County Commissioners
Colm Willis, Chair
Kevin Cameron
Danielle Bethell

Chief Administrative Officer
Jan Fritz

MARION COUNTY BOARD OF COMMISSIONERS
WORK SESSION

Mid-Valley Haulers Association
Minutes

Thursday, September 10, 2026, 1:00 p.m. – 2:00 p.m.
Commissioners' Boardroom
Courthouse Square, 555 Court St. NE, Suite 5231
Salem, Oregon 97301

ATTENDANCE:
Commissioners: Danielle Bethell, Kevin Cameron and Colm Willis.
Board's Office: Matt Lawyer.
Legal Counsel: Steve Elzinga, and Andrew Mittendorf.
Public Works: Andrew Johnson, Brian May, and Brian Nicholas.
Mid-Valley Hauler's Association: Shane Kuenzi, Kevin Hines, and Jamie Cole.

Commissioner Colm Willis called the meeting to order at 1:06 p.m.

1. Welcome & Introductions
-Commissioner Colm Willis

2. Presentation:
-Shane Kuenzi
- Cost of Service Analysis (COSA) – Hauler's Submittals:
  - Haulers requested early work session:
    - Separate last year's results discussion from fall rate-setting discussion.
    - Give the Board clearer visibility into results.
  - Reviewed COSA framework:
    - 2025 projections are from 2023 actuals, 2024 and 2025 projections:
      - 2024 was not complete at the time.
    - Projections showed expected margins without any rate increase:
      - Margins of 7.7% urban and 5.5% rural going into 2025.
    - Sequence of columns on the rate sheet:
      - Projected margins without a rate increase.
      - Hauler's requested rate increases:
        - Aiming for ~10% margin within the 8–12% target band.
      - Approved rate as adopted by the Board.
      - Actual 2025 margins vetted by haulers' and County's consultants.
    - 2025 actuals have been verified and process went smoothly:
      - Minimal additional information requested.
    - Some specific lines remain below 8–12% target:
      - Despite prior adjustments to delivery fees and mileage over two-year period (2024–2025).
  - Rural residential carts question:

                - Haulers asked for 3.4% in rural residential rate increase.
                - Board approved 2.5%.
                - Actuals came in at about 12% margin.
                - Main driver:
                    - Unanticipated change in recycling costs.
        - For urban residential carts, even if full requested 2.97% increase had been granted margins would still be below haulers' desired range.
        - 2.97% request was already negotiated with haulers' and county's consultants:
            - Haulers initially believed they needed more.
        - Committed to going back through all information with County consultant to reconstruct what haulers proposed versus what was accepted or adjusted:
            - Specifically on urban residential carts.
- Recycle Modernization Act (RMA) Impact:
    - Oregon's RMA and Producer Responsibility Organizations (PROs) impacts on commingled recycling:
        - In 2024, haulers were paying $120–$125 per ton to dispose/process commingled recyclables.
        - 2025 projections said disposal cost would continue through the year.
        - Effective July 1, 2024, disposal fee dropped to $0/ton:
            - Haulers did not anticipate at time of projections.
        - PROs collect funds from package producers and pay Material Recovery Facilities (MRFs) on order of $220–$225 per ton for processing:
            - Offsets what haulers would otherwise pay.
        - Processors have started paying haulers for commingled material:
            - Negotiated by haulers provides $35 per ton paid to haulers for commingle, locked in through 2027:
                - Minimum.
            - Possible because processors receive producer payments and revenue from sale of recyclables.
        - Ratepayer impact:
            - Reduction from paying $120+/ton to zero:
                - Then to $35/ton.
                - Significantly improved margins.
                - Particularly for rural residential carts:
                    - Only have garbage and recycling.
            - In urban areas:
                - Garbage, recycling, and yard waste.
                - Yard waste costs increased but predictable and accounted for.
                - RMA benefit on commingle is diluted by additional yard waste line:
                    - Explains why urban residential margins did not improve as much as rural.
            - Primarily benefits ratepayers, as cost reductions flow through rate-setting process.
            - Doesn't substantially increase hauler profit independent of COSA.
- COSA - Timeline:
    - March:
        - Haulers complete and submit COSA spreadsheets to their consultant.
    - June:
        - After consolidation hauler consultant sent package to Chris Bell:
            - County consultant.

- June–July:
  - Chris Bell reviewed data, requests clarifications, and gets responses.
- September:
  - Work session held:
    - Compare projections, approved rates, and actual margins.
    - Discuss what "went right or wrong" relative to assumptions.
    - Identify issues or questions before formal rate requests.
  - Board stated that "results first" conversation is very helpful.
- October:
  - Follow up work session to present actual rate proposal upcoming year:
    - Informed by September discussion.
- November:
  - Board session for formal consideration/approval of any rate changes:
    - Effective January 1.
- Future structure should aim for:
  - Two meetings in September.
  - One meeting in October.
  - Final approval in November.
  - Flexibility to cancel later meetings if issues are resolved early.
- An early results meeting before presenting formal rate ask prevents situations like prior year:
  - Board adjusted rates between last work session and public hearing without final joint discussion with haulers.

- Additional Hauler Initiatives:
  - Contamination Reduction Mobile Unit (CRMU):
    - New mobile educational trailer:
      - Teaches residents what can and cannot go into recycling carts.
      - Reduces contamination.
    - Originated with former Salem franchise administrator, Ryan Zink.
    - Funded by RMA-related funds that City of Salem dedicated to project.
    - Trailer will travel to Marion County to events.
    - Naming and branding are still being refined.
  - o David's Chair – Tracked Wheelchair Program:
    - Haulers Association funded a tracked, all terrain wheelchair through nonprofit David's Chair:
      - Inspired by Grants Pass resident who could not walk.
    - Chair stationed at Marion Resource Facility:
      - Operated under Haulers Association, not county.
    - Residents sign up via David's Chair website:
      - Complete waivers.
      - Pick up trailer at Resource Facility after training.
    - Rentals are free:
      - For a day, several days, or even two weeks.
    - Cost of the project:
      - About $25,000 for chair.
      - Plus, the trailer.
      - Total of around $40,000.
    - Since June, usage has higher than expected:
      - Six rentals already.
    - Coordination with Oregon Parks Forever:
      - Working toward at least one chair per county statewide.
      - Marion County's participation puts it ahead of that curve.

3. Next Steps
-All

- Shane/Haulers Association:
    - Review COSA records, emails, and assumptions with consultants:
        - Reconstruct original hauler ask vs. negotiated numbers.
        - Clarify what items haulers believed should be included.
        - What Chris Bell adjusted or excluded, and why.
    - Present findings at next work session:
        - Focus on urban residential carts and differences in and rural margins.
- Brian May:
    - Ask Chris Bell to retrieve detailed analysis, documentation, and rationale behind urban residential cart adjustments made prior to last rate proposal.
    - Compile materials and email Board:
        - Along with summary of how adjustments affected projected margins.
- Board / Staff Scheduling:
    - Incorporate agreed timeline structure into future COSA processes:
        - Two September work sessions:
            - Early "results" meeting and late September follow up.
        - One October session for reviewing and refining the rate ask.
        - November board session for formal rate approval.
    - Where possible, advance fall meetings to ensure enough time for follow-up prior to single November board session.
- Outreach & Programs (Haulers / MAC / County):
    - Develop preliminary deployment plan for CRMU including priority events in coordination with board and staff.
    - Continue operating David's Chair from Resource Facility:
        - Track usage and feedback to support accessibility.

Adjourned – time: 1:43 p.m.
Minutes by: Mary Vityukova
Reviewed by: Gary L. White