

IN CONSIDERATION OF RESOLUTION NO. 24-5428, FOR THE PURPOSE OF AMENDING AND ADOPTING THE LIST OF DESIGNATED FACILITIES OF THE SOLID WASTE SYSTEM PURSUANT TO METRO CODE CHAPTER 5.05

---

Date: October 29, 2024  
Department: WPES  
Meeting Date: November 21, 2024

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

---

**ISSUE STATEMENT**

All solid waste generated within the Metro jurisdictional boundary must be transported to a designated facility, or to another approved destination under a non-system license, for processing or disposal. Divert Integrated Food Recovery Facility is a food waste processing and anaerobic digestion facility under development at 1800 Prudential Blvd. in Longview, Washington. It has applied to become a designated facility of Metro’s solid waste system pursuant to Metro Code Chapter 5.05.

**ACTION REQUESTED**

Adopt Resolution No. 24-5428 to:

1. Designate Divert Integrated Food Recovery Facility as part of Metro’s solid waste system and add this facility to the designated facilities list;
2. Adopt an amended list of designated facilities pursuant to Metro Code Section 5.05.060, attached as Exhibit A to Resolution 24-5428;
3. Authorize the Chief Operating Officer to remove from the list of designated facilities in Exhibit A any disposal site or solid waste facility that permanently closes or ceases to accept solid waste. No further Metro Council action is needed for designated facility removals authorized by this section; and
4. Authorize the Chief Operating Officer to execute a designated facility agreement between Metro and Divert Integrated Food Recovery Facility for the types of waste described in this staff report.

**IDENTIFIED POLICY OUTCOMES**

Designating the proposed facility as part of Metro’s solid waste system and establishing a designated facility agreement (DFA) with it provides greater oversight of the region’s waste and helps Metro ensure that commercial food waste is properly managed in accordance with the Regional Waste Plan and other solid waste policy objectives.

**POLICY QUESTION**

Should Metro Council designate Divert Integrated Food Recovery Facility as part of Metro’s solid waste system?

**POLICY OPTIONS FOR COUNCIL TO CONSIDER**

1. *Adopt the proposed resolution and authorize Divert Integrated Food Recovery Facility as a designated facility.*

Designating an out-of-region facility as part of the solid waste system helps Metro ensure that Metro area waste is managed appropriately when it leaves the region. When Council designates a facility, it creates a direct relationship between Metro and the facility. This

allows Metro to establish operational expectations and mechanisms for monthly reporting and fee and tax remittance for Metro area waste received at the facility. This reduces administrative costs and creates tax and fee collection efficiencies. Designation also reduces the need for any future user of the facility to apply for and maintain an individual non-system license (NSL) from Metro, which reduces Council's need to potentially consider multiple administrative NSLs during Council meetings.

2. *Do not adopt the Resolution to authorize Divert Integrated Food Recovery Facility as a designated facility.*

If Council does not adopt this resolution, the designated facility list would not change and would remain as adopted by Council in 2021 (Resolution No. 21-5167). Each generator or transporter interested in sending commercial food waste from the Metro area to the Divert Integrated Food Recovery Facility for processing would need to apply for a Metro NSL to authorize that transport. Staff would evaluate each NSL application and make a recommendation to Council, which would need to determine whether to issue each NSL.

Multiple NSLs issued to transport waste to the same non-system facility may create an administrative burden for Metro and add a barrier to the facility's ability to source feedstocks in a timely manner. Metro does not have a direct relationship with non-system facilities authorized under an NSL, therefore, Metro has less direct knowledge of how the waste is managed when authorized under an NSL versus an agreement with the facility itself. A DFA is a more efficient mechanism for managing the flow of waste from the Metro region to a designated facility, as the facility can accept authorized waste directly from Metro area customers as provided in the DFA.

#### **STAFF RECOMMENDATIONS**

Staff recommends that Metro Council adopt Resolution No. 24-5428 to add Divert Integrated Food Recovery Facility to Metro's designated facilities list.

#### **STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

A designated facility is a solid waste facility or disposal site that is: (1) owned or operated by Metro; (2) located *within* the Metro jurisdictional boundary and subject to Metro's regulatory authority under Metro Code Chapter 5.01, or (3) located *outside* the Metro jurisdictional boundary that Council has designated as part of Metro's solid waste system. Once designated, Metro adds the facility to the designated facilities list (see Exhibit A to Resolution No. 24-5428). Council adopts the designated facilities list at least every five years and more often if changes to the list occur (as proposed with this resolution). If Metro Council designates a facility as part of the system, the Chief Operating Officer is authorized to execute an agreement between Metro and the facility, which allows the facility to accept solid waste generated from within the region and collect the regional system fee and excise tax on Metro's behalf. There are currently 15 designated facilities located *outside* of the Metro jurisdictional boundary.

On May 10, 2024, Divert PNW Dev Co, LLC submitted a designated facility application to Metro for its facility in Longview, Washington which is currently under development. The proposed facility plans to receive pre-consumer packaged, unpackaged and liquid food waste from food retailers and producers. The facility will depackage and process the food waste into a liquid slurry which will be fed into an on-site anaerobic digester to produce renewable natural gas. This facility, once operational, will provide additional capacity for recovering food waste from large grocery retailers that generate high volumes of packaged and unpackaged food waste. Depackaging is an essential

tool in diverting this waste from the landfill. In addition, Divert works with its customers to separate food for donation and provides data to its customers about their food waste to inform future purchasing and diversion decisions.

Divert operates a similar facility in Albany, Oregon that Council designated as part of Metro's solid waste system in 2021 (Resolution No. 21-5167). Attachment 1 contains additional information about the applicant, the proposed facility and the existing facility in Albany.

### **Legal Antecedents**

Metro has solid waste management authority under the Oregon Constitution, state law and the Metro Charter. To determine whether to add a facility to the designated facilities list, Metro Council must consider the factors described in Metro Code Subsection 5.05.070(b) as set forth in Exhibit B to Resolution 24-5428.

### **Financial Implications**

Recovered food waste is exempt from Metro fees and taxes. Metro will collect fees and taxes on any residual waste resulting from depackaging of food waste generated in the Metro region. Staff will work with the facility to establish reporting and remittance protocols using the existing DFA with the Divert facility in Albany as guidance. Based on the current system, staff does not expect any financial implications resulting from the proposed action. However, Metro is currently developing a Regional System Facilities Plan that identifies organics processing as a potential future investment strategy. The financial implication of this strategy is not yet known, and Council may decide to amend the designated facility list in accordance with Metro Code Chapter 5.05 in the future when more information is available.

### **Known Opposition**

There is no known opposition to the proposed actions described in this resolution.

### **ATTACHMENTS**

- Attachment 1 to Staff Report: Background information on the applicant