

BEFORE THE METRO COUNCIL

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| FOR THE PURPOSE OF AUTHORIZING THE |) | RESOLUTION NO. 20-5104 |
| CHIEF OPERATING OFFICER TO EXTEND |) | |
| AND AMEND NON-SYSTEM LICENSES FOR |) | Introduced by Chief Operating Officer |
| ARROW SANITARY SERVICE AND |) | Marissa Madrigal in concurrence with |
| WILLAMETTE RESOURCES INC. AND |) | Council President Lynn Peterson |
| REPUBLIC SERVICES OF CLACKAMAS AND |) | |
| WASHINGTON COUNTIES |) | |

WHEREAS, Metro Code Chapter 5.05 requires a non-system license (“NSL”) of any person that transports solid waste generated from within the Metro Region to a non-system disposal facility; and

WHEREAS, Arrow Sanitary Service (“Arrow”) holds Metro NSL No. N-029-17(3)A that expires on June, 30, 2020, and authorizes the transport of source-separated commercial food waste and residential yard debris containing food waste to West Van Material Recovery Center, in Vancouver, WA for consolidation and transport to Dirt Hugger in Dallesport, WA; and

WHEREAS, Willamette Resources, Inc. and Republic Services of Clackamas and Washington Counties (collectively “Republic”) jointly hold Metro NSL No. N-005-17(4)A and N-005-17(5)B that expire on June 30, 2020, and authorize the transport of source-separated commercial food waste and residential yard debris containing food waste to Pacific Region Compost in Monmouth, OR and Recology Organics – Aumsville, in Aumsville, OR respectively; and

WHEREAS, the NSLs issued to Arrow and Republic were originally scheduled to expire on December 31, 2019, but the Chief Operating Officer extended the terms of each NSL for an additional six months as allowed in Metro Code Chapter 5.05; and

WHEREAS, Metro Code Chapter 5.05 requires a non-system licensee to submit a completed application to renew an NSL at least 120 days before the existing license expires; and

WHEREAS, Governor Brown issued Executive Order 20-12 (“Stay Home, Save Lives”) on March 24, 2020 in response to the COVID-19 global pandemic, thus disrupting the NSL renewal process; and

WHEREAS, the Metro Council finds that the licensees are not required to submit a license renewal application in this instance due to the significant disruption caused by the COVID-19 pandemic; and

WHEREAS, the Chief Operating Officer recommends that the Metro Council extend the NSLs for Arrow and Republic for an additional 18 months to expire December 31, 2021, in order to maintain continuity in the transport of food waste to processing facilities while food waste policy development continues; now therefore

BE IT RESOLVED that the Metro Council:

1. Approves the consolidation of two separate NSLs issued to Republic (No. N-005-17(4)A and N-005-17(5)B) into a single NSL No. N-005-17(4)B.

2. Approves the amended NSLs for Arrow and Republic, subject to the terms, conditions and limitations contained in Exhibits A and B.
3. Authorizes the Chief Operating Officer to issue NSLs to Arrow and Republic substantially similar to the ones attached as Exhibits A and B.

ADOPTED by the Metro Council this 11th day of June 2020.



Lynn Peterson, Council President

Approved as to Form:



Carrie MacLaren, Metro Attorney

Exhibit A to Resolution No. 20-5104



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

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

No. N-029-17(3)B

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| LICENSEE: |
| Arrow Sanitary Service 5455 NE 109 th Ave. Portland, OR 97220 |
| CONTACT PERSON: |
| Derek Ranta Phone: 503-884-9332 E-mail: derekr@wcnx.org |
| MAILING ADDRESS: |
| Arrow Sanitary Service 5455 NE 109 th Ave. Portland, OR 97220 |

This non-system license replaces and supersedes the provisions of Metro Solid Waste Facility Non-System License No. N-029-17(3)A.

