

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

Presentation Date: July 11, 2017 **Approx. Start Time:** 3:30 pm **Approx. Length:** 30 minutes

Presentation Title: Proposed Regional Commercial Food Scraps Collection Requirement

Department: Transportation & Development – Resource Conservation & Solid Waste Program

Presenters: Jennifer Erickson (Metro); Eben Polk (Clackamas County)

Other Invitees: Solid Waste Commission members; Clackamas County Refuse & Recycling Association; Barbara Cartmill (Director); Scott Caufield (Division Manager)

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

No action. This session is intended to share information and identify questions.

EXECUTIVE SUMMARY: Diverting more food waste away from landfills is a state and regional priority. Food is approximately 18 percent of what our region sends to the landfill—the single largest component. When dumped in landfills, food waste becomes a significant source of methane; separated and collected, food waste can be processed to generate clean energy and/or agricultural amendments. Oregon law identifies an increased recovery goal for food waste of 25 percent by 2020, and was recently amended to include commercial food collection programs as an option to meet local requirements for recycling programs. Yet, under the current suite of collection programs in the region, recovery of food remains at a level below that needed to support a local processor. Of 140,000 tons of food scraps discarded by businesses each year, about 28,000 tons are currently diverted from the landfill to a better use.

Metro has been studying requirements for food waste recovery initiated in other communities in the US. In October 2016 the Metro Council directed their staff to (a) develop a draft policy requiring businesses keep food scraps out of the garbage, (b) determine how to aggregate and transfer collected food scraps, and (c) issue an RFP for a local food scraps processor. It is intended that the additional tons diverted under this requirement would be sufficient to support a local processor. A mandate would initially apply only to large food waste generators such as food processors, restaurants, and grocery stores, extending to smaller institutions, restaurants, grocers, and schools in following years.

Under the draft timeline, Metro Council will consider a proposed policy in September. Local governments within the Metro district would be required to pass implementing ordinances by mid-2018. Implementing ordinances would then require that the first businesses meeting a threshold for food waste generation must separate their food waste starting in March 2019, with additional groups in 2020 and 2021. This is similar to our 2007-08 code amendments requiring that businesses recycle basic materials such as metals, paper, and certain plastics. It is difficult to forecast how many businesses will be covered by this requirement. We estimate based on state employee data that 70 businesses in unincorporated County would be included in Group 1, with another 100 to 220 in Groups 2 and 3.

County staff is participating in the advisory team on this policy development process. To Metro staff we have underscored the importance of (a) engagement with local elected leaders and

businesses, (b) adequate lead time, and (c) importantly, convenient transfer options to minimize collection costs.

County staff briefed the C4 Metro committee on this proposal in December 2016, and representatives to MPAC were briefed on the topic in October 2016.

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? YES NO

What is the cost? Unclear – potential costs in staff time for outreach and technical assistance to businesses, and potential costs in code enforcement.

What is the funding source? Historically, Metro has provided additional regional funds from the solid waste system for technical assistance to businesses, and it is anticipated that this would continue. In the current fiscal year, Metro provided \$80,000 for additional food scraps outreach and program development.

STRATEGIC PLAN ALIGNMENT:

- How does this item align with your Department's Strategic Business Plan goals? Our mission includes the provision of materials management services so businesses, the public, and future generations can experience a livable community. Our program's purpose includes the provision of recycling and sustainability-related services to businesses so they can reduce waste and conserve resources.
- How does this item align with the County's Performance Clackamas goals? It supports goals to honor, utilize, promote and invest in our natural resources, and ensure safe, healthy, secure communities. A processing facility, if located in Clackamas County (a proposal in Wilsonville is among those submitted), would also support jobs and capital investment.

LEGAL/POLICY REQUIREMENTS: None. Oregon's Opportunity to Recycle Act was amended in 2015 to include goals for food waste recovery and to include commercial food recovery requirement as one program option for local implementation.

