



Council Work Session Agenda

Kenneth L. Woods, Jr., Presiding

Monday, November 18, 2024

6:00 pm

Dallas City Hall, 187 SE Court St, Dallas, OR 97338

COUNCIL

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Council President

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<https://www.dallasor.gov/community/page/dallasyoutube>


AGENDA ITEM

1. ROLL CALL
2. Transfer Facility
3. OTHER BUSINESS
4. ADJOURNMENT

**Our Mission: We are a welcoming, safe and livable community
dedicated to people and business.**



CITY COUNCIL WORK SESSION STAFF REPORT

MEETING DATE: November 18, 2024
AGENDA ITEM NO. 2
TOPIC: Transfer Facility
PREPARED BY:  Brian Latta, City Manager
ATTACHMENTS: A – Draft memo from Polk County Community Development Director

RECOMMENDED ACTION:

This is an information sharing item. Polk County staff will present on the topic of a transfer facility in Polk County and seek conceptual support from the City Council. The Council will decide whether or not to conceptually support the county's efforts at a future meeting.

BACKGROUND:

On September 16, 2024, Polk County Community Development Director and a representative from Apple Tree Holdings, LLC came and presented to the City Council on the topic of a transfer station project at the former Rickreall Dairy property. Following this meeting, the City Council invited representatives from Lane County to a meeting to discuss transfer facilities in general.

Representatives from Polk County are coming back to the Dallas City Council in this work session to again talk about the need and planning for a transfer facility in Polk County for waste management services to serve the county and its jurisdictions.

SUMMARY TIMELINE:

9/16/2024 – City Council held a work session and were introduced to the topic of the potential transfer facility project in Polk County.

10/07/2024 – City Council invited representatives from Lane County to come and present on transfer facility operations in Lane County.

11/18/2024 – Polk County representatives are attending a work session to further discuss a transfer station project in Polk County.

FISCAL IMPACT:

TBD

Polk County Solid Waste Planning Memo – June 2024

The funding, construction, and operation of a private transfer station to serve Polk County (County) residents and businesses is an option, given the uncertainties of the eventual closure of the Coffin Butte Landfill.

The primary concern when planning a transfer station is the throughput of material, whether garbage, recycling or a combination of both. If the material volume is not adequate, the facility will charge a higher fee than expected, which could further decrease the inbound volume and lead to its eventual failure.

Without volume, the facility is financially impaired.

The proposed transfer station in Polk County is known as ReHub by Apple Tree Holdings, LLC, the investor group for this endeavor. The investors in Apple Tree are experienced in the waste industry within Oregon; therefore, they understand the financial risks associated with constructing and operating a transfer station. To assist with their due diligence, Apple Tree contacted the engineering firm Maul Foster & Alongi, which has previous experience with solid waste planning and engineering projects within the Pacific Northwest, to draft the ReHub operations plan.

Considerations

Most of the waste generated in Polk County is disposed of at the Coffin Butte Landfill in Benton County, which is owned and operated by Republic Services (Republic). Inbound volume to Coffin Butte averages 1.03M tons annually. The remaining life of the landfill is a concern of the Oregon cities and counties that utilize the facility for disposal. The 2023 annual report submitted to Benton County states, "*As of today (June 2024), we project about 12.9 years of remaining life.*"¹ Bret Davis, Republic Services General Manager, submitted the report to the Benton County Commissioners on June 21, 2024.

Republic has submitted a conditional use permit with the Oregon Department of Environmental Quality to expand the landfill's footprint. The expansion would add six years of life to the landfill. Table 1 summarizes the current and estimated life at Coffin Butte.

Table 1: Estimated Life of Coffin Butte Landfill

Landfill Life	Period	Tonnage Volume
Current Permit	2025 to 2037	13,285,279 tons
Requested Expansion	2038 to 2044	6,179,199 tons
Totals	20 years	19,464,478 tons

At the time of this report, it is unknown if the landfill expansion to extend the life to 2044 will be approved by the regulating agencies.

¹ Source: [2023 CoffinButte AnnualReport Final.pdf](#)

Inbound Waste Volume to Coffin Butte

The seven year average of inbound waste volume delivered to Coffin Butte from the county of the waste origin is summarized in Table 2.

Table 2: Coffin Butte Inbound Volume by County

County	Average	Volume
Washington	232,000	22.4%
Marion	204,000	19.7%
Linn	135,000	13.1%
Benton	109,000	10.5%
Lincoln	103,000	10.0%
Polk	53,000	5.1%
Others	198,000	19.1%
Total	463,000	100.0%

Marion County is undergoing a planning process to develop a long-term plan for waste disposal in a landfill other than Coffin Butte. Marion County generates over 300K tons of waste annually: 100,000 tons are incinerated at the Covanta waste-to-energy facility, and the remaining tons are disposed of at Coffin Butte. Marion County managers understand the risk of waiting. They are considering the infrastructure required to move all waste generated within Marion County to a distant landfill east of the Cascade mountain range.

