Building Operations Department. There are no additional appropriations requested in support of the FTE.
- Provides \$250,000 for the Metro Regional Center building assessments through a transfer from the General Fund contingency.
- Provides \$150,000 for Information Services projects through a transfer from the General Fund contingency.
- Provides \$135,318 to the Oregon Zoo Infrastructure and Animal Welfare Bond Fund for projects through a transfer from the Oregon Zoo Asset Management Fund.
- Provides \$45,000 for Human Resources projects through a transfer from the General Fund contingency.

- Recognizes \$35,000 in grant revenues and additional appropriations authority in the Parks and Natural Areas Local Option Levy Fund.
- Provides \$178,000 to Solid Waste capital projects through a transfer from the Solid Waste Fund contingency and amends the FY 2017-18 through FY 2021-22 Capital Improvement Plan.
- Provides \$1,446,613 to Portland5's Center for the Performing Art capital projects through a transfer from the Portland5's Center for the Performing Art contingency and amends the FY 2017-18 through FY 2021-22 Capital Improvement Plan.
- Provides \$262,492 to EXPO Center capital projects through a transfer from the EXPO Center contingency and amends the FY 2017-18 through FY 2021-22 Capital Improvement Plan.
- Amends the FY 2017-18 through FY 2021-22 Capital Improvement Plan for projects at the Oregon Convention Center and the Metro Regional Center.

RECOMMENDED ACTION

The Chief Operating Office recommends adoption of this Resolution.

**Mid-Year Amendment to FY 2017-18
Capital Project Detail**

Property and Environmental Services- Solid Waste

Attachment 1

Resolution 17-4847

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date						Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2018	2019	2020	2021	2022		
N	75620K	BLP Gazebo & Shade Structure	571000	530	33700	6/30/2018	78,500	-	-	-	-	M&S from RCR	Proposals came in much higher than expected and more work was needed
N	SMC002	Central Compactor #1	574000	534	34100	6/30/2018	1,550,000	-	-	-	-	Canceled project 77110	Accepted contractor proposal was over budget
N	SMS001	South Compactor #1	574000	534	34100	6/30/2018	1,550,000	-	-	-	-	Canceled projects 77110 & 77117	Accepted contractor proposal was over budget
N	77106	MCS - Camera Expansion	575000	530	34100	6/30/2018	178,000	-	-	-	-	Contingency	Missed Carryover from end of year
N	77002	SJLF Flare Replacement	574000	539	34400	6/30/2018	490,000	-	-	-	-	From project 76995, work on that project will not occur in FY18	Original project was to adapt the flare to lower temperature, flare to be replaced instead.
N	77110	MSS HHW Roof Replacement	572000	534	34100	N/A	-	-	-	-	-	N/A	Project canceled, funds reallocated to Compactors.
N	77117	MSS Bays 1&2 Lighting Replacement	572000	534	34100	N/A	-	-	-	-	-	N/A	Project canceled, funds reallocated to Compactors.
N	76995	SJLF Landfill Remediation	571000	539	34400	6/30/2019	210,000	190,000	-	-	-	N/A	Project delayed, funds reallocated to SJLF Flare Replacement.

**Mid-Year Amendment to FY 2017-18
Capital Project Detail**

Portland'5

Attachment 2

Resolution 17-4847

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date						Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2018	2019	2020	2021	2022		
Y	8R092	Schnitzer Orchestra Shell Replacement	572000	554	58999	12/31/2018	1,355,000	1,845,000				R&R contingency	
Y	8R179	Hatfield Hall Roof	572000	554	58999	6/30/2020	150,000	300,000				R&R contingency	
N	8R089	Newmark Lighting Overhaul Phase II & III	572000	554	58999	12/31/2017	673,063					FY 2016-17 budget savings	
N	8R090	Winningstad - House Lighting Control & Dimmers	572000	554	58999	12/31/2017	273,550					FY 2016-17 budget savings	
N	8R143	Newmark LED Cyclorama Light Fixtures	572000	554	58999	12/31/2017	70,000					FY 2016-17 budget savings	
N	8R098	Keller – Roof and Drains Replacement	572000	554	58999	12/31/2017	90,000					FY 2016-17 budget savings	
N	8R099	ASCH – Portland Sign Assessment and Refurbishment	572000	554	58999	12/31/2017	150,000					FY 2016-17 budget savings	
N	8R120	ASCH – Cooling Tower and Associated Piping (design portion)	572000	554	58999	12/31/2017	10,000	350,000				FY 2016-17 budget savings	
N	8R175	Keller Backstage Dressing Tower Elevator Overhaul	572000	554	58999	6/30/2022	0	0	0	0	300,000	timing change	
N	85108	ArtBar bar replacement	572000	554	58999	6/30/2019	75,000	325,000				timing change	
N	8R180	Hatfield Hall rotunda doors	572000	554	58999	6/30/2019	0	75,000				timing change	
N	P5TBD69	P5 ASCH FOH Elevators Overhaul	572000	554	58999	6/30/2019	0	300,000				timing change	
N	P5TBD68	P5 ASCH BOH Elevators Overhaul	572000	554	58999	6/30/2019	0	400,000				timing change	

