

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE)	RESOLUTION NO. 20-5079
CHIEF OPERATING OFFICER TO ISSUE A)	
NEW NON-SYSTEM LICENSE TO VERIS)	Introduced by Interim Chief Operating Officer
INDUSTRIES-SCHNEIDER ELECTRIC FOR)	Andrew Scott in concurrence with Council
TRANSPORT AND DISPOSAL OF NON-)	President Lynn Peterson.
RECOVERABLE SOLID WASTE, INCLUDING)	
PUTRESCIBLE WASTE, AT THE COVANTA)	
WASTE-TO-ENERGY FACILITY LOCATED IN)	
BROOKS, OREGON)	

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

WHEREAS, Veris Industries-Schneider Electric has filed a complete application seeking a non-system license to transport non-recoverable solid waste, including putrescible waste, to a non-system facility for disposal under the provisions of Metro Code Chapter 5.05, "Solid Waste Flow Control;" and

WHEREAS, the solid waste authorized under the non-system license is generated at the Veris Industries-Schneider Electric facility located in Tualatin, Oregon, and is transported to the Covanta Waste-to-Energy Facility for disposal; and

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


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

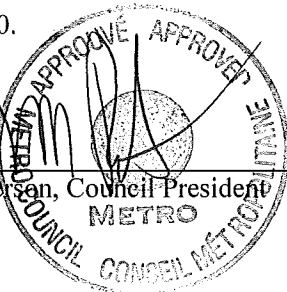
WHEREAS, the Chief Operating Officer recommends that the non-system license be issued together with specific conditions as provided in Exhibit A to this Resolution; now therefore,

BE IT RESOLVED that the Metro Council:

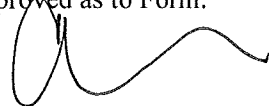
1. Approves the non-system license application of Veris Industries-Schneider Electric subject to the terms, conditions and limitations contained in Exhibit A to this Resolution.
2. Authorizes the Chief Operating Officer to issue to Veris Industries-Schneider Electric a non-system license substantially similar to the one attached as Exhibit A.

ADOPTED by the Metro Council this 25th day of February 2020.


 Lynn Peterson, Council President



Approved as to Form:


 Carrie MacLaren, Metro Attorney



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

METRO SOLID WASTE FACILITY NON-SYSTEM LICENSE

No. N-177-20

LICENSEE:
Veris Industries – Schneider Electric 12345 SW Leveton Dr. Tualatin, OR 97062
CONTACT PERSON:
Ron Nesvold Phone: (503) 597-0759 E-Mail: Ron.nesvold@se.com
MAILING ADDRESS:
Veris Industries – Schneider Electric 12345 SW Leveton Dr. Tualatin, OR 97062

ISSUED BY METRO:

Roy W. Brower
Interim Waste Prevention 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, generated at the Veris Industries site located at 12345 SW Leventon Drive in Tualatin, Oregon.
2	CALENDAR YEAR TONNAGE LIMITATION
	The licensee is authorized to transport to the non-system facility listed in Section 3 up to 475 tons per calendar year of the waste described in Section 1.
3	NON-SYSTEM FACILITY
	<ol style="list-style-type: none"> 1. The licensee is authorized to transport the waste described above in Section 1 to the following non-system facility: <ul style="list-style-type: none"> Covanta Waste-to-Energy Facility 4850 Brooklake Road, NE Brooks, OR 97305 2. This license is issued on condition that the non-system facilities named in this section are authorized to accept the type of waste described in Section 1. If Metro receives notice from the Oregon Department of Environmental Quality and/or Marion County that this non-system facility is not authorized to accept such waste, Metro may immediately terminate this license pursuant to Section 9.
4	TERM OF LICENSE
	March 1, 2020 to December 31, 2022, unless amended, suspended, or revoked as provided in this license.
5	COVERED LOADS
	The licensee must suitably contain and cover, on all sides, all loads of the waste described in Section 1 that are transported under authority of this license to the non-system facility listed in Section 3 to prevent spillage of waste while in transit.
6	REPORTING OF ACCIDENTS AND CITATIONS
	The licensee must report to Metro any significant incidents (such as fires), accidents, and citations involving vehicles transporting the solid waste authorized by this license.
7	REGIONAL SYSTEM FEE AND EXCISE TAX
	The solid waste that the licensee delivers under authority of this license to the non-system facility listed in Section 3 is subject to the regional system fee and excise tax in accordance with section 8 of this license.