PUBLIC/GOVERNMENTAL PARTICIPATION: Metro has been and will continue conducting stakeholder outreach and engagement with businesses and local governments. Metro and local government ordinances would follow standard public participation processes. Clackamas County would discuss any proposed ordinance at its Solid Waste Commission before BCC consideration.

OPTIONS: None at present. Staff are requesting input and Board reaction.

RECOMMENDATION: No recommendation.

ATTACHMENTS:

Powerpoint presentation (Jennifer Erickson; Eben Polk)
Q & A for businesses
Q & A for elected officials

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval _____

County Administrator Approval _____

For information on this issue or copies of attachments, please contact Eben Polk @ 503-742-4470 or
epolk@clackamas.us.



Metro



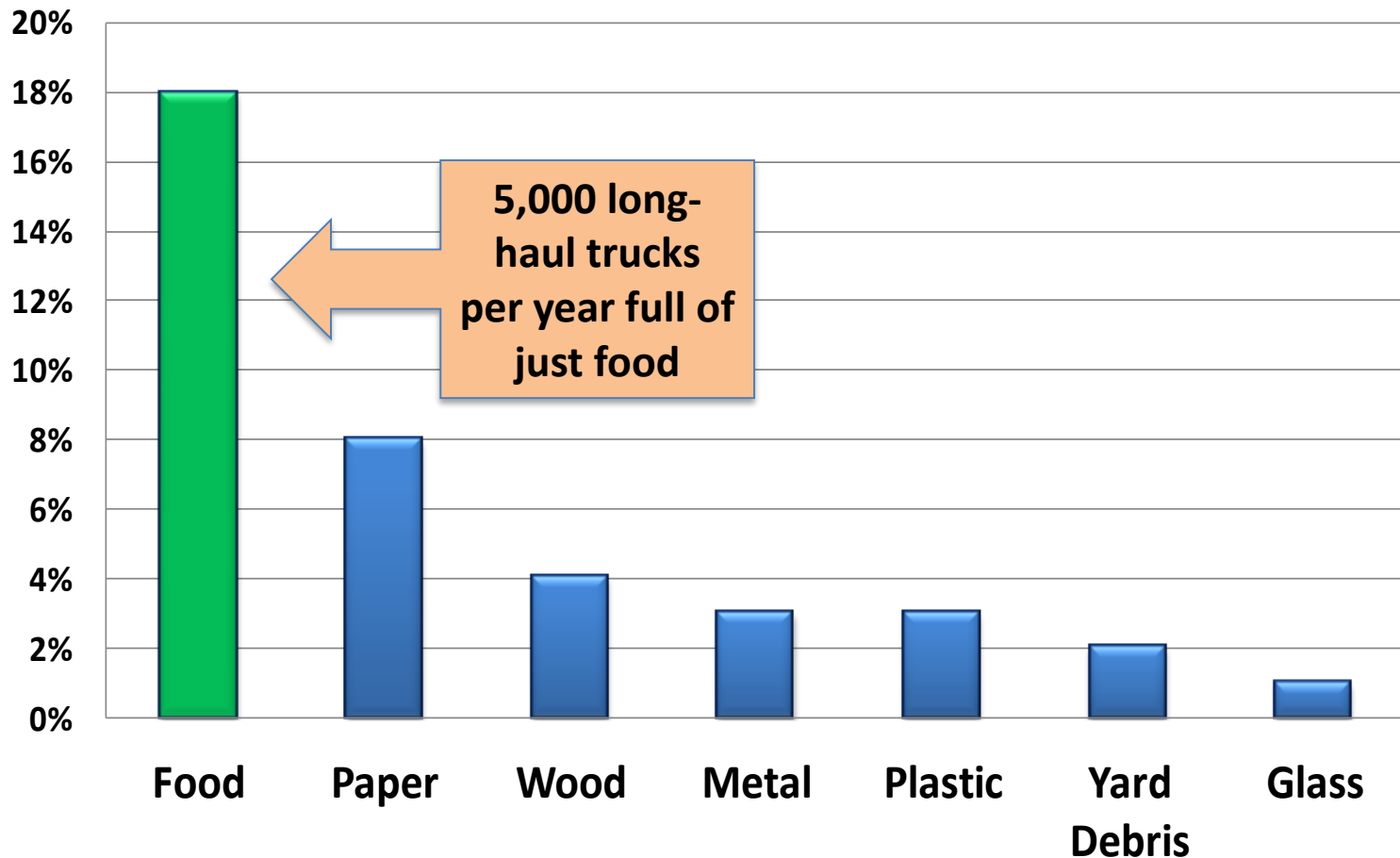
Regional Food Scraps Program Overview

July 11, 2017

Clackamas County Board of Commissioners

Why Food?

