

Why are the proposed Administrative Rules being changed?

When the required separation policy is implemented in 2020, the region may still have a limited number of facilities that accept commercial food scraps, which might result in increased travel times for haulers delivering collected food scraps. Those times would translate into higher costs that would be passed on to customers. To address this, the administrative rules originally contained a distance waiver, through which Metro would waive the required food scraps collection requirement until a jurisdiction had a food scraps transfer station or processor in relatively close proximity.

Following input from the Metro Council, Metro staff has developed an approach intended to achieve the same objective as the distance waiver, but to do so in a way that more strongly advances the intent of the regional food scraps policy and allows all businesses to participate.

What are the changes?

Rather than waiving participation, the *access to transfer services payment* focuses directly on offsetting costs. It would do so by having Metro annually reimburse local governments an amount calculated by estimating the actual costs incurred from being relatively further from a transfer station. Local governments would then be required to re-invest the funds in the collection system. The payment would:

- Help ensure there is a consistent regional program with collection services available to all affected businesses (this is especially important to businesses with multiple locations).
- Create a more level playing field in the region so that local jurisdictions and affected businesses that are more distant from available services are not at a significant financial disadvantage.
- Contribute to the region's ability to generate more food scraps for recovery more quickly, helping reduce costs related to processing.

Payment calculation method

The region will be divided into zones based on distance to the closest transfer station. Payment zones will be defined for areas that exceed the average travel time to the closest transfer station. Payment amounts will be based on:

- Average cost to operate collection vehicle per hour.
- Equivalent proximity (base time): average uncongested travel time one way to closest existing solid waste transfer station.
- Payment zone: areas outside of equivalent proximity base time.
- Number and type of businesses within the payment zone by local government boundary.
- Estimated total tons per week generated by businesses outside equivalent proximity divided by 50%.
- Average commercial food scraps load size based on 12 months of delivery data to Metro Central Station.
- Based on average load size, number of loads per week collected from businesses outside equivalent distance within each zone.
- Application of travel time inflator.

Implementation timeline changes

Due to rule revisions and rescheduling of legislative hearings, implementation dates have been extended by one year. Revised dates are listed below:

- Local Government Adoption of Requirement: July 31, 2019

- Begin Implementation of Requirement for Business Group 1: March 31, 2020
- Begin Implementation of Requirement for Business Group 2: March 31, 2021
- Begin Implementation of Requirement for Business Group 3: September 30, 2022