

# Memo



**Metro**

600 NE Grand Ave.  
Portland, OR 97232-2736

Date: June 12, 2023  
To: Pam Peck, Policy and Compliance Program Director  
From: Joanna Dyer, Solid Waste Authorization Coordinator  
Subject: Renewed Facility License No. L-124-23 for Oil Re-Refining Company, Inc.

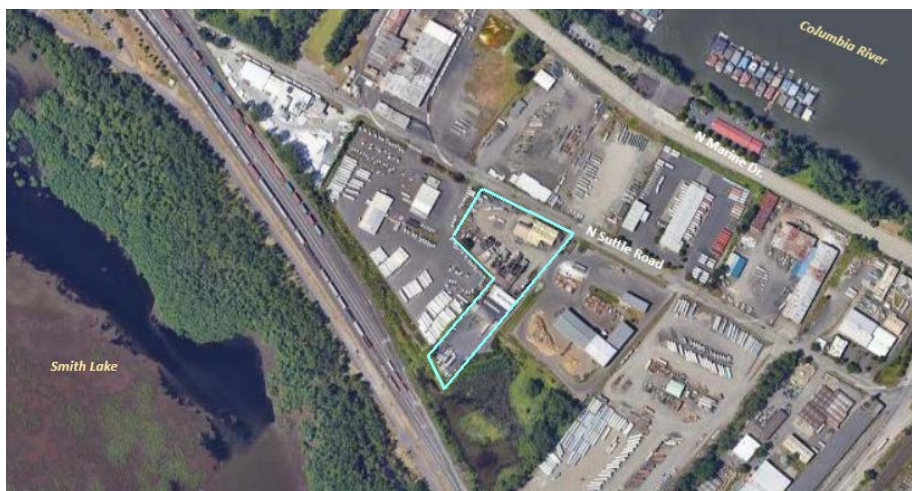
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Attached for your signature is renewed Solid Waste Facility License No. L-124-23 for Oil Re-Refining Company, Inc. (ORRCO), located at 4150 N Suttle Road in Portland (Metro District 5). The proposed license renewal authorizes ORRCO to accept special waste, including petroleum-contaminated cleanup material, absorbents and used motor oil filters, for processing, reload and transfer to recycling facilities and disposal sites. 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 ORRCO.

Under Metro Code Section 5.01.110, the proposed license renewal is to be approved or denied by the Chief Operating Officer (COO). On March 16, 2020, the COO delegated to the Policy and Compliance 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

ORRCO is a Metro-licensed facility that accepts special waste, including petroleum-contaminated cleanup material, absorbents and used motor oil filters, for processing, reload and transfer to recycling facilities and disposal sites. Metal oil filters are crushed to remove residual oil which is re-refined on site, and the metal is consolidated and transported to a recycling facility. The absorbent materials and other oily debris – such as rags, booms, pads, soil, and non-metal oil filters – are combined with a non-hazardous solidification agent, consolidated and transported to Hillsboro Landfill for disposal.



*Oil Re-Refining Company Inc., 4150 N Suttle Road, Portland*

ORRCO has operated as a Metro-licensed facility since 2008. ORRCO's primary business is the processing of used oil and oily wastewater. The proposed license regulates only the acceptance and processing of special waste as described above. It does not regulate nor prohibit the acceptance and management of used oil. These other waste-related activities are regulated by the Oregon Department of Environmental Quality (DEQ) through a Solid Waste Disposal Site Permit (No. 1364, expires November 1, 2027). DEQ

also regulates air emissions at this facility through a Standard Air Contaminant Discharge Permit (No. 26-3048-ST-01, expired June 1, 2023; renewal in progress). The facility also holds an Industrial Wastewater Discharge Permit (No. 437.005, expires September 15, 2023) and a 1200-Z Industrial Stormwater Permit (No. 122718, expires June 30, 2026), which are issued by the City of Portland Bureau of Environmental Services.

ORRCO submitted its license renewal application on January 31, 2023, and Metro received the \$300 application fee on December 29, 2022. The application was complete on February 17, 2023. The applicant did not propose any changes to its operation.

### **License language updates**

The proposed license includes an updated description of authorized waste (Section 3.3) which better aligns with terms defined in Metro Code, though the types of materials authorized has not changed. Past licenses have authorized the acceptance and management of cleanup material and petroleum contaminated solids, all of which are included in the definition of special waste, which is generally described as solid waste that requires special handling. In addition, the authorization to manage processing residual was removed from the license as it was a holdover from when the facility conducted thermal processing of petroleum-contaminated soil. The facility no longer processes soils in this manner and therefore there isn't any residual to manage.

As part of Metro's ongoing efforts to improve clarity and establish more uniform requirements, staff is proposing various updates and additions to the ORRCO license that will 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 will be included in all new and renewing licenses are as follows:

- **Employment Standard** (Section 5.16): 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 will be added to all licenses as they are renewed.
- **Closure protocol** (Section 6.11): Update closure protocol to formalize the requirement that a licensee notify Metro within one business day of a short-term or long-term closure.
- **Copies of enforcement action** (Section 8.4): Update language to require licensee to submit copies of enforcement actions to Metro within five business days of receipt rather than upon receipt to align with Metro Code Chapter 5.01.
- **Changes in ownership** (Section 8.6): Update language to require notification to Metro of any change in ownership within 10 days. This change will be standard across new and renewing licenses and aligns with Metro Code Chapter 5.01.
- **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.