**Mid-Year Amendment to FY 2017-18
Capital Project Detail**

Expo

Attachment 3

Resolution 17-4847

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date	Revised Project Budget					Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2018	2019	2020	2021	2022		
Y	8R202	PGE Upgrades	572000	556	56999	6/30/2018	100,000					Contingency	
N	8N011	Electronic Signage & Landscaping	571000	556	56999	6/30/2018	47,548					FY 2016-17 budget savings	
N	8R136	Halls D & E Roof Replacement	572000	556	56999	6/30/2019	1,919,689	975,000				FY 2016-17 budget savings	
N	8R112	Security Camera Access Control System	574000	556	56999	6/30/2018	82,138					FY 2016-17 budget savings	
N	8N020	Audio Visual Equipment	526100	556	56999	n/a	11,867					FY 2016-17 budget savings	

Capital Project Detail

OCC

Attachment 4

Resolution 17-4847

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date						Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2018	2019	2020	2021	2022		
N	8R191	Staff and Setup Supervisor support spaces project	572000	550	55999	6/30/2018	644,000						
N	8R163	Mass Notification Fire upgrade project	575000	550	55999	12/31/2017	41,000						

**Mid-Year Amendment to FY 2017-18
Capital Project Detail**

Property and Environmental Services- MRC

Attachment 5

Resolution 17-4847

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date						Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2018	2019	2020	2021	2022		
N	MRC001	MRC HVAC & BAS Upgrades	572000	611	00434	6/30/2018	1,641,234	-	-	-	-	From project 01324	Combined these two projects because they needed to be done together.
Y	PSTBD024	Daycare Tenant Improvements	526010	611	00434	6/30/2018	200,000	-	-	-	-	Reduction from project MRC02 to fund the Daycare	Management decision to do necessary TI to the daycare which are a bigger priority than Table 6
N	MRC02	Table 6 Tenant Improvements	526010	611	00434	6/30/2018	100,000	-	-	-	-	N/A	Reduced project budget
N	01324	Central Environmental System	572000	611	00434	N/A	-	-	-	-	-	N/A	Combined funds with MRC001

Agenda Item No. 4.2

**Resolution No. 17-4833, For the Purpose of Approving the
Oregon Zoo Public Art Advisory Committee's Third Major Art
Commission Recommendations**

Resolutions

Metro Council Meeting
Thursday, November 16, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF REVIEW AND) RESOLUTION NO. 17-4833
APPROVAL OF THE OREGON ZOO)
PUBLIC ART ADVISORY COMMITTEE’S) Introduced by Councilor Carlotta Collette
THIRD MAJOR ART COMMISSION)
RECOMMENDATIONS)

WHEREAS, at the General Election held on November 4, 2008, the Metro Area voters approved Oregon Zoo Ballot Measure 26-96, entitled “Bonds to Protect Animal Health and Safety; Conserve and Recycle Water” providing funding for \$125 million in capital improvements at the Oregon Zoo (“Oregon Zoo Bond Measure”); and

WHEREAS, on September 22, 2011, Metro Council adopted Resolution No. 11-4292, “For the Purpose of Adopting the Oregon Zoo Bond Implementation Plan,” accepting and approving the Oregon Zoo Bond Implementation Plan and authorizing the Zoo to proceed to secure land use and development permits and approvals, procure design and construction services, and construct the Oregon Zoo Bond funded projects as set forth therein; and

WHEREAS, Metro Code Section 2.07.060 entitled, “One Percent for Art Program – Implementation,” requires that the Metro Council adopt guidelines for implementing Metro's One Percent for Art Program; and

WHEREAS, on August 4, 2011, Metro Council adopted Resolution No. 11-4282, “For the Purpose of Establishing Additional One Percent For Art Program Guidelines For Oregon Zoo Ballot Measure 26-96 Construction Projects,” providing for a programmatic approach to implementation of Metro’s One Percent for Art Program requirements for the Oregon Zoo Bond Measure public improvement projects, and establishing criteria for the selection of art for said projects; and

WHEREAS, the “One Percent For Art Program Guidelines For Oregon Zoo Ballot Measure 26-96 Construction Projects” established the Oregon Zoo Public Art Advisory Committee (“OZPAAC”) to, among other functions: recommend suitable art forms and the appropriate locations for artwork within the Zoo bond projects and in proximity to bond projects; establish an artist selection process; seek input from stakeholders; and select the artists and works of art in accord with the established selection criteria; and

WHEREAS, the “One Percent For Art Program Guidelines For Oregon Zoo Ballot Measure 26-96 Construction Projects” require that the Metro Council maintain oversight, review and approval of the OZPAAC’s recommended art location and types; and

WHEREAS, the OZPAAC recommends that the one percent for art program funds be allocated to three areas of the Zoo proximate to the visitor hubs identified in the bond implementation plan: the west hub, central hub and east hub, with the artwork in the central hub to be commissioned and installed concurrently with the new Polar Passage construction; and

WHEREAS, the OZPAAC has selected the artist team of Edwin and Veronica Dam de Nogales out of a group of 179 artists responding to an RFQ for public art to be located at Polar Passage/the central plaza; and

WHEREAS, the OZPAAC recommends that the art for Polar Passage feature the design types proposed by Edwin and Veronica Dam de Nogales and described in the attached staff report (the “Third Art Commission”); and

WHEREAS, the Metro Council wishes to approve the OZPAAC’s recommendations as set forth herein, now therefore:

BE IT RESOLVED that the Metro Council hereby:

- 1) Approves the Oregon Zoo Public Art Advisory Committee’s recommendation to allocate Oregon Zoo Ballot Measure 26-96 Construction Project One Percent for Art Program funds to the Oregon Zoo Bond Implementation Plan’s Polar Passage project; and
- 2) Approves the Oregon Zoo Public Art Advisory Committee’s Third Art Commission recommendations.