8	RECORD KEEPING AND REPORTING
	<ol style="list-style-type: none"> 1. The licensee must keep and maintain accurate records of the amount of all waste that the licensee transports to the non-system facility described in Section 3. These records include the information specified in the Metro document titled <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>. 2. The licensee must perform the following no later than fifteen days following the end of each month: <ol style="list-style-type: none"> (a) Submit to Metro the records required under Section 8.1 in an electronic format prescribed by Metro; (b) Submit to Metro a Regional System Fee and Excise Tax Report, that covers the preceding month; and (c) Remit to Metro the requisite regional system fee and excise tax in accordance with this license and Metro Code provisions applicable to the collection, payment and accounting of those fees and taxes. 3. The licensee must make available to Metro (or Metro’s designated agent) all records from which Section 8.1 and 8.2 are derived for its inspection or copying or both, as long as Metro provides at least three business days written notice of an intent to inspect or copy documents. The licensee must, in addition, sign or otherwise provide to Metro any consent or waiver necessary for Metro to obtain information or data from a third party, including the non-system facilities named in Section 3. 4. Metro may require the licensee to report the information required by this section on a weekly or daily basis. 5. If the licensee fails to submit the records or payments to Metro by the timeline set forth in Section 8 of this license, each day by which the licensee exceeds the due date may constitute a separate violation subject to a penalty of up to \$500 per violation, in accordance with Metro Code Chapter 5.05.

9	ADDITIONAL LICENSE CONDITIONS
	<p>This non-system license is subject to the following conditions:</p> <ol style="list-style-type: none"> 1. 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. 2. This license is subject to amendment, modification, or termination by Metro in the event that Metro determines that: <ol style="list-style-type: none"> (a) There has been sufficient change in any circumstances under which Metro issued this license; or (b) Metro’s solid waste system or the public will benefit from, and will be better served by, transporting the waste described in Section 1 of this license to a facility other than those listed in Section 3. 3. In addition to subsections 9.2(a) and (b), Metro may amend, suspend, revoke or terminate this license pursuant to the Metro Code.

	<ol style="list-style-type: none"> 4. The licensee cannot transfer or assign any right or interest in this license without Metro’s prior written approval. 5. This license is subject to amendment or termination by Metro upon the execution of a designated facility agreement with a facility listed in Section 3 that authorizes the facility to accept the waste described in Section 1. 6. This license authorizes transport of solid waste only to the facility listed in Section 3. Transfer of waste generated from within the Metro boundary to any non-system facility other than that specified in this license is prohibited unless authorized in writing by Metro. 7. Metro may direct the licensee’s waste flow under this non-system license to Metro Central Transfer Station or Metro South Transfer Station with a minimum of 24 hours written notice. Any redirection of the waste flow by Metro is effective immediately. 8. If the licensee exceeds the calendar year authorization set forth in Section 2, each ton or portion thereof by which the licensee exceeds the limitation constitutes a separate violation subject to a penalty of up to \$500, in accordance with Metro Code Chapter 5.05.
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10	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 rules adopted pursuant to Metro Code Chapter 5.05 whether or not those provisions have been specifically mentioned or cited in this license. 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 shall be deemed part of this license as if specifically set forth.</p>

11	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 arising out of or related in any way to the issuance or administration of this non-system license. Expenses include, but are not limited to, all attorneys’ fees, whether incurred before litigation is commenced, during litigation or on appeal.</p>

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 20-5079 AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A NEW NON-SYSTEM LICENSE TO VERIS INDUSTRIES-SCHNEIDER ELECTRIC FOR TRANSPORT AND DISPOSAL OF NON-RECOVERABLE SOLID WASTE, INCLUDING PUTRESCIBLE WASTE, AT THE COVANTA WASTE-TO-ENERGY FACILITY LOCATED IN BROOKS, OREGON

Date: February 13, 2020
Department: WPES
Meeting Date: February 25, 2020

Prepared by: Joanna Dyer, 503-813-7550,
Joanna.dyer@oregonmetro.gov

ISSUE STATEMENT

Veris Industries-Schneider Electric is requesting a new Metro Non-System License (NSL) to transport up to 475 tons per calendar year of non-recoverable solid waste, including putrescible waste, from its facility located at 12345 SW Leveton Dr. in Tualatin to the Covanta Waste-to-Energy facility (Covanta) in Brooks, Oregon.

Metro Code Section 5.05.110(c) requires the Metro Council to approve or deny a non-system license to transport putrescible waste to a disposal site.

ACTION REQUESTED

Approve Resolution No. 20-5079 which will authorize the Chief Operating Office to issue a Metro Non-System License to Veris Industries-Schneider Electric for a term of up to three years.

IDENTIFIED POLICY OUTCOMES

Approval of the proposed non-system license will support Metro's longstanding practice to allow solid waste generated in the Metro region to be transported to disposal sites located outside of the region provided that the transporter applies for and receives Metro authorization.

POLICY QUESTION(S)

Should Metro Council approve the resolution and grant the Chief Operating Officer authority to issue a non-system license, as provided in Metro Code Chapter 5.05.110, to Veris Industries-Schneider Electric to deliver up to 475 tons per calendar year of putrescible waste to the Covanta Waste-to-Energy facility?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

1. Approve the resolution as proposed to authorize the Chief Operating Officer to issue a new non-system license to Veris Industries-Schneider Electric.
2. Amend the resolution to issue the new non-system license with different conditions than those recommended by staff.
3. Do not approve Resolution No. 20-5079.

