



Metro

600 NE Grand Ave.
Portland, OR 97232-2736

Memo

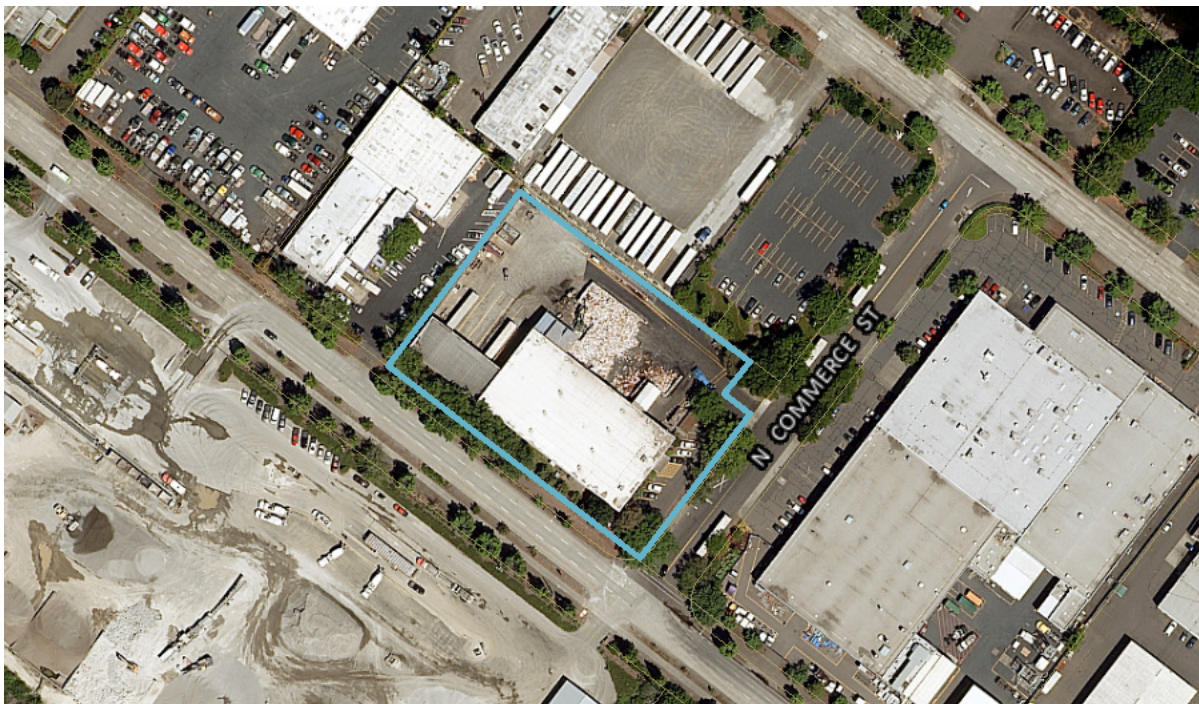
Date: June 20, 2024
To: Warren Johnson, Policy and Compliance Program Director
From: Brice Ehmgig, Solid Waste Authorization Coordinator
Subject: Renewed Solid Waste Facility License No. L-151-24 for Environmental Fibers International, Inc.

Attached for your signature is renewed Solid Waste Facility License No. L-151-24 for Environmental Fibers International, Inc. (EFI), to operate a source-separated material recovery facility located at 4325 N Commerce St. in Portland (Metro District 5). This memo provides background information on the applicant's request, a description of proposed changes to the license, and staff's recommendation to issue a renewed license to EFI.

Under Metro Code Section 5.01.080, the proposed license is to be approved or denied by the Chief Operating Officer (COO). On August 7, 2023, the COO delegated to the Policy and Compliance Program Director (the Director) authority to carry out the COO's responsibilities under Metro Code Chapter 5.01 for approving or denying a solid waste facility license. As such, the Director is authorized to approve this proposed license.

OVERVIEW

EFI operates a source-separated material recovery facility that accepts recyclable materials such as cardboard, paper, plastic, metal and glass for sorting, consolidation, and transportation to recycling markets.



EFI, Inc. located at 4325 N Commerce St., in Portland – Aerial view

EFI has operated in this location since 2001. In 2017, Metro Council amended Metro Code to require any facility that receives, and processes commingled source-separated recyclable materials to obtain a solid waste facility license (Ordinance No. 17-1411). Metro issued a facility license to Columbia Recycling that

became effective on January 1, 2019. In July 2023, Metro issued amended Solid Waste Facility License No L-151-19A which extended the term of the license by nine months to expire on June 30, 2024.

The facility also holds a 1200-Z Industrial Stormwater Permit (No. 113286, expires June 30, 2026) issued by the Oregon Department of Environmental Quality (DEQ). EFI has applied for a DEQ solid waste permit which is currently under evaluation.

On February 23, 2024, EFI submitted a timely application to Metro requesting the renewal of its license. Metro received the \$300 application fee on February 28, 2024 and deemed the application complete on April 3, 2024. The applicant did not propose any changes to its operation or request new authorizations.

PUBLIC NOTICE AND OPPORTUNITY TO COMMENT

On April 18, 2024, Metro issued public notice and provided the public an opportunity to review and comment on the license application for 30 days. A description of the proposed facility and the license application was available on [Metro's website](#). Interested parties could submit comments via an online form or leave a voicemail on a multi-language phone line. Postcards with information in six languages about the proposed license and comment period were mailed to 56 businesses, residents and owners of properties located within approximately one-quarter mile of the facility. Notice was also emailed to community-based organizations and neighborhood associations located in the vicinity of the facility and emailed to stakeholders with general interest in solid waste issues. The public comment period ended on May 17, 2024. Metro did not receive any comments.