ADOPTED by the Metro Council this _____ day of November 2017.

Tom Hughes, Council President

Approved as to Form:

Alison Kean, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 17-4833 FOR THE PURPOSE OF REVIEW AND APPROVAL OF THE OREGON ZOO PUBLIC ART ADVISORY COMMITTEE'S THIRD MAJOR ART COMMISSION RECOMMENDATIONS

Date: November 2, 2017

Prepared by: Heidi Rahn
503-220-5709

BACKGROUND

Metro Code section 2.07 states the agency policy of spending one percent of direct construction costs, on projects valued at more than \$100,000, towards public art.

As outlined below, the zoo is addressing percent-for-art expenditures programmatically by dividing the designated one percent of direct construction costs into three allocations for artwork. Each allocation is essentially aligned with one third of the bond-funded zoo campus construction, geographically west, central and east. This resolution addresses the third of these three allocations, designated for the Polar Passage project environs site and associated central plaza.

In 2008 voters approved Ballot Measure 26-96 (the "Oregon Zoo Bond Measure 26-96") to support several improvements to the physical environment and operation of the Oregon Zoo with \$125 million in capital improvements. Staff determined the most effective use of the percent for art funds would be to designate them programmatically rather than on a project-by-project basis. This would enable a more strategic approach to the selection and installation of public art at the zoo and leverage the monies to greater effect for the public and the campus.

Metro Council passed resolution No. 11-4282 which approved a programmatic approach to using percent-for-art funds and established guidelines to provide the direction necessary for implementation of zoo bond percent-for-art program. The guidelines included appointing an Advisory Committee to:

- Recommend suitable art forms and work with the project architect to designate appropriate sites;
- Recommend program expenditures;
- Identify criteria for selection of each project's art, including artist's qualifications based on past work, highest aesthetic quality, and consideration for safety, durability, maintenance, safety and public access; and
- Select artists and art forms.

The Council will "maintain oversight, review and approval of the Advisory Committee's recommended art location and types."

The Oregon Zoo Public Art Advisory Committee (OZPAAC) roster of members, serving two-year renewable terms, is:

- Carlotta Colette, Metro Councilor
- John Forsgren, Forsgren Design Studio; formerly Regional Arts and Culture Council Public Art Advisory Committee
- Kregg Hanson, Oregon Zoo Foundation Trustee Emeritus, OZPAAC Chair

- Susan Hartnett, City of Portland Visitor Venues Program Manager, Oregon Zoo Bond Citizen's Oversight Committee Vice Chair
- Jiseon Lee Isbara, Dean of Academic Affairs and Professor, Oregon College of Art and Craft
- Anne Lauerman, Oregon Zoo Africa Keeper
- Margot Monti, Oregon Zoo Veterinarian Technician
- Anne Storrs, Artist

Polar Passage design partner and project manager Gregg Leicester from CLR Design joined the committee in making the third commission selection.

Several zoo staff participate in the OZPAAC process, but are not voting members of the committee: Zoo Director Don Moore, Zoo Bond Program Director Heidi Rahn, Zoo Public Art Administrator Tyson Stoianoff, Zoo Construction Manager Jim Mitchell, Zoo Education Curator Grant Spickelmier and Zoo Bond Program Coordinator Linnea Nelson.

Members of OZPAAC have put in an extraordinary amount of time and thoughtful consideration during this third commission selection. As contracted, the Regional Arts and Culture Council (RACC) managed the process.

- March 9, 2016, OZPAAC reviewed the third major art commission timeline.
- June 1, 2016, OZPAAC reviewed a draft Request for Qualifications (RFQ) for the third major art commission, and suggested key words for the RFQ. Five members are identified to serve on the artist selection subcommittee to narrow the pool for full OZPAAC consideration.
- June 16, 2016, OZPAAC members suggested additional key words and reviewed the final RFQ draft.
- July 1, 2016, a public Request for Qualifications (RFQ 3202) was advertised.
- By Aug. 9, 2016, 179 artists responded to the public RFQ to be considered to design, fabricate and install artwork associated with the Polar Passage/central plaza project.
- By Sept. 5, 2016, all 179 artist submissions were evaluated individually by the OZPAAC subcommittee members.
- Sept. 7, 2016, the OZPAAC subcommittee met and reviewed the top 30 artist submissions based on subcommittee evaluations to date, and selected 12 semifinalists for further consideration.
- Sept. 21, 2016, the entire OZPAAC selection committee met and evaluated the top 12 submissions. From 12, four finalists were selected.
- Nov. 16-18, 2016, the four finalists were invited for a tour and interview at the zoo, which took course over three days. The finalists toured the zoo site, met with project architects and Polar Passage staff, and presented their initial thoughts and approaches for public art for the site.
- Nov. 18, 2016, OZPAAC selected Edwin and Veronica Dam de Nogales from a pool of well-qualified artists for their exemplary artistic merit, artwork that delivers a powerful message aligned with the project theme, commitment to work that responds to site and audience, their collaborative nature and their ability to deliver beautiful, impactful work within budget.

