IN CONSIDERATION OF RESOLUTION NO. 19-5041 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A NEW NON-SYSTEM LICENSE AUTHORIZING MARTIN BROWER COMPANY, LLC 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 Prepared by: Will Ennis, x1667, will.ennis@oregonmetro.gov

Meeting Date: November 21, 2019

ISSUE STATEMENT

Martin Brower Company, LLC (Martin Brower) is requesting a new Metro Solid Waste Facility Non-System License (NSL) to transport up to 400 tons per calendar year of non-recoverable solid waste, including putrescible waste, from its facility located at 9310 N Harborgate St. in Portland 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

Approve Resolution No. 19-5041 which will authorize the Chief Operating Officer to issue a new Metro Non-System Facility License to Martin Brower for a term of two years.

IDENTIFIED POLICY OUTCOMES

Approval of the proposed NSL 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 OUESTION

Should Metro Council approve the resolution and grant the Chief Operating Officer authority to issue a new NSL, as provided in Metro Code Chapter 5.05.110, to Martin Brower to deliver up to 400 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 renewed NSL to Martin Brower.
- 2. Approve the resolution with conditions in addition to or other than those recommended by staff.

3. Do not approve the resolution.

STAFF RECOMMENDATION

Staff recommends Metro Council approve of Resolution 19-5041 to authorize the Chief Operating Officer to issue a renewed Metro Solid Waste Facility Non-System License to Martin Brower.

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/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;
 - 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;

Martin Brower 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 statute (ORS 465A.010(4)(f)(B)) 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.

(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 19-5041 will authorize the Chief Operating Officer to issue a new NSL, as provided in Metro Code Chapter 5.05.110, to Martin Brower to deliver up to 400 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 400 tons of non-recoverable solid waste, including putrescible waste to Covanta Waste-to-Energy facility. While the financial impact of this NSL has not been factored into the budget, its impact is expected to be negligible due to the limited amount of tonnage authorized by the NSL. 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 a new NSL to transport non-recoverable solid waste, including 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 is subject to Metro Council approval because it involves putrescible waste.

The applicant, Martin Brower, operates a supply chain and distribution center located at 9310 N Harborgate St. in Portland (Metro District 5). The Portland facility supplies McDonald's restaurants in Oregon, southwest Washington, western Idaho and northern California. The facility operates 24 hours a day, seven days a week and employs approximately 120 people.

Martin Brower 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-recyclable wastes from its warehouse activities including expired packaged food product, plastics and banding. Martin Brower has a robust sustainability program and seeks to become a zero-waste-to-landfill company by 2025. To that end it has applied for a NSL to deliver non-recyclable waste to a waste-to-energy facility instead of landfill for disposal.

ATTACHMENTS

Exhibit A to Resolution No. 19-5041: Draft Non-System License No. N-189-20.