ISSUED BY METRO:

Pamela C. Peck
Policy and Compliance Director

Date



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| 1 | NATURE OF WASTE COVERED BY LICENSE |
| | Source-separated, commercial food waste and residential yard debris containing food waste that is generated within the Metro region and collected by Arrow Sanitary Service. |
| 2 | CALENDAR YEAR TONNAGE LIMITATION |
| | 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 |
| | <ol style="list-style-type: none"> 1. The licensee is authorized to transport the waste described in Section 1 to the following non-system facility: <div style="margin-left: 40px;"> West Van Material Recovery Center 6601 NW Old Lower River Road Vancouver, WA 98660 </div> 2. The waste transported to West Van Material Recovery Center under authority of this license must be transferred for the purpose of composting at Dirt Hugger located at 168 US 197 in Dallesport, WA. 3. 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 Clark County or other appropriate regulatory authority that these non-system facilities are not authorized to accept such waste, Metro may immediately terminate this license pursuant to Section 10. |
| 4 | TERM OF LICENSE |
| | The term of the license originally commenced on January 1, 2018 and is extended until December 31, 2021, 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 facilities 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. |



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| 7 | MATERIAL MANAGEMENT |
| | <p>The licensee is authorized to deliver the waste described in Section 1 to the non-system facilities listed in Section 3 under the following conditions:</p> <ol style="list-style-type: none"> 1. The non-system facility listed in Section 3.1 must accept all solid waste that is transported under authority of this license for the sole purpose of transporting to the non-system facility listed in Section 3.2 for processing and composting on-site. The licensee must not dispose of any source-separated recyclable material, except as provided in Section 8; and 2. The non-system facility listed in Section 3.2 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. |
| 8 | REGIONAL SYSTEM FEE AND EXCISE TAX |
| | <p>The licensee is subject to the following conditions:</p> <ol style="list-style-type: none"> 1. 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 compost facility listed in Section 3.2, is exempt from Metro regional system fee and excise tax in accordance with Metro Code Chapters 5.02 and 7.01. 2. If the licensee transports the waste described in Section 1 to the non-system compost facility listed in Section 3.2, 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 compost facility fails to process and compost the material as required as a condition of this license, the licensee must pay to Metro an amount equal to the: <ol style="list-style-type: none"> (a) Metro regional system fee, as provided in Metro Code Title V, for each ton or portion thereof of waste transported to the non-system compost facility that is ultimately transported to a disposal site; and (b) Metro excise tax, as provided in Metro Code Title VII, for each ton or portion thereof of waste transported to the non-system compost facility that is ultimately delivered to a disposal site. |
| 9 | 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 facilities listed 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 submit to Metro the records required under Section 9.1 in an electronic format prescribed by Metro no later than fifteen days following the end of each month. 3. The licensee must make available to Metro (or Metro's designated agent) all records from which Section 9.1 is 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 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 facilities named in Section 3. |



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| | <ol style="list-style-type: none"> 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 9 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. |
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| 10 | ADDITIONAL LICENSE CONDITIONS |
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| | <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 facilities 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, suspension, 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; (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; (c) The non-system facilities listed in Section 3 fail to manage the waste subject to this license in accordance with the material management requirements described in Section 7; (d) The non-system facilities listed in Section 3 do not control and minimize odors that are detectable off-site; or (e) The Metro Council adopts legislation or other policy which affects food waste management practices in the region. 3. In addition to subsections 10.2(a) through (e), Metro may amend, suspend, revoke or terminate this license pursuant to the Metro Code. 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 facilities 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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| 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 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> |
| 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 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> |

Exhibit B to Resolution No. 20-5104



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

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

No. N-005-17(4)B

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| LICENSEE: |
| Willamette Resources, Inc. & Republic Services of Clackamas and Washington Counties 10295 SW Ridder Road Wilsonville, OR 97070 |
| CONTACT PERSON: |
| Jason Jordan Phone: 503-404-4180 Email: JJordan4@republicservices.com |
| MAILING ADDRESS: |
| Willamette Resources, Inc. & Republic Services of Clackamas and Washington Counties 10295 SW Ridder Road Wilsonville, OR 97070 |

This non-system license replaces and supersedes the provisions of Metro Solid Waste Facility Non-System License No. N-005-17(4)A.