STAFF RECOMMENDATIONS

Staff recommends Metro Council approve Resolution 20-5079 to authorize the Chief Operating Officer to issue a new Metro Solid Waste Facility Non-System License to Veris Industries-Schneider Electric.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Non-system licenses (NSL) are the main vehicles by which Metro manages the flow of solid waste transported to facilities located outside of the Metro regional boundary because they allow Metro to closely monitor and potentially guide waste flows to authorized facilities.

Known Opposition/Support/Community Feedback

There is no known opposition to the proposed NSL.

Legal Antecedents

Metro Code Chapter 5.05, "Solid Waste Flow Control." Specifically, Section 5.05.140 describes the factors the Chief Operating Officer may consider to determine whether to issue a non-system license:

- (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 those wastes pose a future risk of environmental contamination;*

Covanta primarily accepts solid waste generated in Marion County, though the facility also accepts special waste and other wastes generated by companies seeking to promote alternative disposal policies or government agencies seeking to destroy certain waste for public safety or the public good such as contraband, postage stamps, expired pharmaceuticals, and lottery tickets.

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 (Oregon DEQ permit #364). No formal enforcement actions have been taken at Covanta by DEQ in at least 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;

The Veris Industries-Schneider Electric facility has a very mature recycling program that has been in existence since early 2000. All employees are trained on the recycling program and are required to participate and demonstrate proper recycling practices. The site is regularly audited by both internal and external auditors as part of the ISO 14001 certification. The facility 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 considered to be disposal and does not count toward recovery in Metro's recovery rate calculation because state statute (Oregon Revised Statutes 459A.010) 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 NSL 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;

Approval of the proposed license will not conflict with any of Metro's 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 regulations; and

Veris was initially issued a NSL in 2017 (No. N-177-17) to transport the same type and volume of waste to Covanta as in the proposed NSL. On January 2, 2019, Metro issued Veris a Non-Compliance Advisory Letter (No. NAL-413-19) for failure to submit timely reports and payments as required in the NSL. At the time of the NAL, Veris had submitted only seven of 19 required reports, and of the seven reports submitted, five reports were late. The NAL notified Veris that the company was required to report each month even if the reported tonnage is zero, and failure to do so would subject it to enforcement. Veris failed to submit required reports after the NAL was issued, and Metro subsequently revoked NSL No. N-177-17 effective July 31, 2019. Upon receiving the letter from Metro revoking the NSL, staff at Veris contacted Metro explaining that Metro's point of contact at Veris, had passed away unexpectedly and staff were unaware of the existence of the non-system license.

Metro staff's investigation of the applicant revealed a good record of compliance with local 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. Although approval of this resolution would authorize Veris Industries-Schneider Electric to transport waste to Covanta, the proposed NSL does not obligate Covanta to accept the waste. In addition,

Metro may subsequently amend, suspend, or terminate the proposed NSL should there be any change in circumstances after it is issued.

Metro Code Section 5.05.170(5)(B) states that a new NSL may be issued for a term of up to a three years. The proposed license has a 34-month term and would commence on March 1, 2020 and expire on December 31, 2022.

Anticipated Effects

Adoption of Resolution 20-5079 will authorize the Chief Operating Officer to issue a new NSL, as provided in Metro Code Chapter 5.05.110, to Veris Industries-Schneider Electric to deliver up to 475 tons of putrescible waste per calendar year to the Covanta Waste-to-Energy facility.

Financial Implications

The application under consideration is for a new NSL to transport up to 475 tons of non-recoverable solid waste, including putrescible waste to Covanta Waste-to-Energy facility. The financial impact of this NSL is expected to be negligible because 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.

BACKGROUND

The applicant, Veris Industries-Schneider Electric, located at 12345 SW Leveton Drive in Tualatin, Oregon, is a manufacturing company that makes HVAC (heating, ventilating, and air conditioning) system controls and monitoring meters. Veris Industries-Schneider Electric has a robust sustainability program and seeks to become a zero-waste-to-landfill company. All areas of the facility have dedicated recycling stations including desk spaces, production floor and an employee cafeteria. Centralized collection stations are provided for paper, corrugated cardboard, batteries, fluorescent tubes, wood pallets, metal, scrap boards and assemblies, polystyrene, hard plastics and film plastic. In the cafeteria, non-protein food items are collected and composted in an on-site employee garden. The waste that Veris Industries-Schneider Electric seeks to transport to Covanta includes the non-recoverable waste from its manufacturing process, cafeteria waste and restroom waste.

On December 5, 2019, Veris Industries-Schneider Electric filed a complete application seeking a new NSL to transport up to 475 tons per calendar year of non-recoverable waste, including wet waste, generated at its facility to Covanta. The proposed license is subject to approval or denial by the Metro Council because it authorizes the transport of putrescible waste to a non-system facility.

ATTACHMENTS

Exhibit A to Resolution No. 20-5079: Draft non-system license No. N-177-20.