

IN CONSIDERATION OF RESOLUTION NO. 19-5031 FOR THE PURPOSE OF
AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A RENEWED NON-
SYSTEM LICENSE AUTHORIZING PACIFIC FOODS OF OREGON, INC. TO TRANSPORT
AND DISPOSE NON-RECOVERABLE SOLID WASTE, INCLUDING PUTRESCIBLE
WASTE AT THE COVANTA WASTE-TO-ENERGY FACILITY LOCATED IN BROOKS,
OREGON

Date: November 1, 2019
Department: PES
Meeting Date: November 21, 2019

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ISSUE STATEMENT

Pacific Foods of Oregon, Inc. (Pacific Foods) is requesting renewal of its Metro Solid Waste Facility Non-System License (NSL) to transport up to 1,300 tons of non-recoverable waste, including putrescible waste, from its facility located at 19480 SW 97th Avenue in Tualatin (Metro District 3) to the Covanta Waste to Energy facility (Covanta) in Brooks, OR.

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

Staff requests approval of Resolution No. 19-5031 to issue a renewed NSL to Pacific Foods.

IDENTIFIED POLICY OUTCOMES

Approval of the proposed NSL renewal 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

Should Metro Council approve the resolution and grant the Chief Operating Officer authority to issue a renewed NSL, as provided in Metro Code Chapter 5.05.110, to Pacific Foods to deliver up to 1,300 tons of putrescible waste per calendar year to Covanta?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

1. Approve the resolution as proposed to authorize the Chief Operating Officer to issue a renewed NSL to Pacific Foods.

2. Do not approve the resolution.

STAFF RECOMMENDATIONS

Staff recommends Metro Council approve of Resolution 19-5031 to authorize the Chief Operating Officer to issue a renewed Metro Solid Waste Facility Non-System License to Pacific Foods.

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.

Known Opposition

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;*

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. 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;*

Pacific Foods 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 considered to be disposal and does not count toward recovery in Metro's recovery rate calculation because state statute¹ 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;*

Through 2019, Metro has a contractual agreement to deliver a minimum of 87 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 proposed NSL is not effective until January 1, 2020, after the expiration of Metro's contractual agreement and 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*

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.

¹ ORS 465A.010(4)(f)(B)

(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.

Anticipated Effects

Adoption of Resolution 19-5031 will authorize the Chief Operating Officer to issue a renewed NSL, as provided in Metro Code Chapter 5.05.110, to Pacific Foods to deliver up to 1,300 tons of putrescible waste per calendar year to Covanta.

Financial Implications

The application under consideration is the renewal of an existing NSL. The financial impact of this NSL has already been factored into the budget. 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 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.

The applicant, Pacific Foods is a locally owned and operated food manufacturing company specializing in soups and non-dairy beverages. Pacific Foods has a robust sustainability program including a dedicated recycling staff of 4-5 full time employees and a current landfill diversion rate of approximately 85 percent. As part of these efforts, the company seeks to become a zero-waste-to-landfill company. The waste that Pacific Foods seeks to transport to Covanta includes lunch room and restroom waste, and off-specification food products contained in aseptic packaging. Pacific Foods minimizes food waste in a variety of ways. For example, certain food by-products go to their cattle farms in the Willamette Valley to be used as animal feed or bedding. Liquid off-specification product (such as broth or soy milk) is de-watered on site to recover the aseptic containers. The waste water is treated on-site and solids captured during the process are transported to Farm Power in Tillamook for anaerobic digestion. Certain products (such as off-specification pea soup) contain too much solid material to be processed through the facility's de-watering machinery. If the off-specification product is edible it is donated to the Oregon Food bank, if it is inedible and cannot be de-watered, it is disposed.

Pacific Foods has been authorized to transport non-recoverable solid waste including putrescible waste to Covanta since 2017 under a Metro NSL. The current license will

expire December 31, 2019. The licensee transported approximately 276 tons to Covanta in calendar year 2018, and about 3432 tons through September of 2019.

ATTACHMENTS

Exhibit A to Resolution No. 19-5031: Draft Non-System License No. N-176-20.