

Appendix B

Business Food Scraps Policy Metro/City Staff Facts Sheet Oregon City Ordinance 19-1011

Hauling and Disposal

- Metro and City Staff have met with B&B Leasing/Oregon City Garbage over concerns about rates. The following three options should be considered by the hauler to understand the cost and offset of disposal.
 - A. Deliver to Metro Central Station in Portland (\$66.23 per ton—32% less than solid waste) and receive access to services payments to offset additional time on the road. Estimated annual service payment at full policy implementation is \$35,537.
 - B. Deliver to Willamette Resources Inc. (WRI) in Wilsonville (\$73.70 per ton for commercial food waste—29% less than solid waste) and receive access to services payments from Metro. Metro does not regulate rates at private facilities. Estimated annual service payment at full implementation is \$16,688.
 - C. Work with Metro on pilot delivery of commercial food waste loads mixed with residential yard waste on trucks already servicing households to Metro South Station. The rate for this material would be \$77.99 per ton with no access to service payments.

Rates and Funding

- Once the hauler has established the method of disposal, City staff will work with them to evaluate rates per Oregon City Municipal Code 8.20.130 Solid Waste Collection and Disposal Rates as outlined below.
 - A. The cost of performing the service provided by the franchisee;
 - B. The anticipated increase in the cost of providing this service;
 - C. The need for equipment replacement and the need for additional equipment to meet service needs; compliance with federal, state, local law, ordinances and regulations; or technological change;
 - D. The investment of the franchisee, the value of the business, and the necessity that the franchisee has a reasonable rate of return;
 - E. The rates charged in other cities of similar size within other relevant jurisdictions for similar service in comparable service areas;
 - F. The public interest in ensuring reasonable rates to enable the franchisee to provide efficient and beneficial service to the residents and other users of the service;
 - G. The local wage scales, cost of management facilities, and disposal fees or charges;
 - H. Any profit or cost savings resulting from recycling, and any additional costs resulting from recycling.

City staff and Oregon City Garbage have worked collaboratively to ensure City Code is met, establishing and amending rates when necessary.
- Access Services Payments* – Metro will make direct payments to haulers that have to travel a longer distance to a facility that accepts commercial food scraps than they would if this material was mixed with garbage. Facilities that currently accept commercial food scraps include Metro

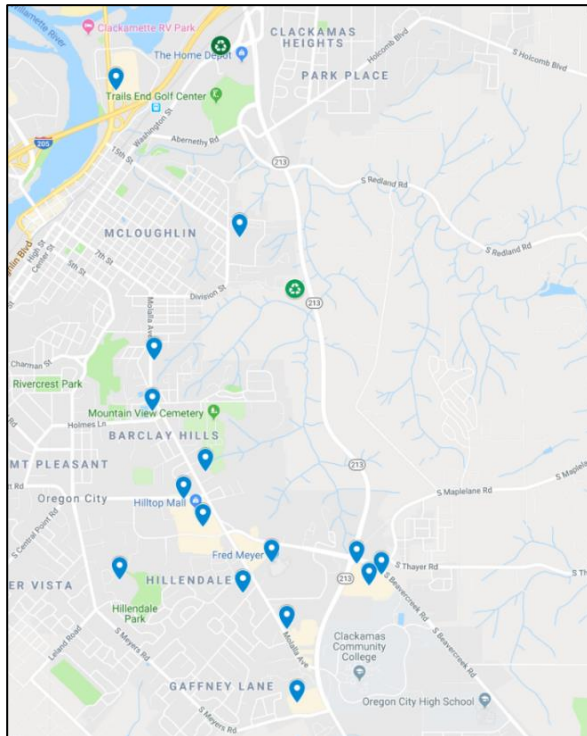
Central Station in Portland and Willamette Resources in Wilsonville. Payment amounts are calculated as follows:

- A. Average per-hour cost to operate a collection vehicle.
- B. Additional time it takes round-trip to bring food scraps to Metro Central rather than the nearest waste transfer station.
- C. Number and type of participating businesses within each payment zone.
- D. Estimated total tons per week generated by businesses in each zone divided by 50% (assumes 50% of the food scraps generated by these businesses will be captured)
- E. Based on an average food scraps load size, the estimated number of loads per week collected from all businesses within each zone.

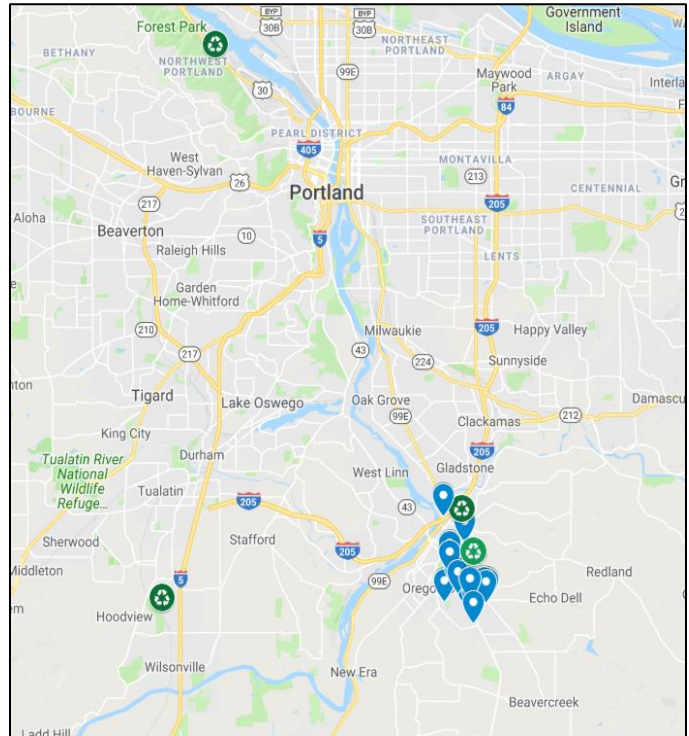
*An estimate based on participants, hauler options, and City business wide implementation. Oregon City Garbage annual access payment ranges from \$35,537-\$8,635.

- Oregon City Food Scrap generation and business expenses will both have effects on the rates the City Commission will establish once the program is implemented. An early estimate of potential cost and credit items is outlined below for policy implementation of disposing at Metro Central and Wilsonville Resources Inc. City staff will work with franchise hauler to ensure rates are established per OCMC 8.20.130.

Group 1 March 2020 Businesses



Food Producing Businesses and Disposal Sites



Business Food Waste Scenario Summary				
Disposal Location	Unit Cost with Access Payment to Food Producers	Unit Cost without Access Payment to Food Producers	Unit Cost with Access Payment to all Businesses	Unit Cost without Access Payment to all Businesses
	Rate/Month	Rate/Month	Rate/Month	Rate/Month
Central Station - additional rate per 65 gallon cart	\$13.35	\$23.92	\$0.25	\$0.50
WRI- additional rate per 65 gallon cart	\$10.27	\$14.50	\$0.25	\$0.50
Central additional Rate per yard of container	no change	no change	\$0.20	\$0.31
WRI- additional rate per yard of container	no change	no change	\$0.16	\$0.20