



LANE COUNTY

INTEGRATED MATERIAL AND ENERGY RECOVERY FACILITY (IMERF)

November 2023 Update

On **December 5, 2023**, the Lane County Board of County Commissioners will decide whether to move forward on a state-of-the-art **Integrated Material and Energy Recovery Facility (IMERF)** to be constructed in Goshen, Oregon. The IMERF would be the most technologically advanced waste processing facility in the country and would utilize technology and equipment designed and built by a local manufacturer, **Bulk Handling Systems (BHS)**. BHS is a world leader in developing sorting systems for the solid waste and recycling industries, and is headquartered in Eugene, Oregon. The facility would process residential garbage, commingled recycling, and organic waste to produce marketable recycling commodities and biogas for transportation. The facility would divert over 80,000 tons of material from the County's landfill annually and would serve as a regional recycling hub for southwest Oregon. The next update to the Board of County Commissioners is scheduled for November 28.

PRINCIPAL GOALS OF PROJECT:

- **Significantly reduce greenhouse gas emissions from the landfill**
- **Divert recyclable materials from waste that would otherwise be landfilled**
- **Create local, sustainable economic development and jobs**
- **Use proven recycling processing systems**
- **Leverage public-private partnerships**
- **Construct and operate at an affordable cost to the rate-payer**



BENEFITS FOR LANE COUNTY AND OREGON

The IMERF represents a fundamental transformation for Lane County's handling of municipal solid waste. Processing of waste to extract recyclables and energy is a major, comprehensive step forward. It will serve as a model for other counties in Oregon and across the country. Project benefits include:

- **Mitigation of methane** from Short Mountain Landfill - the largest source of greenhouse gas (GHG) emissions from County operations. *Equivalent reduction of taking 20,000 cars off the road for the next 25 years.*
- Achieve a **materials recovery rate over 70%** and extend the remaining life of the County's municipal solid waste landfill by more than 20 years.
- Produce nearly 1 million diesel gallon equivalents per year of **renewable natural gas (RNG)**. Fuel would be available for use in local transportation fleets and would have a *negative carbon intensity* under Oregon's Clean Fuels Program.
- Two-year construction project utilizing local companies – creating **190 high-paying manufacturing jobs** during construction and **65 ongoing family wage jobs** for the operation of the facility for the next 25 years.
- Over **\$200 million in economic impacts** benefiting Lane County over the life of the project.

PROJECT FEATURES

- Advanced materials processing equipment to recover recyclable materials from solid waste headed to the landfill
- Sorting equipment for commingled recycling to reduce long haul shipment of locally collected recycling for processing
- Anaerobic digester to convert recovered organic wastes into Renewable Natural Gas (RNG) for transportation fuel
- Visitor and Educational Center for schools, community groups and other interested residents and businesses

- Showcase waste recovery facility to draw visitors from around the world and encourage more high-quality manufacturing jobs in Lane County.

PROJECT COSTS: TOTAL = \$155 MILLION

- Lane County will construct the building housing the processing equipment.
 - Building cost: \$55 million
 - minus tax credit \$15 million

Construction cost to Lane County = \$35 million

Lane County would issue a Capital Improvement Bond in Spring of 2024 to cover up-front costs. Bond will be paid back over time through revenue from landfill tipping fees.



- BHS will construct and install the equipment for the facility including the anaerobic digester.
 - Equipment cost = \$100 million

BHS will supply and operate the equipment and will generate revenue over time through waste processing fees, sale of recyclable commodities, and sale of biogas.



IMPACT TO GARBAGE RATES

Lane County currently has some of the lowest garbage rates in the state – primarily because the County owns the Short Mountain Landfill that does not operate to make a profit. Starting with low rates, the rate increases needed to fund the project would be a relatively low impact to the average residential customer. Lane County is proposing two 11% increases to landfill rates in the first two years of the project. The landfill disposal cost is approximately 20-30% of a customer’s residential garbage bill - so for most residents, these increases would amount to less than a \$2/month increase in the first two years of the project. Additional increases are expected at roughly the same amounts in the following two years and tapering down in years five and six. The County is seeking federal and state funding to help offset future increases. Rate impacts to commercial customers vary significantly depending on the amount of waste generated. Low-income assistance is proposed to offset fee increases for self-haul customers at each of the 15 transfer stations operated by Lane County. Residents qualifying for Supplemental Nutrition Assistance Program (SNAP) benefits would receive \$1/off each load with their Oregon Trail (EBT) Card.



What’s next.

Bulk Handling Systems (BHS) is headquartered and has its main manufacturing facility in Eugene, Oregon. BHS has built some of the largest and most durable Material Recovery Facilities in the world – and they are achieving the highest throughput, recovery, and purity rates in the industry. Bulk Handling Systems was selected through a competitive Request for Proposal process to design, build and operate the IMERF.

The **public-private partnership** between BHS and Lane County envisions an infrastructure investment that that will leverage tax incentives, along with state and federal funding opportunities to benefit all of Lane County’s residents.