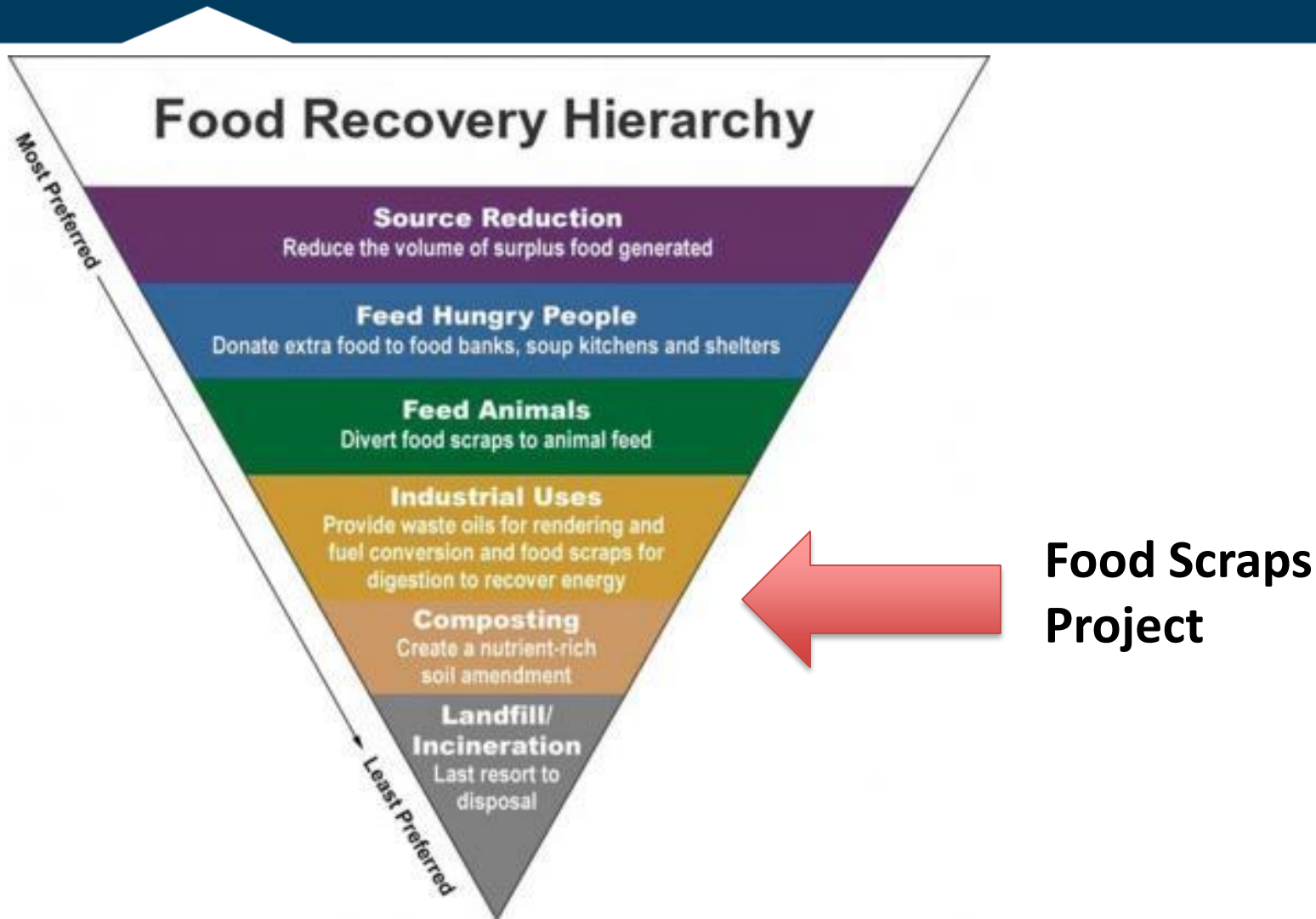
Metro Region Disposed Recoverables



Why Food?



Prevention and Donation First



Commercial not Residential



These food scraps



Not these

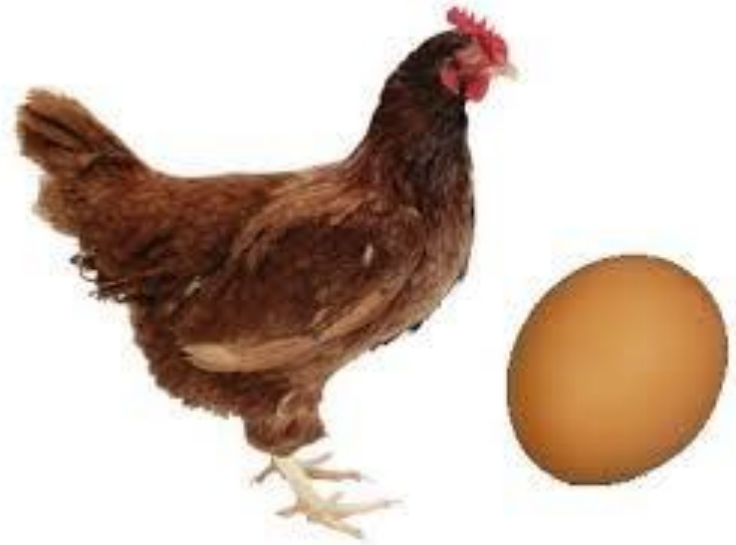


This work isn't new

- 1993: Metro workshop to develop strategies for Organic Waste
- 1994: Metro conference follow up to 1993 workshop
- 1995: RFP for Phase I Food Waste Collection & Processing
- 1996: RFP for Phase 2 Food Waste Collection & Processing
- 1999: AOR Organics Forum: Portland discusses mandatory
- 2000: Metro & Portland convene processing roundtable, Metro RFP
- 2001: City of Portland issues RFP
- 2002: Metro matching grant program & site search
- 2003: Metro Organic Waste Infrastructure Development Grant
- 2004: RFP for combined transportation & processing services
- 2004-present: Metro provides funding to support local program development
- 2005: Food scraps collection program begins in Portland
- 2010: SWAC engagements specific to Food System
- 2009: PRC begins accepting food scraps
- 2010: Recology takes over contract for processing
- 2010: Nature's Needs begins accepting food scraps
- 2011: SWAC recommends the region move to mandatory if benchmarks not met
- 2012: Roadmap Food Scraps Project begins
- 2013: Nature's Needs closes to commercial food scraps
- 2013: JC Biomethane begins processing the region's food scraps

Key Barrier to Progress

Private investment in processing infrastructure requires confidence in supply of food scraps, which the region does not currently provide.



Metro Council Direction

To achieve the objectives of increasing recovery and attracting stable, local processing capacity:

1. Require certain businesses to separate their food scraps for recovery, eventually ban disposal of food.
2. Determine how to efficiently collect and deliver food scraps for processing.
3. Secure local and stable processing capacity.

How are we approaching the work?