The RFQ directed artists to keep in mind the general goals for the zoo's entire public art program:

- enhancing the site and the visitor's experience
- inspiring curiosity about art, the zoo and nature

- considering issues of sustainability and conservation
- increasing awareness and appreciation of the zoo as a community asset
- encouraging dialogue, interaction and engagement by people of all ages
- appropriateness to site in terms of both scale and materials.

Over the past year since November 2016, Edwin and Veronica Dam de Nogales have worked with the project design team, zoo staff and OZPAAC to choose sites and art designs that explore the four main themes of the Polar Passage project:

1. Polar bears and their habitats are amazing.
2. Polar bears are struggling with the effects of climate change.
3. Our keepers and bears work together as partners in conservation science.
4. You can make a difference for polar bears.

They have proposed three sculptural pieces made out of cast aluminum. The largest and primary sculpture is referred to as the “melting ice bear” that depicts a polar bear on an iceberg, with a smaller portion of the iceberg separated from the main piece. Both the bear and iceberg base have open spaces that suggest melting and disappearing are in progress. The proposed location for the sculpture is near the north entry to the Polar Passage project, in a wide section of the visitor walkway in front of the open-air interpretive building that will provide a quiet environment for the visitor to interact with the sculpture and contemplate it. The sculpture will be oriented to face the interpretive center, where the visitors will be able to learn more about conservation science and action. This location also provides long sight lines – approximately 30 to 40 feet – from various sides, which is important for the visitor’s approach to the bear.

The sculpture is intended to convey the connection of the bear to the ice, a sense of fragility and loss, and hope that our actions can change that loss. It is designed to be approached, to be touched, and provide a photo opportunity for visitors, and for the viewer to make eye contact with the bear. The focus is on global warming and the human impact on our environment with an underlying message of “empathy leads to action.” The sculpture has been designed for safety and discourages climbing.

A specific aluminum alloy was chosen as the material for a variety of reasons, including that the light color best approximates the white polar bears and arctic ice, it is resistant to corrosion and light weight, and will not get as hot in the summer sun as would bronze or a darker material. Aluminum is also associated with recycling and responsibility as a green material given that well over 90 percent of it ever made is still in use (or reuse) today. It is a wonderful material for announcing the polar bear as an “ambassador” of global and environmental responsibility and protection. The aluminum can be spray coated for protection, or allowed to form a white, chalky protective coat, which could even better approximate the natural bears and ice.

Two other proposed sculptures are aluminum bear benches planned to be installed facing each other on either side of a walkway entry near the Polar Passage deep pool on the south end of the habitat. One bench is a bear standing on all four legs. The second bench is a bear in a sliding or reclining position. The benches present lighter, more jovial, playful bears than the melting ice bear. The two bear benches together create a feeling of family, as the young bears would be together in the wild. The benches will also be visible from a raised terrace along the main “zoo street.” The at-grade concrete under the bear benches may be a lighter color, to give the subtle feel of being on an iceberg.

The melting ice bear and the two bear benches bracket either end of the Polar Passage habitat, and are appealing to audiences of all ages and backgrounds. They are an integral component of the project design, complementing the vision of the project and elevating the visitor experience.

ANALYSIS/INFORMATION

1. **Known Opposition** None.
2. **Legal Antecedents** Metro Council Resolution No. 87-717, “For the Purpose of Establishing Guidelines for the Implementation of a One Percent for Art Program,” approving guidelines to provide a process for selecting, purchasing, commissioning, placing and maintaining the art purchased with art set-aside funds.

Metro Council Resolution No. 11-4282, “For the Purpose of Establishing Additional One Percent for Art Program Guidelines for Oregon Zoo Ballot Measure 26-96 Construction Projects,” approving guidelines to provide a process for selecting, commissioning, and placing the art programmatically, rather than on a project-by-project basis, for zoo bond funded projects.

Metro Council Resolution No. 11-4292, “For the Purpose of Approving the Oregon Zoo Bond Implementation Plan,” approving the design and construction of a suite of capital projects identified in the Bond Implementation Plan.

Metro Code section 2.07.070 requires that the Metro Council shall adopt by resolution guidelines for implementing percent-for-art program. The guidelines shall be interpreted in such a manner to fully carry out the purposes of the ordinance.

Metro Council Resolution No. 13-4437 “for the purpose of review and approval of the Oregon Zoo Public Art Advisory Committee’s first art commission recommendations.”

Metro Council Resolution 15-4652 “for the purpose of review and approval of the Oregon Zoo Public Art Advisory Committee’s second art commission recommendations.”

