



Work Session Summary Minutes

OREGON

Solid Waste

June 26, 2025. 2:30 PM

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: Matt Lawyer, Toni Whitler, Heather Inyama, and Trevor Lane.

Legal Counsel: Steve Elzinga, and Scott Norris.

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

Bell & Associates: Chris Bell, and Lyndsay Koehn.

Commissioner Danielle Bethell called the meeting to order at 2:30 p.m.

Cost of Service Analysis Methodology Review

- **Current Process:**

- Comprehensive annual reporting process initiated in January-February.
- Detailed data collection includes:
 - Complete financial statements
 - Profit and loss reports.
 - Comprehensive customer invoice data.
 - Detailed customer account information.
 - Drop box haul records.
 - Operational hours breakdown.
 - Comprehensive payroll information.
 - Extensive repair and maintenance documentation.
 - Public Utility Commission (PUC) reports.
- Annual reporting has become the standard operational requirement for haulers.
- Process refined over four years with continuous improvements.

- **Stakeholder Responsibilities:**

- Haulers:
 - Provide accurate and comprehensive financial documentation.
 - Submit detailed operational data.
 - Implement recommended cost allocation improvements.
 - Comply with salary cap guidelines.
- County:
 - Conduct thorough analysis of submitted reports.
 - Verify cost allocations.
 - Ensure fair and transparent rate setting.

- Maintain oversight of franchise agreements.
- Third-party Analyst:
 - Perform detailed report reconciliation.
 - Conduct predictive tests of revenue and disposal.
 - Identify potential cost allocation discrepancies.
 - Develop comprehensive review checklist.
- Commissioners:
 - Review detailed financial analysis.
 - Approve final rate adjustments.
 - Ensure balanced approach between hauler profitability and ratepayer interests.
- **Alternative Processes:**
 - Potential process improvements:
 - Implement more sophisticated tracking systems.
 - Develop real-time data collection for route and jurisdiction tracking.
 - Enhance cost allocation transparency.
 - Explore advanced technological solutions for tracking.
 - Consider more granular reporting requirements.
 - Develop standardized tracking methods across different haulers.

Transfer Station Fees

- **Cost Analysis:**
 - Current financial landscape:
 - Existing disposal fee:
 - \$107.45 per ton.
 - Proposed new rate:
 - \$130 per ton.
 - Minimum charge increase:
 - From \$25 to \$30.
 - Projected additional revenue:
 - \$1.4 million for Salem-Keizer Recycling & Transfer Station (SKRTS) facility.
 - Comprehensive cost considerations:
 - Labor costs.
 - Equipment expenses.
 - Operational overhead.
 - Disposal and transportation costs.
 - Financial sustainability analysis
 - Examination of current subsidies.
 - Assessment of system-wide cost recovery.
 - Long-term financial planning.
- **Tip Fee Options:**
 - Rate Standardization Strategies:
 - Maintain current Marion Resource Recovery Facility (MRRF) rate at \$95.45.
 - Implement consistent rates across transfer stations.
 - Develop nuanced pricing model.
 - Specialized Pricing Considerations:
 - Potential differential pricing for lift bed sizes.
 - Incentive structures for efficient waste management.

- Yard debris disposal fee evaluation.
- Customer Impact Assessment:
 - Affordability considerations.
 - Potential behavioral changes.
 - Community education requirements.

Next Steps

- Detailed Financial Analysis:
 - Conduct comprehensive review of admin costs.
 - Develop full system cost analysis.
 - Evaluate long-term financial sustainability.
- Implementation Planning:
 - Develop a robust customer education plan.
 - Plan for October 1st rate change implementation.
 - Create communication strategy for stakeholders.
- Strategic Planning:
 - Schedule follow-up meeting for full system cost review.
 - Explore long-term transfer station and disposal strategies.
 - Investigate potential process improvements.
 - Consider franchise agreement modifications.

Adjourned – time: 4:54 p.m.

Minutes by: Mary Vityukova

Reviewed by: Gary L. White