- Intergovernmental policy development team
- Stakeholder engagement
- Data analysis
- Cost analysis
- Equity

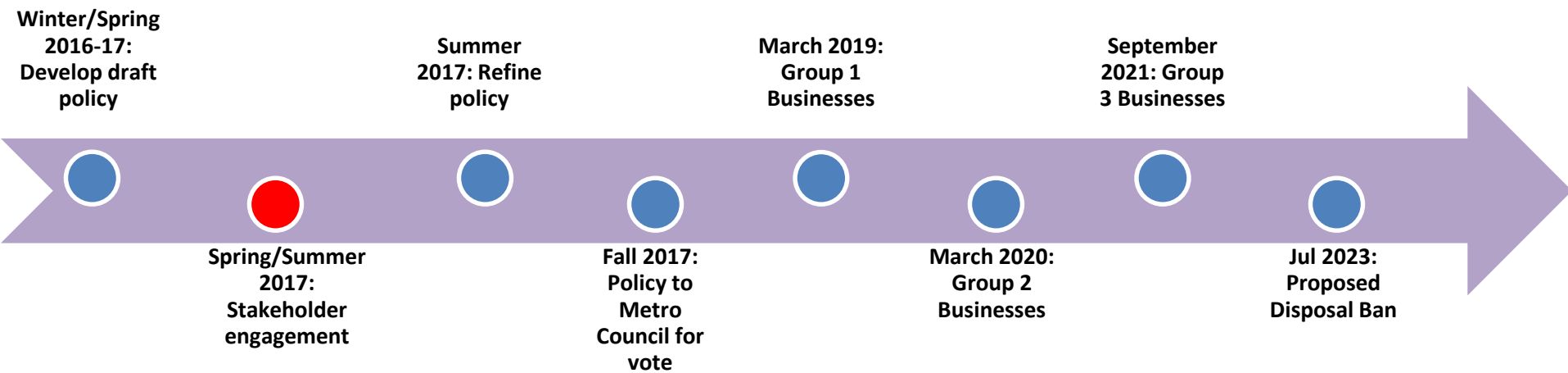


What have stakeholders told us?

- Food Businesses
- Industry Trade Associations
- Local Government Solid Waste Directors
- Local elected officials
- Food rescue agencies



Draft Timeline



DRAFT
CONCEPT-LEVEL

How Would the Phases Apply?

<ul style="list-style-type: none">• 2019 – Largest Food Generators<ul style="list-style-type: none">• Food Manufacturers• Grocery Stores• Hospitals• Hotels• Larger food service contractors• Large restaurants	In Unincorporated Clackamas County: ~ 70-80 generators
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<ul style="list-style-type: none">• 2020 – Medium Food Generators<ul style="list-style-type: none">• Specialty Food Markets• Grocery Wholesale• More restaurants	~ 60-150 generators
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<ul style="list-style-type: none">• 2021 – Smaller Food Generators<ul style="list-style-type: none">• Schools• Residential care / retirement• Pubs	~ 50-90 generators
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What's Next?

Metro level:

- RFP for food scraps processing facility
- Continued stakeholder engagement (businesses, local govts, collectors)
- Development of proposed Metro code and admin rules
- Options for transfer
- Identify measures to minimize costs

Local level:

- Aim for consistent rates and service levels
- Ensure service is more widely available
- Participate in engagement and policy development
- Bolstering donation efforts
- Continue refining technical assistance in cities and county (Recycling Partnership)

Thank you

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Solid Waste Roadmap

Food Scraps Project Q&A: Businesses

Public benefits of a regional solid waste system

Through its management of the regional solid waste system, Metro seeks to:

- Protect people's health
- Protect the environment
- Get good value for the public's money
- Keep our commitment to the highest and best use of materials
- Be adaptable and responsive in managing materials
- Ensure services are available to all types of customers

About 40 percent of the food in the U.S. is wasted. That waste comes at all stages of the food system: at the farm, in transportation, at wholesalers and retailers, and at home. Despite our region's waste prevention and donation efforts, we still send to landfills the equivalent of 5,000 long-haul trucks full of nothing but food every year.

Why is Metro considering a food scraps collection requirement?