3. **Anticipated Effects** Artwork installation will coincide with construction of the project.
4. **Budget Impacts** The Bond Implementation Plan, approved by Council, allocates funds to project scopes including percent-for-art expenditures. The artist contract was included in the Fiscal Year 2018 zoo bond program budget, approved by the Metro Council as part of the Metro Budget.

RECOMMENDED ACTION

Approve the Oregon Zoo Public Art Advisory Committee’s recommendations for three cast aluminum polar bear sculptures by the artist team of Edwin and Veronica Dam de Nogales in the visitor walkways associated with the Polar Passage project.

Materials following this page were distributed at the meeting.

Metro

*600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov*



Metro

Minutes

Thursday, November 2, 2017

2:00 PM

Metro Regional Center, Council chamber

Council meeting

1. Call to Order and Roll Call

Council President Tom Hughes called the Metro Council meeting to order at 2:01 p.m.

Present: 7 - Council President Tom Hughes, Councilor Sam Chase, Councilor Carlotta Collette, Councilor Shirley Craddick, Councilor Craig Dirksen, Councilor Kathryn Harrington, and Councilor Bob Stacey

2. Citizen Communication

Mike Connors, City of Portland: Mr. Connors of the firm Hathaway Larson, representing Resource Recovery Systems, LLC, expressed concerns about the draft Metro Solid Waste Innovation & Investment Program proposal. He explained that his clients supported the concept of a financial assistant program designed to facilitate new technologies and innovations but were concerned it had not been designed to provide equal opportunities for all parties in the industry. (Mr. Connors also provided written testimony; please see the November 2 meeting packet.)

3. Presentations**3.1 Parks and Nature Annual Report and Annual Oversight Committee Report**

Council President Hughes introduced Mr. Jonathan Blasher, Metro's Parks and Nature Director, and Mr. Dean Alterman, of the Natural Areas and Capital Program Performance Oversight Committee. Mr. Blasher informed the Council that the Parks and Nature annual report outlined the department's work over the last year. He noted that one highlight of the last year was the renewal of the operating levy, constituting five years of additional investments and allowing Metro to continue its work taking care of and improving the region's natural areas.

Mr. Blasher then provided an overview of the department's efforts over the past year, including: restoring a wide variety of habitat by planting more than 1 million native plants,

thinning trees, and taking care of waterways; providing additional access to nature by opening new destinations and improving existing ones; developing, designing, and opening new sites, such as Orenco Woods Nature Park and the Farmington Boat Launch; educating the community and providing a wide variety of volunteer opportunities; supporting Metro's commitment to diversity, equity, and inclusion by creating partnerships with community-based organizations and investing in businesses owned by women, minorities, and small business owners; preserving more than 6,000 acres of land and maintaining regional historic cemeteries.

Mr. Blasher also highlighted how the investments made by voters had been used, noting that the department was in spending range across all program areas for the 2013 levy and that all of the projects promised to voters in the levy had been completed.

Council Discussion

Councilor Harrington thanked Mr. Blasher for the report, noting that it was very informative. She asked how Metro's restoration efforts measured up to the committee's original recommended goals.

Mr. Dean Alterman provided an overview of the Annual Oversight Committee report. Mr. Alterman explained that the current iteration of the Annual Oversight Committee was tasked with overseeing open space preserved for the future, grants to local jurisdictions, and the Nature in Neighborhood capital grants. He noted that the program made significant progress in all three areas in the last year. He reviewed the department's achievements over the last year as well as the committee's highlights. He explained that the committee had worked with staff to work on certain recommendations, such as revising what constituted an unusual circumstance when acquiring land, monitoring

capital construction projects, metrics for determining how money is spent and the public benefit, and trail reportage. Mr. Alterman acknowledged the rest of the committee members and thanked the Metro Council for the opportunity to serve on the committee.

Council Discussion

Councilors thanked the Oversight Committee for their expertise and insights. Councilor Harrington noted that it was a system that worked well and helped preserved the public's trust. She added that she would appreciate if the committee would review the parks database, particularly focusing on its timeliness, thoroughness, and analyses of properties. As the councilor liaison to the Oversight Committee, Councilor Dirksen attested to the diligence of its members.

3.2 Equity in Contracting Annual Report

Council President Hughes called on Ms. Gabriele Schuster, Procurement Manager, to present the Equity in Contracting Annual Report. Ms. Schuster explained that equity in contracting was important, as it supported sustainable economic growth, expanded economic opportunities to historically underserved business communities, and built certified firm capacity to compete for public contracts. Ms. Schuster highlighted improvements in Metro's procurement program, such as expanded engagement and outreach at trade shows, expositions, and business organization meetings; workshops and training opportunities that helped businesses improve their ability to prepare responsive and competitive bids and proposals; and the update of Metro's Equity in Contracting administrative rules. Ms. Schuster provided an overview of contract dollars awarded and spent to certified firms.