PROPOSED CHANGES TO THE LICENSE

Staff proposes new and updated license provisions that fall into two categories as described below.

Uniform license conditions for facility class

Metro currently licenses seven source-separated recyclable material recovery facilities. During the current renewal process, four of these facilities requested authorization to receive household batteries and/or lightbulbs collected as part of local residential curbside collection programs. Although EFI did not request any change in authorization, staff recommends including this as a uniform license provision for this class of facilities.

Section 3.4 of the proposed licenses authorizes the facility to accept and manage certain types of source-separated special waste as described in the facility's Metro-approved operating plan. EFI did not request authorization to receive batteries or lightbulbs in its renewal application; however, if the facility seeks to do so in the future then it would need to provide an updated operating plan and obtain Metro's written approval prior to receiving these additional materials.

Standard Requirement Updates

As part of Metro's ongoing efforts to improve clarity and establish more uniform requirements, staff included various updates and additions to the proposed EFI license that better align it with other Metro authorizations. The proposed license also includes various non-substantive housekeeping changes made for clarity and consistency across licenses. Updates to existing standard conditions and new standard conditions that are included in all new and renewing licenses are as follows:

- **Employment Standard** (Section 5.19): Add a new section requiring that the licensee be in compliance with Oregon's "ban the box" law (ORS 659A.360). Oregon's "ban the box" law makes it illegal for an employer to inquire about criminal convictions before the interview stage of hiring. This advances progress on the 2030 Regional Waste Plan and the Waste Prevention and

Environmental Services Diversity, Racial Equity and Inclusion Work Plan goals. This requirement was added to the franchises in 2020 and is added to all licenses as they are renewed.

- **Procedures for controlling and minimizing off-site impacts** (Section 6.7): Add subsection 6.7.3 requiring the facility to remedy off-site impacts promptly.
- **Closure protocol** (Section 6.10): Update closure protocol to distinguish between a short-term and long-term closure of the facility and require a licensee to notify Metro within one business day of a short-term or long-term closure. This standardizes the closure protocol across licenses and formalizes the expectation that Metro is notified of any short-term or long-term closure.
- **Certificate of insurance** (Section 9.5): Add a new section to formalize the expectation and the long-standing practice that licensees submit a certificate of insurance to Metro. Licensees must name Metro as an additional insured on the certificate of insurance, and also include the additional insured endorsement from the general liability policy as recommended by Metro's risk manager.
- **Termination** (Section 11.2): Add a new section to address Metro's authority to terminate the license at the request of the licensee or in the event of a long-term closure.
- **Right of inspection and audit** (Section 12.3): Update language to require access to the facility by Metro authorized personnel to perform research. This update was made to the franchises in 2020 and is made to all licenses as they are renewed.
- **Confidential Information** (Section 12.4): Update language to reflect current state public records law which has more restrictive timelines for responding to a requestor. This update was made to the franchises in 2020 and is made to all licenses as they are renewed.

METRO CODE LICENSE RENEWAL CRITERIA

Metro Code Section 5.01.110 states:

The Chief Operating Officer must approve a solid waste facility license renewal unless the Chief Operating Officer determines that the proposed license renewal is not in the public interest. The Chief Operating Officer may attach conditions to any renewed license.

EFI filed a renewal application on February 23, 2024, accompanied by payment of the \$300 application fee. The application was deemed complete on April 3, 2024. The license renewal application included a description of the facility's operation and the solid waste it accepts. The proposed license includes new authorizations as described above, and if approved, will replace the current license that expires on June 30, 2024.

COMPLIANCE HISTORY OF THE APPLICANT

EFI has a good record of compliance with respect to Metro's regulations and the facility is currently in compliance with the conditions of its license. Metro staff conducted 11 in-person inspections of EFI during the term of the current license. In-person inspections by Metro staff were suspended between March 2020 and March 2021 due to COVID-19 restrictions. Metro has not issued any enforcement actions during the term of the current license.

In May 2023, the City of Portland Bureau of Environmental Services (BES) who manage compliance of DEQ 1200-Z stormwater permits in the city, referred a complaint to Metro related to a report of gallons of water being discharged from a roll-off container on the street in front of EFI. After further investigation, BES determined that EFI was not responsible, and the complaint was without merit. BES issued two warning letters and one warning letter with opportunity to correct to EFI for the facility's 1200-Z stormwater permit during the term of their current Metro license. EFI received a warning letter

in 2021 for failing to conduct employee training, another warning in 2022 for a late stormwater monitoring report, and a warning letter with opportunity to correct in 2022 for failing to implement a best management practice outlined in the facility's Stormwater Pollution Control Plan. All of these compliance issues have since been resolved. BES and staff report that there are no current compliance issues regarding EFI.

Staff finds EFI plays an important role in the region's solid waste recovery efforts and it is in the public interest to renew the facility's license with the proposed changes as described in this memo.

STAFF RECOMMENDATION

Staff recommends approval of Solid Waste Facility License No. L-151-24 which renews the authority of EFI to accept source-separated recyclable materials and electronic devices and adds authorization to accept and manage certain special waste such as household batteries. If approved, the proposed license would take effect on July 1, 2024, and expire on June 30, 2029. A copy of the proposed license is attached for your signature.

Attachment