- Food is the largest component of our region's garbage. It is 18 percent of our overall disposed waste. Businesses are responsible for over half of that.
- Food waste has value. Collecting food scraps allows us to use that material to create clean energy as well as fertilizer and compost products that benefit local farms, nurseries and gardens. Putting food scraps in the garbage is a missed opportunity to capture these benefits and make the most of our waste.
- Sending food scraps to the landfill is also an environmental concern. Food scraps are a primary contributor to the production of methane in landfills. Methane has a greenhouse gas impact at least 24 times that of CO₂. Recovering just one quarter of our food waste is equivalent to removing 3,000 cars from the road or saving more than 1.6 million gallons of gasoline.
- This isn't just a local priority. The state of Oregon recently established a goal to recover 25 percent of our wasted food by 2020. In addition, the state recently amended recycling laws to encourage local governments to increase the recovery of food scraps.

Why focus on businesses?

- Businesses in the region throw away approximately 100,000 tons of food per year, which represents 55 percent of the total food that is disposed in the Metro region.
- A relatively small number of businesses can make a big difference. The majority of food scraps in the region are produced by about 2,700 businesses. Food scraps from businesses can also be more easily kept free of contaminants like plastics.
- Many businesses in the region have had the opportunity to collect food scraps for several years, but growth in collection has been slow. With a bigger and more predictable supply of food scraps, our region can secure private investment in a stable, local processing facility that can provide economic and environmental benefit to our region.

How many businesses currently participate?

- About 1,250 businesses of all types and sizes are currently recovering food scraps. This number includes businesses that may not be required to participate in the proposed required program due to their size or the fact that they are not food-oriented businesses (such as offices).

Shouldn't businesses donate food instead to feed the hungry?

- Yes, wherever possible. Good food that has been stored properly and is fit for consumption should be donated, and that is always the preference. Local governments can help businesses set up donation programs at the same time as food scrap recycling. Metro's proposed collection requirement is focused on food scraps that are not edible and cannot be donated such as trimmings, bones, shells, coffee grounds, food prep waste and plate scrapings.

How will this affect businesses?

- Businesses in the region are already required to have systems to recycle paper and plastic, metal and glass containers. This requirement would add food scraps to the list for businesses that process, cook or sell food.
- Businesses subject to a food scraps recycling requirement would receive technical assistance from their city or county to establish food scrap collection. Such assistance is already provided to hundreds of businesses a year for garbage reduction and recycling.

How many businesses will be affected?

- It is envisioned that if the mandatory food scraps collection program is adopted by the Metro Council, it will be phased in over a period of 4-5 years and likely affect about 2,700 businesses in the food industry within the Metro boundary.

How would businesses implement a requirement?

- Although this program does not add any new material to a business' existing garbage system, it would change how materials are collected indoors by staff and outside by garbage collectors. Some businesses may have to adjust container sizes, placement and collection frequency. Implementing a new collection practice is also an opportunity to make sure the collection service fits a business' needs. Some may identify opportunities to get more value or reduce the size of garbage containers.
- Any change to existing business practices requires some adjustment. Like recycling, the goal is to make collecting food scraps routine.
- On-site assistance will be provided by city and county recycling staff and garbage collectors to help businesses find the most efficient and effective approach. Assistance will be designed to help ease the transition to new food scraps collection practices through staff trainings, follow-up visits, problem-solving and resources such as signage and containers.
- Whether it is placed in garbage containers or stand-alone carts, food waste can cause odors and attract insects and rodents. City and county technical assistance teams have experience troubleshooting to prevent or mitigate these problems.

What will it cost?

- As with any new program, there will be associated costs for collecting, transporting and processing food waste. Metro Council directed staff to look at the financial implications and evaluate ways to minimize cost burden. Metro and local governments are evaluating the costs and how they might be reflected in collection fees. This is a challenging process that will take some time to complete and costs may change as the system matures and stabilizes.
- Metro will examine its role in controlling costs such as what is charged when food scraps are delivered to transfer stations, where the food scraps are delivered and the fees charged by the processing facility.

What do businesses think?