Ms. Schuster informed the Metro Council of upcoming efforts for Metro's procurement department. She explained that rather than doing four large workshops each year, staff

hoped to provide smaller, monthly meetings to support the hands-on approach that feedback showed was very valuable to participants. Ms. Schuster noted that staff would also focus on improving their equity strategy meeting to ensure that the department followed through on its goals to see positive results. She added that staff would also take part in an unconscious bias training to ensure that unconscious biases were addressed during the evaluation process, as part of a larger goal to identify any further barriers underserved businesses faced. Ms. Schuster then invited the Council to the Small Business Open House, taking place February 21, 2018, hosted by Metro and Multnomah County.

Council Discussion

Councilors expressed appreciation for the report. Councilor Dirksen asked how additional event opportunities would affect the staffing budget. Councilor Collette thanked Ms. Schuster for reaching out to local businesses and noted that procurement trainings and other opportunities had significantly improved over the last few years. Councilor Craddick asked if staff had considered providing procurement in other parts of the region.

4. Consent Agenda

- 4.1 Consideration of the Council Meeting Minutes for October 26, 2017

Approval of the Consent Agenda

A motion was made by Councilor Chase, seconded by Councilor Stacey, to adopt items on the consent agenda. The motion passed by the following vote:

Aye: 7 - Council President Hughes, Councilor Chase, Councilor Collette, Councilor Craddick, Councilor Dirksen, Councilor Harrington, and Councilor Stacey

- 4.2 Resolution No. 17-4844, For the Purpose of Adding or Amending Existing Projects to the 2018-21 Metropolitan Transportation Improvement Program (MTIP) to Add and Amend Multiple New HB2017 Awarded Projects Plus to Add

or Amend 2018 MTIP Projects that Require Implementation Corrections (SP17-02-SEP)

- 4.4 Resolution No. 17-4852, For the Purpose of Confirming the Appointment of Patrick Ranspot and B. Jonas Biery to the Investment Advisory Board

5. Resolutions

- 4.3 Resolution No. 17-4850, For the Purpose of Authorizing the Chief Operating Officer to Purchase Certain Property in the Johnson Creek and Watershed Target Area Under the 2006 Natural Areas Bond Measure

Councilor Chase requested that Resolution No. 17-4850 be removed from the consent agenda. He explained that he would not be voting in favor of the resolution as it included greater flexibility to acquire property to support Metro's bond strategy and he preferred the current set of guidelines and policies.

A motion was made by Councilor Craddick, seconded by Councilor Harrington, that this item be adopted. The motion passed by the following vote:

Aye: 6 - Council President Hughes, Councilor Collette, Councilor Craddick, Councilor Dirksen, Councilor Harrington, and Councilor Stacey

Nay: 1 - Councilor Chase

- 5.1 Resolution No. 17-4848, For the Purpose of Approving an Increased Multi-Year Commitment of Regional Flexible Funds for the Years 2019-34, Funding the Division Transit Project, the Southwest Corridor Transit Project, Arterial Bottleneck Projects, Active Transportation Projects, and Enhanced Transit Projects, and Authorizing Execution of an Amendment to Intergovernmental Agreement with TriMet Regarding the Increased Multi-Year Commitment of Regional Flexible Funds

Council Discussion

Councilors Stacey and Craddick commended Councilor Dirksen for his advocacy on behalf of meeting air quality standards and allocating regional flexible funds in order to best benefit the region.

A motion was made by Councilor Harrington, seconded by

Councilor Dirksen, that this item be adopted. The motion passed by the following vote:

Aye: 7 - Council President Hughes, Councilor Chase, Councilor Collette, Councilor Craddick, Councilor Dirksen, Councilor Harrington, and Councilor Stacey

6. Ordinances (Second Reading)

- 6.1 Ordinance No. 17-1408, For the Purpose of Adopting Amendments to Title 14 of the Urban Growth Management Functional Plan to Improve the Regional Growth Management Process

Council President Hughes announced that Ordinance No. 17-1408 had been pulled from the meeting's agenda and would come to council for consideration at a later date.

7. Chief Operating Officer Communication

Chief Operating Officer Pro Tem Scott Cruickshank announced that the Hip Hop Nutcracker would be playing at the Arlene Schnitzer Concert Hall on November 15.

8. Councilor Communication

Councilors provided updates on the following meetings or events: the opening of the new Jade/APANO Multicultural Space, the Committee on Racial Equity (CORE) meeting, and the Metro All-Staff meeting at the Oregon Convention Center.

9. Adjourn

There being no further business, Council President Hughes adjourned the Metro Council meeting at 3:25 p.m. The Metro Council will convene the next regular council meeting on November 16 at 2:00 p.m. at the Metro Regional Center in the council chamber.

