



Work Session Summary Minutes

OREGON

Environmental Services Discussion

October 24, 2024. 9:30 AM

Courthouse Square, 555 Court St. NE, Salem
5th Floor, Suite 5232, Commissioners Board Room

ATTENDANCE:

Commissioners: Kevin Cameron, Colm Willis, and Danielle Bethell.

Board's Office: Alvin Klausen, Trevor Lane, Matt Lawyer, Chris Eppley, Jan Fritz, and Chad Ball.

Legal Counsel: Steve Elzinga, and Scott Norris.

Public Works: Cory Swartwout, Dennis Mansfield, Brian Nicholas, Brian May, and Andrew Johnson.

Kevin Cameron called the meeting to order at 9:32 a.m.

Summary

Discussed the five-year cash flow for the Environmental Services Fund, highlighting a \$31.9 million starting balance and a projected \$4 million reduction for 2025. Key issues included leachate disposal costs, which rose from \$258,000 to \$1.1 million due to PFAS contamination, and the potential impact of new recycling legislation. The discussion also covered the costs of waste reduction programs, including \$92,000 for battery recycling and \$186,000 for household hazardous waste. The need for accurate financial forecasting and the potential for new revenue streams from proposed legislation were emphasized. The meeting focused on environmental services and financial responsibilities among cities and the county. Key points included the need for cities to take more responsibility in waste management, with a proposal to engage in a collaborative effort starting in early 2025. The discussion highlighted the financial challenges, including a \$3.9 million budget hole and \$2.6 million in administrative costs. Specific metrics were discussed, such as the \$2.05 per ton loss at the Skirts facility and the \$536,000 savings from closing North Marion. The need for a detailed plan, including potential cost-saving measures and the impact of new transfer stations, was emphasized.

Action Items Follow Up

- No ReWorld - 5 Year Cashflow:
 - Various assumptions like a one-time cost for a real world site assessment, no real world revenue or expenses (except leachate disposal and maintenance), and no payment to real world for mothball annual expenses.
 - The forecast does not include transfer station land acquisition costs, preliminary engineering costs for new transfer station sites, or FTEs for waste reduction services.

- Challenges of leachate disposal, including the impact of PFAS (per- and polyfluoroalkyl substances) on wastewater treatment plants and the potential cost implications.
- Ownership Option - 3rd Party Operation:
 - A tool can be utilized to assess the potential cost of operating a third-party facility, should the county consider that option.
 - Understand the financial implications of various ownership and operational models to make informed decisions.
- Cost Savings/Expense Reduction Options:
 - Potential cost-saving and expense reduction measures, including adjustments to service hours and facility operations.
 - The group acknowledged the contractual limitations in modifying certain operations, such as the transfer station contracts, and the need to explore alternative approaches.
- Opportunity to Recycle (OTR) & Recycling Modernization Act (RMA) Compliance Requirements:
 - Compliance requirements related to the OTR and the upcoming RMA, including the need for extended education, promotion, and waste prevention programs.
 - Potential impact of proposed legislation, such as changes to battery and Styrofoam recycling, and the opportunities for cost savings or additional funding.

Other

- Franchise fees and their use.
- Interest earnings and investment opportunities.
- Subsidies to other county programs (e.g., stormwater, administration).
- County fair contribution.

Next Steps

- Provide a detailed breakdown of the administrative costs allocated to the Environmental Services fund.
- Explore the possibility of hiring a coordinator position to help manage the waste reduction and recycling programs going forward.
- Bring back a financial pro forma on the new transfer station project, including the projected costs and net income impacts.
- Provide a timeline of the key decisions and actions needed over the next few years.

Adjourned – time: 11:20 a.m.

Minutes by: Mary Vityukova

Reviewed by: Gary White