- In September 2016, a series of interviews and surveys were conducted with businesses in the region outside of Portland. Interviews included businesses currently participating in food scraps collection, businesses that previously participated but stopped, and those that were offered the service but declined it.
 - Nearly 45 percent of businesses were in favor of a mandatory collection program that had all businesses participating; 15 percent had no strong concerns and would comply if required; 30 percent had some concerns about how it would work but were not opposed; and 10 percent were opposed.
 - On-site assistance, containers and training materials provided by county and city staff were highly valued by participants.
 - Cost neutrality, space constraints, labor and concerns about cleanliness were biggest concerns for non-participants.
 - Most commonly, businesses said they wanted to reduce the garbage sent to the landfill and do something good for the environment. Saving money was not a priority, but keeping costs close to neutral was important.
- Metro staff is talking with food industry businesses, trade groups and local government partners to inform our planning process and design a system to best meet the needs of businesses and local governments. Our goal is to reduce the barriers and address the concerns of affected businesses while ensuring we can keep as much of this valuable material out of landfills and put to better use.

What kinds of products will get made from the food scraps collected and how will they be used?

- Depending on the technology used to process our food scraps, products could include electricity, vehicle fuel, natural gas, liquid fertilizer, solid fertilizer and compost. Most of these products are of value to many industries including agriculture, construction, vehicle fleets and utilities. In addition, fertilizers and composts produced from food scraps can promote soil health, prevent erosion, and increase crop yields and productivity, supporting our agricultural economy.

Do other communities have mandatory programs like the one being proposed?

- Yes. Six states and 13 municipalities have some sort of mandatory food scraps collection program or a ban on the disposal of food in the landfill. We have learned a lot from studying these other programs. Aside from the environmental benefits, many programs have also seen other positive trends such as increased donations of good food to food banks.

For more information, contact: Pam Peck at pam.peck@oregonmetro.gov or Jennifer Erickson at jennifer.erickson@oregonmetro.gov
www.oregonmetro.gov/foodscraps



Solid Waste Roadmap

Food Scraps Project Q&A: Elected Officials

Public benefits of a regional solid waste system

Through its management of the regional solid waste system, Metro seeks to:

- Protect people's health
- Protect the environment
- Get good value for the public's money
- Keep our commitment to the highest and best use of materials
- Be adaptable and responsive in managing materials
- Ensure services are available to all types of customers

About 40 percent of the food in the U.S. is wasted. That waste comes at all stages of the food system: at the farm, in transportation, at wholesalers and retailers, and at home. Despite our region's waste prevention and donation efforts, we still send to landfills the equivalent of 5,000 long-haul trucks full of nothing but food every year.

Why food scraps?

- Food is the largest component of what the region throws out as garbage. It is 18 percent of our overall disposed waste. Businesses are responsible for over half of that total.
- It's not only the quantity of food scraps that is driving the region's interest in recovering them. Food scraps are a primary contributor to the production of methane in landfills. Methane has a greenhouse gas impact at least 24 times that of CO₂.
- The goal of collecting food scraps is to capture the environmental and economic benefits of turning that material into useful products, creating energy, supporting local agriculture and residential gardening while reducing the negative environmental impacts associated with disposal. Putting food scraps in the garbage is a missed opportunity to capture these benefits and make the most of our waste.
- This isn't just a local priority. The state of Oregon recently established a goal to recover 25 percent of our wasted food by 2020. In addition, the state recently amended recycling laws to encourage local governments to increase the recovery of food scraps.

Why focus on businesses?

- Businesses in the region throw away approximately 100,000 tons of food per year, which represents 55 percent of the total food that is disposed in the Metro region.
- The overall greenhouse gas emissions benefit of recovering just half of that food waste rather than landfilling it is equivalent to removing 3,000 cars from the road or saving over 1.6 million gallons of gasoline.
- A relatively small number of businesses can make a big difference. The majority of commercial food scraps in the region are produced by about 2,700 businesses. Food scraps from businesses can also be more easily kept free of contaminants like plastics.

Why mandatory food scraps collection?