Respectfully submitted,



Nellie Papsdorf, Legislative and Engagement Coordinator

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF NOVEMBER 2, 2017

ITEM	DOCUMENT TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT No.
2.0	Handout	11/02/17	Mr. Connors Citizen Communication Materials	110217c-01
3.1	PowerPoint	11/02/17	Parks and Nature Annual Report	110217c-02
3.2	PowerPoint	11/02/17	Equity in Contracting Annual Report	110217c-03
4.1	Minutes	11/02/17	Council Meeting Minutes for October 26, 2016	110217c-04

Oregon Zoo Bond Program Percent-for-Art Commission Overview and Recommendation for Polar Passage

Peggy Kendellen, RACC Public Art Manager

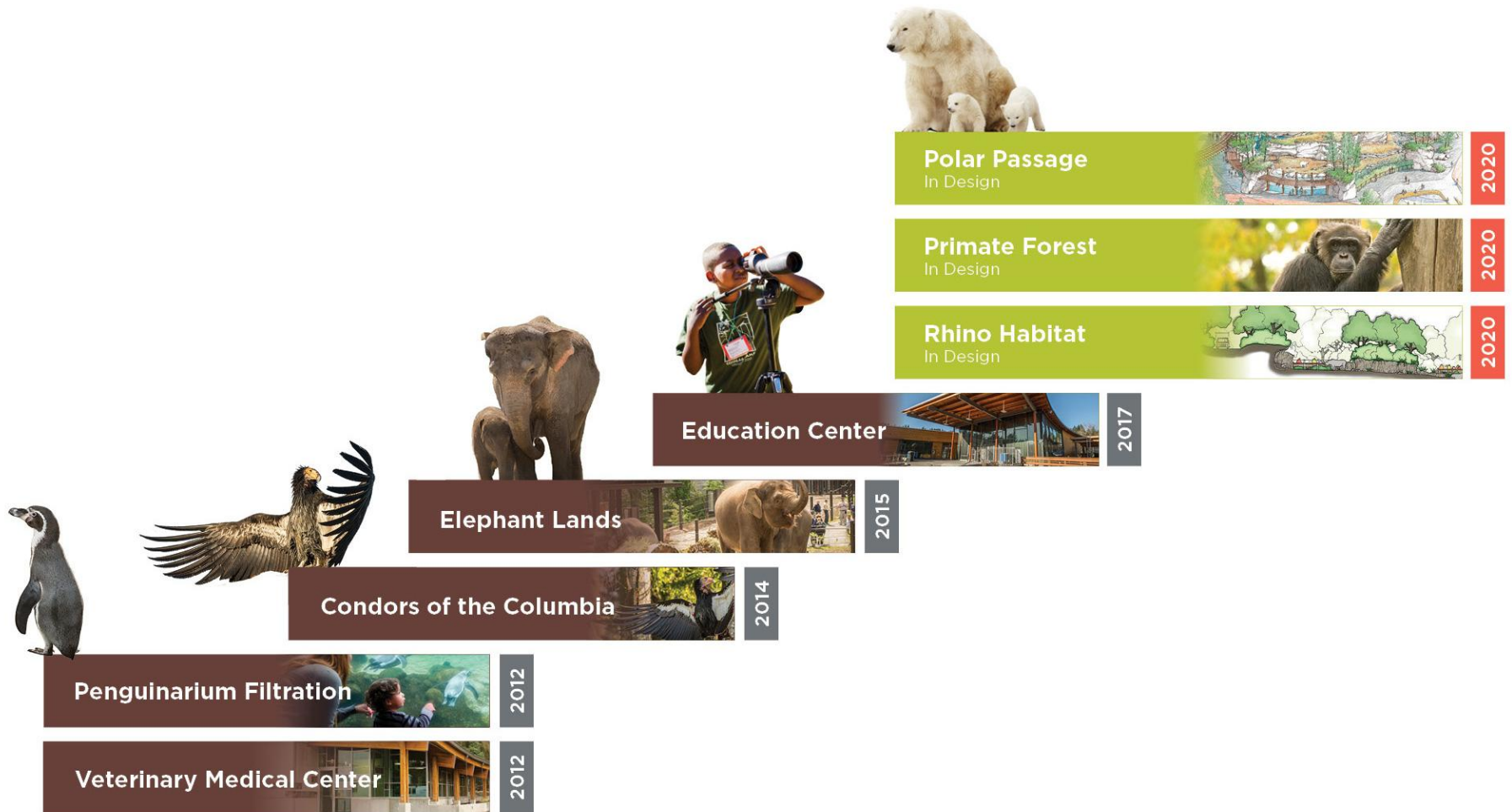
Dr. Don Moore, Oregon Zoo Director

Heidi Rahn, Zoo Bond Program Director

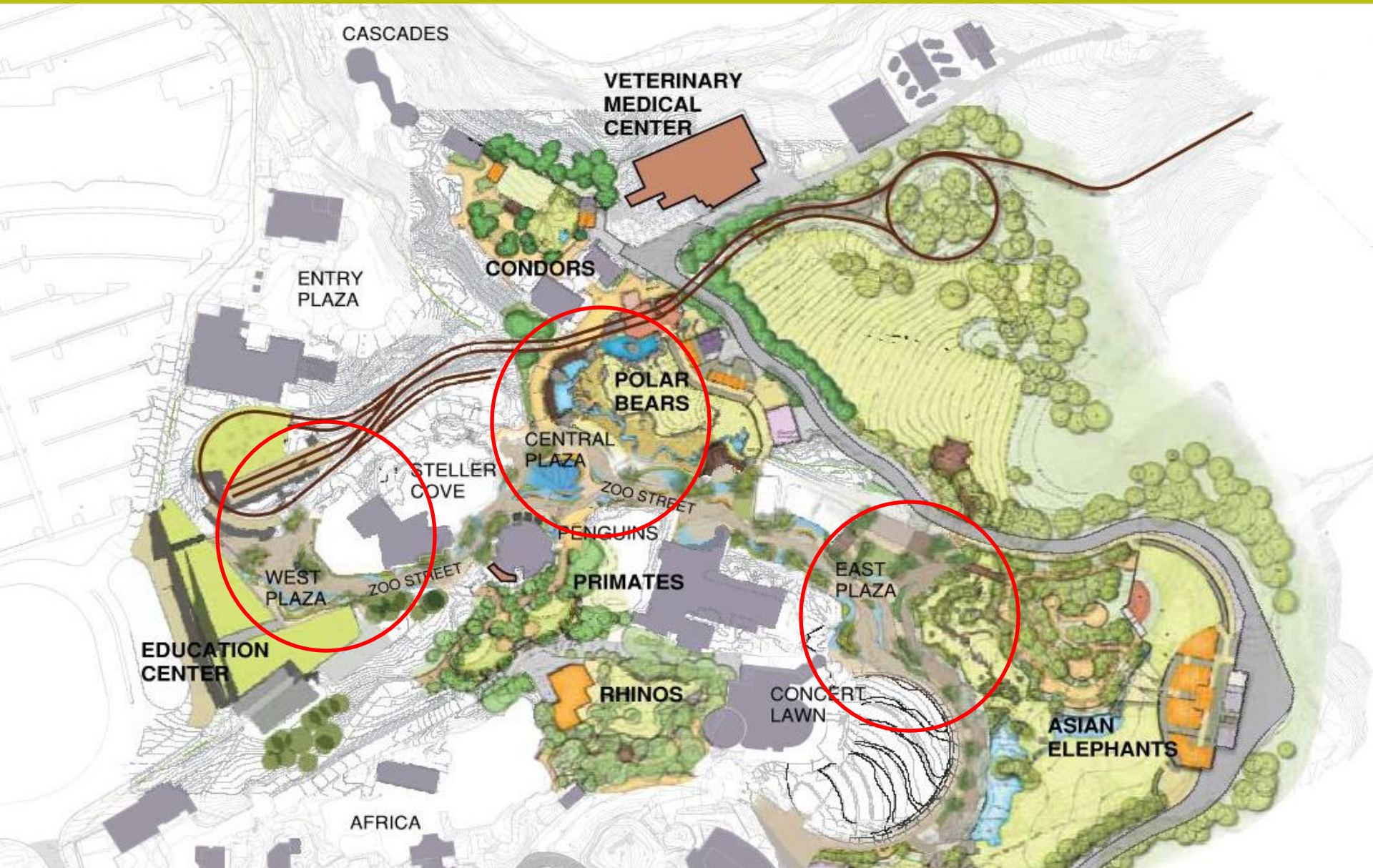


November 16, 2017

Oregon Zoo Bond Timeline



Oregon Zoo Bond Investments



Zoo Public Art Advisory Committee

Carlotta Colette, Metro Councilor

John Forsgren, Public Art Committee Liaison, Regional Arts and Culture Council