- **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 will be made to all licenses as they are renewed.

## **PUBLIC NOTICE AND OPPORTUNITY TO COMMENT**

On April 13, 2023, Metro issued notice and provided the public with 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 81 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, local governments, members of the solid waste industry, and other parties with general interest in solid waste issues. The public comment period ended on May 12, 2023. Metro received five comments regarding this license application. A summary of the comments that Metro received during the public notice period and staff's response to those comments are provided below. All comments that Metro received during the comment period and ORRCO's response to those comments are attached to this memo.

### *Summary of comments*

Metro received one comment in support of the facility. The remaining four comments received during the public comment period expressed concerns about environmental and human health impacts related to odors and emissions associated with the facility. One commenter expressed concern that the facility wasn't doing enough to reduce emissions. Another expressed concern that the facility doesn't maintain pollution controls. There was a call for stricter regulations and oversight on this facility.

### *Metro response to comments*

Metro thanks the commentors for taking the time to submit a comment. Although Metro has broad authority over solid waste, the proposed license renewal is limited to a small aspect of ORRCO's operations. The proposed license covers only the consolidation and transfer of solid waste – it does not address other aspects of the operation that are regulated by DEQ (such as the re-refining process, emission control equipment, overall air quality and associated human health impacts of activities at the site). Metro shares DEQ's interest in ensuring that facilities managing the region's waste and recyclable materials do so in ways that protect the environment and human health while minimizing impacts on the communities in which they are located. Metro's oversight includes several unannounced inspections per year and entails close regulatory coordination with DEQ to ensure that solid waste received at the site is properly managed and transferred to appropriate disposal sites. DEQ is the primary regulatory authority for this facility and is responsible for monitoring and enforcing the used oil processing and air quality requirements. While Metro does not regulate air quality requirements at the facility, Metro staff will continue to investigate any odor complaints submitted to Metro, perform routine inspections, and report any concerns or compliance issues to the appropriate regulatory agency such as DEQ.

ORRCO opted to not provide a response to the comments received during the public comment period.

## **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.*

ORRCO filed a renewal application on January 31, 2023, and Metro received the \$300 application fee payment on December 29, 2022. Metro deemed the application complete on February 17, 2023. The license renewal application included a description of the facility's operation and the solid waste it accepts. The proposed license does not include any new authorizations and, if approved, will replace the current license that expires on June 30, 2023.

#### **COMPLIANCE HISTORY OF THE APPLICANT**

ORRCO 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 conducted approximately seven inspections of ORRCO during the term of the current license. This includes the period of March 2020 through March 2021 when in-person inspections by Metro staff were suspended due to COVID-19 restrictions. During the term of the current license, Metro has not received any complaints regarding the facility and has not taken any enforcement actions.

ORRCO is currently in compliance with its DEQ Solid Waste Disposal permit and there have not been any enforcement actions from DEQ during the term of the license. DEQ's Air Quality division received eight complaints during the term of the license. All complaints were investigated. Air Quality staff noted that there are two oil re-refineries within close proximity of each other (ORRCO and EcoLube Recovery) and the source of the odor is often difficult to determine. The facility received one warning letter with opportunity to correct during the term of the license for failure to submit a timely permit renewal application. DEQ staff report that all issues have been resolved and ORRCO is currently in compliance with its DEQ Air Quality permit.

The City of Portland Bureau of Environmental Services (BES) manages the stormwater program on behalf of DEQ. During the term of the current Metro license, BES issued four warning letters and four warning letters with opportunity to correct to ORRCO regarding compliance issues with the 1200-z permit. BES stormwater compliance staff report that all issues have been resolved.

BES also manages the City of Portland's Industrial Wastewater Discharge program. During the term of the current Metro license, BES issued 12 warning notices and 28 notices of violation (NOV) of ORRCO's Industrial Wastewater Discharge Permit. The NOV's included intent to assess civil penalties totaling \$20,450. BES industrial wastewater staff report that ORRCO is currently in compliance with its permit and has paid all fines and fees.

Notwithstanding the compliance issue described above, staff recommends renewing this Metro license because ORRCO works with regulatory agencies to come into compliance. Staff finds that ORRCO plays an important role in the region's solid waste recovery and management efforts, and it is in the public interest to renew the facility's license at this time.

#### **STAFF RECOMMENDATION**

Staff recommends approval of Solid Waste Facility License No. L-124-23 to renew ORRCO's authority to accept oil-contaminated special waste, including cleanup material, absorbents and used motor oil filters, for processing, reload and transfer to recycling facilities and disposal sites. If approved, the proposed license would take effect on July 1, 2023 and expire on June 30, 2028. A copy of the proposed license is attached for your signature.