ISSUED BY METRO:

Pamela C. Peck
Policy and Compliance Director

Date



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| 1 | NATURE OF WASTE COVERED BY LICENSE |
| | <ol style="list-style-type: none"> 1. Source-separated, commercial food waste and residential yard debris containing food waste that is generated within the Metro boundary and received at Willamette Resources, Inc. in accordance with its Metro Solid Waste Facility Franchise; and 2. Source-separated, commercial food waste and residential yard debris containing food waste that is generated within the Metro region and collected by Republic Services of Clackamas and Washington Counties. |

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| 2 | NON-SYSTEM FACILITY AND CALENDAR YEAR TONNAGE LIMITATION |
| | <ol style="list-style-type: none"> 1. The licensee is authorized to transport up to 20,000 tons per calendar year of the waste described above in Section 1 to the following non-system facility for composting: <ul style="list-style-type: none"> Pacific Region Compost Facility 29969 Camp Adair Road Monmouth, OR 97330 2. The licensee is authorized to transport up to 10,000 tons per calendar year of the waste described above in Section 1 to the following non-system facility for composting: <ul style="list-style-type: none"> Recology Organics Aumsville 8712 Aumsville HWYSE Salem, OR 97317 3. This license is issued on condition that each non-system facility named in this section is authorized to accept the type of waste described in Section 1. If Metro receives notice from any state or local government agency that a non-system facility is not authorized to accept such waste, Metro may immediately terminate this license pursuant to Section 9. |

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| 3 | TERM OF LICENSE |
| | The term of the license originally commenced on January 1, 2018 and is now extended to December 31, 2021, unless amended, suspended or revoked as provided in this license. |

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| 4 | 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 facilities listed in Section 2 to prevent spillage of waste while in transit. |

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| 5 | 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. |



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| 6 | MATERIAL MANAGEMENT |
| | <p>The licensee is authorized to deliver the waste described in Section 1 to the non-system facilities listed in Section 2 under the following conditions:</p> <ol style="list-style-type: none"> 1. Each 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 2. Each 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 | REGIONAL SYSTEM FEE AND EXCISE TAX |
| | <p>The licensee is subject to the following conditions:</p> <ol style="list-style-type: none"> 1. 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 facilities listed in Section 2, is exempt from Metro regional system fee and excise tax in accordance with Metro Code Chapters 5.02 and 7.01. 2. If the licensee transports the waste described in Section 1 to a non-system facility listed in Section 2, but the material does not meet the facility's acceptance criteria (for example, the material is too contaminated for processing or composting) or that non-system facility fails to process and compost the material as required as a condition of this license, the licensee must pay to Metro an amount equal to the: <ol style="list-style-type: none"> (a) Metro regional system fee, as provided in Metro Code Title V, for each ton or portion thereof of waste transported to a non-system facility that is ultimately transported to a disposal site. (b) Metro excise tax, as provided in Metro Code Title VII, for each ton or portion thereof of waste transported to a non-system facility that is ultimately delivered to a disposal site. |
| 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 each non-system facility listed in Section 2. 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 submit to Metro the records required under Section 8.1 in an electronic format prescribed by Metro no later than fifteen days following the end of each month. 3. The licensee must make available to Metro (or Metro's designated agent) all records from which Section 8.1 is 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 also sign or otherwise provide to Metro any consent or waiver necessary for Metro to obtain information or data from a third party, including each non-system facility named in Section 2. 4. Metro may require the licensee to report the information required by this section on a weekly or daily basis. |



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| | <p>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.</p> |
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| 9 | ADDITIONAL LICENSE CONDITIONS |
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This non-system license is subject to the following conditions:

1. The transport of solid waste to the non-system facilities listed in Section 2, 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, suspension, modification or termination by Metro in the event that Metro determines that:
 - (a) There has been sufficient change in any circumstances under which Metro issued this license ;
 - (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 2;
 - (c) A non-system facility listed in Section 2 fails to manage the waste subject to this license in accordance with the material management requirements described in Section 6;
 - (d) A non-system facility listed in Section 2 does not control and minimize odors that are detectable off-site; or
 - (e) The Metro Council adopts legislation or other policy which affects food waste management practices in the region.
3. In addition to subsections 9.2(a) through (e), Metro may amend, suspend, revoke or terminate this license pursuant to the Metro Code.
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 2 that authorizes the facility to accept the waste described in Section 1.
6. This license authorizes transport of solid waste only to the facilities listed in Section 2. Transfer of waste generated from within the Metro boundary to any non-system facility other than those 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> |

IN CONSIDERATION OF RESOLUTION NO. 20-5104, FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO EXTEND AND AMEND NON-SYSTEM LICENSES FOR ARROW SANITARY SERVICE AND WILLAMETTE RESOURCES INC. AND REPUBLIC SERVICES OF CLACKAMAS AND WASHINGTON COUNTIES

Date: May 28, 2020
Department: WPES
Meeting Date: June 11, 2020

Prepared by: Joanna Dyer,
Joanna.dyer@oregonmetro.gov

ISSUE STATEMENT

Metro seeks to extend the term of two non-system licenses (NSLs) for 18 months rather than require a renewal application during the COVID-19 pandemic. Arrow Sanitary Service (Arrow) and Willamette Resources Inc. and Republic Services of Clackamas and Washington Counties (collectively “Republic”) both hold NSLs to transport source separated food waste generated in the Metro region to compost facilities located outside of the region and are both in good standing with Metro. The current licenses expire on June 30, 2020 and this resolution will extend the terms to December 31, 2021.

ACTION REQUESTED

Approve Resolution No. 20-5104 which will authorize the Chief Operating Officer to issue amended NSLs to Arrow and Republic extending the term of each for 18 months to expire on December 31, 2021.

IDENTIFIED POLICY OUTCOMES

Approval of this resolution will extend the term of the NSLs to transport source-separated food waste to compost facilities outside of the Metro region for composting, and enable Metro to continue to track the amount and types of putrescible waste being transported out of the Metro region.

POLICY QUESTION(S)

Should the Metro Council grant the Chief Operating Officer authority to extend the term of NSLs for Arrow and Republic as described in this resolution?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

1. Approve the resolution as proposed to extend the term of the NSLs to transport source-separated food waste to compost facilities outside of the Metro region for composting.
2. Amend the resolution to extend the term of the NSLs with different conditions other than those recommended by staff.
3. Do not approve Resolution No. 20-5104.

STAFF RECOMMENDATIONS

Staff recommends that Council approve Resolution No. 20-5104. If Council approves this resolution, the amended NSLs (No. N-029-17(3)A and N-005-17(4)B) will go into effect immediately and expire on December 31, 2021. The proposed NSLs would supersede and replace the previously issued NSLs.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

NSLs 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.

Arrow and Republic separately hold NSLs that that expire on June 30, 2020. The NSLs were originally scheduled to expire on December 31, 2019, but the Chief Operating Officer extended the term of each for an additional six months as allowed per Metro Code Section 5.05.170(5)(D).

Metro Code Chapter 5.05 requires that a licensee seeking to renew an NSL must submit a complete application at least 120 days before the license expiration date. However, the standard renewal process for these NSLs was disrupted in March when on the World Health Organization declared COVID-19 a global pandemic and Governor Brown issued Executive Order 20-12¹ (“Stay Home, Save Lives”).

The region relies on haulers and facilities to continue to collect, consolidate, reload and transport solid waste during this pandemic, while the health and economic repercussions are still unknown. The Chief Operating Officer finds it is in the public’s interest to not require a NSL renewal application from these licensees in this instance to minimize barriers during such an unprecedented time. Both licensees are in good standing with Metro and there is no known opposition to extending the terms of these NSLs.