Kregg Hanson, Oregon Zoo Foundation Trustee Emeritus, **OZPAAC Chair**

Susan Hartnett, City of Portland Spectator Venues Program Manager, Oregon Zoo Bond Citizen's Oversight Committee Vice Chair

Jiseon Lee Isbara, Dean of Academic Affairs and Professor, Oregon College of Art and Craft

Anne Lauerman, Oregon Zoo Africa Keeper

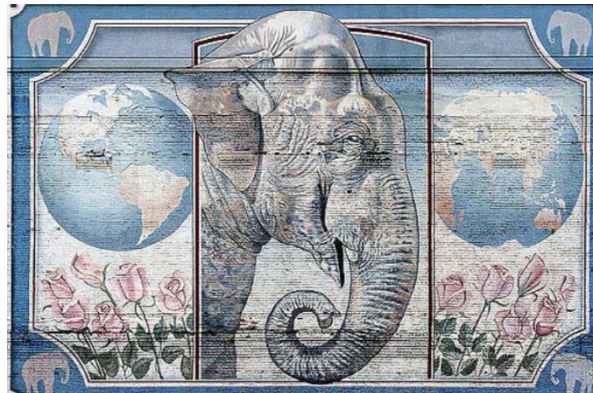
Gregg Leicester, CLR Design

Margot Monti, Oregon Zoo Veterinarian Technician

Anne Storrs, Artist

Process managed by **Peggy Kendellen**, Public Art Manager, Regional Arts and Culture Council

Regional Public Art





Catherine Widgery, Fore
E



Rob Ley, *Ambiguous*, 2017
Education Center

Polar Passage Art Commission



2016

- Public Request for Qualifications
- 179 artists responded
- Edwin and Veronica Dam de Nogales selected by OZPAAC

2017

- Art design concept
- Metro Council approval

2018

- Art fabrication

2020

- Art installation and Polar Passage opening

The Melting Ice Bear



Polar Bear Benches



Melting Ice Bear and Benches



Polar Passage Art Commission