- Our voluntary program for collecting food scraps from businesses has resulted in slow growth and has not enabled the region to secure a stable, local processing facility. In order to create a sustainable business, processing facilities need a large and reliable supply of food scraps.

Shouldn't businesses donate food instead to feed the hungry?

- Yes, wherever possible. Good food that has been stored properly and is fit for consumption should be donated, and that is always the preference. Local governments can help businesses set up donation programs at the same time as food scrap recycling. Metro's proposed collection requirement is focused on food scraps that are not edible and cannot be donated such as trimmings, bones, shells, coffee grounds, food prep waste and plate scrapings.

How will this affect businesses?

- Businesses in the region are already required to have systems to recycle paper and plastic, metal and glass containers. This requirement would add food scraps to the list for businesses that process, cook or sell food.
- Local governments provide technical assistance to hundreds of businesses a year to help set up waste reduction and recycling programs. We will continue and enhance that assistance for food businesses.

How many businesses will be affected?

- It is envisioned that if the mandatory food scraps collection program is adopted by the Metro Council, it will be phased in over a period of 4-5 years and likely affect about 2,700 businesses in the food industry within the Metro boundary.
- The first group of businesses is about 850 of the region's largest food producers such as grocery stores, large restaurants and cafeterias. Another 750 businesses will be brought in after a period of time, and then the last group of about 1,000. The actual number of businesses, dates and time frame between each group is still being refined in consideration of business needs and operations and our capacity to help each group get set up appropriately. It will take a few years.

How many businesses currently participate?

- About 1,250 businesses of all types and sizes are currently recovering food scraps. This number includes businesses that may not be required to participate in the proposed required program due to their size or the fact that they are not food-oriented businesses (such as offices).

What are the challenges for a business?

- Many of the businesses that would be included in this requirement are operating on tight margins and are already affected by other regulations. Metro and local governments in the region will provide businesses with on-site assistance to help with training, provide containers and facilitate appropriate collection schedules to keep transition costs down.

What will it cost?

- As with any new program, there will be associated costs. Metro Council directed staff to look at the financial implications and evaluate ways to minimize cost burden. This is a challenging process that will take some time to complete and costs may change as the system matures and stabilizes.
- Costs will also be determined by market conditions and city and county rate setting processes. It will be influenced by many factors, some of which include the number of participants, the distance to transfer stations, and processing fees.
- Metro will examine its role in controlling costs such as what is charged when food scraps are delivered to transfer stations, where the food scraps are delivered and the fees charged by the processing facility.

What do businesses think?

- In September 2016, a series of interviews and surveys were conducted with businesses in the region outside of Portland. Interviews included businesses currently participating in food scraps collection, businesses that previously participated but stopped, and those that were offered the service but declined it.
 - Nearly 45 percent of businesses were in favor of a mandatory collection program that had all businesses participating; 15 percent had no strong concerns and would comply if required; 30 percent had some concerns about how it would work but were not opposed; and 10 percent were opposed.
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What kinds of products will get made from the food scraps collected and how will they be used?

- Depending on the technology chosen to manage our food scraps, products could include electricity, vehicle fuel, natural gas, liquid fertilizer, solid fertilizer and compost. Most of these products are of value to many industries including agriculture, construction, vehicle fleets and utilities. In addition, the natural fertilizers and composts help to retain our rich soil health, prevent erosion, increase crop yields and productivity which helps to support our important agricultural markets.

What about residential food scraps collection?

- The focus for Metro right now is on recovering those concentrated amounts of food scraps coming from businesses. This does not detract from the importance of keeping all food scraps out of the landfill. A few local cities in the region either currently offer or are considering adding food scraps to yard debris collection programs. Residential food scraps and yard debris are typically composted at different facilities than the food scraps coming from businesses. Metro supports this effort.

Do other communities have mandatory programs like the one being proposed?

- Yes. Six states and 13 municipalities have some sort of mandatory food scraps collection program or a ban on the disposal of food in the landfill. We have learned a lot from studying these other programs. Aside from the environmental benefits, many programs have also seen other positive trends such as increased donations of good food to food banks.

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