This proposed resolution aligns with Metro’s commercial food waste policy development work. In 2014, the Metro Council confirmed its desire to increase the region’s recovery of food waste and its wish to process that waste in or as close to the region as possible. In 2018, the Metro Council adopted the Business Food Waste Requirement (Resolution No. 18-1418) requiring city and county governments to ensure that food waste collection services are available to businesses. Implementation of that requirement was initially scheduled to begin on March 31, 2020. Due to the impacts of the COVID-19 pandemic on businesses targeted by the requirement, the Chief Operating Officer signed temporary Administrative Rule 5.10-4020 on March 20, 2020, delaying the Phase 1 implementation to September 30, 2020.

Metro staff is currently developing a new set of temporary administrative rules for consideration by the Chief Operating Officer. Those proposed rules would further delay the Phase 1 implementation for an additional six months. Metro Central Transfer Station is moving forward with facility improvements and will likely begin processing commercial

¹ https://www.oregon.gov/gov/Documents/executive_orders/eo_20-12.pdf

food waste into a slurry for use in an anaerobic digester by January 1, 2022. Metro staff recommends that the Metro Council require that all putrescible waste generated within the Metro region be transported only to a designated facility of the system at that date. This proposed resolution will align the terms of these NSLs for Arrow and Republic with that proposed timeframe.

Known Opposition

There is no known opposition to the proposed non-system license extensions.

Legal Antecedents

- Metro Code Section 5.05.040 prohibits any person from utilizing a non-system facility without an appropriate license from Metro.
- Metro Ordinance No. 18-1418: Business Food Waste Requirement
- Metro Resolution No. 18-4864: Commercial Food Waste Ban policy development
- Metro Resolution No. 19-1431: Adoption of Regional Waste Plan
- Metro Resolution No. 20-5067: Establishes commercial Food Waste Ban effective date

Anticipated Effects

Approval of Resolution No. 20-5104 will authorize the Chief Operating Officer to issue amended NSLs to transport source-separated food waste as follows:

- Arrow (NSL No. N-029-17(3)B): up to 13,000 tons to West Van Material Recovery Center (West Van) in Vancouver, WA for consolidation and transport to Dirt Hugger compost facility in Dallesport, WA.
- Republic (NSL No. N-005-17(4)B): up to 20,000 tons to Pacific Region Compost (PRC) in Monmouth, OR and up to 10,000 tons to Recology Organics in Aumsville, OR.

The terms of both NSLs will be extended 18 months to expire on December 31, 2021.

Financial Implications

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, the solid waste fee and tax revenues.

In the case of Arrow and Republic, the source-separated food waste that will be transported under authority of these proposed NSLs will continue to be exempt from the fee and tax because it will be composted. The historical diversion authorized under these proposed NSLs has already been factored into Metro's rates and budget – which further reduces any fiscal impact of granting this license renewal.

BACKGROUND

WRI and Republic

Republic Services Inc., headquartered in Phoenix, Arizona, is the parent company of WRI, Republic and PRC. WRI and Republic have transported source separated food waste to PRC under Metro authorization since 2009. The licensee transported 14,341 tons and 14,409 tons of food waste to PRC (NSL No. N-005-17(4)A) in calendar years 2018 and 2019 respectively, and 1,392 tons through March 2020. Zero tons have been transported to Recology Organics Aumsville over the term of the NSL (No. N-005-17(5)B). These two NSLs are being combined into NSL No. N-005-17(4)B for administrative efficiency. The calendar year tonnage limits of up to 20,000 tons to PRC and up to 10,000 tons to Recology Organics Aumsville will remain the same in the amended license.

Arrow

Waste Connections, Inc., headquartered in The Woodlands, Texas, is the parent company that owns both Arrow and West Van. Arrow has transported source separated food waste to Dirt Hugger via West Van under Metro authorization since 2014. The licensee transported 1,075 tons and 713 tons of food waste to Dirt Hugger in 2018 and 2019 respectively. As of April 1, Arrow has transported 337 tons during calendar year 2020. The calendar year tonnage limit of up to 13,000 tons will remain the same in the amended license.

ATTACHMENTS

- A. Exhibit A to Resolution No. 20-5104: Draft NSL for Arrow N-029-17(3)B
- B. Exhibit B to Resolution No. 20-5104: Draft NSL for Republic N-005-17(4)B