Benton and Linn County are also taking steps to understand what disposal options are available to their citizens. While the life of Coffin Butte will be increased with the redirection of waste tons, the end of the landfill should be a concern for every agency that uses this facility for disposal.

Polk County Planning

Early planning for Coffin Butte's expected closure is a prudent exercise to ensure no disruption in waste management practices within Polk County. The closure of the landfill presents ReHub with the opportunity to assume responsibility for waste disposal within the county.

Oregon Department of Environmental Quality (ODEQ) permits and regulates all waste and recycling facilities within the State. The origin of waste delivered to every permitted facility is reported quarterly to ODEQ, which is the source of the waste tons reported in Table 3.

Table 3: Reported Disposal Tons Generated in Polk County

Facility	2023	2022	2023	2024
Waste Collection to Coffin Butte	42,854	46,177	45,759	42,750
Self-Haul to Coffin Butte	3,368	4,436	4,806	4,594
Self-Haul to Marion County	4,321	5,159	not available	not available
Total	50,543	55,773	50,566	47,345

Polk County Franchised Collection

There are four companies with waste and recycling collection franchises within Polk County. Republic Services is one of the franchisees. Republic has the largest franchise territory within the County and provides services to Dallas, Falls City, and West Salem. Most trucks that collect waste within Polk County drive out of Corvallis, but trucks used in West Salem are in Salem.

Recology services customers in northern Polk County from its McMinnville (Yamhill County) base operation. Recology also has a transfer station located at its yard in McMinnville. Garbage from the Recology transfer station is transferred from McMinnville to Headquarters Landfill in Cowlitz County, Washington.

Valley Recycling and Disposal (Valley) provides collection services to portions of West Salem and the northeast areas of Polk County. Waste collected on-route by Valley is transported approximately 25 miles to Coffin Butte daily.

Brandt's Sanitary (Brandt's) is located in Monmouth and provides collection services to customers in Monmouth, Independence, and areas west of the Willamette River. Brandt's collection operations transport waste approximately 15 miles daily to Coffin Butte.

The approximate waste volume collected by each franchisee is summarized in Table 4.

Table 4: Annual On-Route Waste Collection Volume by Franchisee

Polk County Franchisee / Collected Waste	Annual Tons	Volume %
Republic Services (MSW)	21,000	45.2%
Republic Services (C&D)	3,000	6.5%
Recology (MSW)	500	1.1%
Valley Recycling & Disposal (MSW)	8,000	17.2%
Valley Recycling & Disposal (C&D)	2,000	4.3%
Brandt's Sanitary (MSW)	12,000	25.8%
Total Collection Tons	46,000	100%

Republic has the largest collection territory and the highest volume (51.6%) of waste tons.

ReHub Operations and Costs

The confidential pro forma submitted to Polk County assumes the following revenues generated from the inbound volumes in Table 5. The second section of Table 5 assumes that waste collected by Republic will not be delivered to ReHub as the company will dispose of the trash in its landfill.

Table 5: Estimated Inbound Waste Material and Revenue to ReHub

Waste Material Source	Tons	Revenue	w/o RS	Revenue
Collection Truck	46,500	\$5,696,250	22,500	\$2,756,250
Self-Haul	22,000	\$3,717,125	22,000	\$3,717,125
Organics	13,000	\$1,089,680	13,000	\$1,089,680
Recycling	8,500	\$517,500	8,500	\$517,500
Other Revenue		\$565,000		\$565,000
Total Revenue	90,000	\$11,585,555	66,000	\$8,645,555

The ReHub disposal fee for collection trucks is \$122.50 per ton starting in 2027. The disposal fees charged by Republic to the Polk County franchisees in 2024 vary from \$42 to \$52 per ton plus a \$20 transaction fee. The average weight of the garbage collected by a residential or commercial route truck is 7.5 tons; therefore, the transaction fee increases the disposal fee to \$44.67 or \$54.67 per ton (\$42.00 or \$52.00 + \$2.67 transaction fee). Republic has notified Valley and Brandt that the disposal fee will increase to \$60 per ton in 2026. Since ReHub won't be operational till 2027, the estimated disposal fee at Coffin Butte in 2027 is \$65.00 per ton. At \$65 per ton, the amount charged at Coffin Butte is 53% of the ReHub fee.

ReHub's traffic flow and central location within the populated areas of Polk County would reduce the drive time expended by collection trucks to dump waste (Figure 1). Table 6 compares the one-way miles from the central city collection points to either Coffin Butte or ReHub's location east of Rickreall.



Table 6: One-Way Miles from Polk County Cities to Waste Facilities

Polk County City	West Salem	Monmouth	Dallas	Falls City
Miles to Coffin Butte	25	15	20	21
Miles to ReHub	9	7	5	15

Reducing the drive time expended by the franchisees has value. The following tables compare the combined disposal cost for each facility with the drive time cost to calculate an overall cost per ton for route collection trucks and drop box trucks. Tables 7 and 9 on the next page assume 2027 costs because that is the date of the pro forma submitted for ReHub. The average weight for a route truck is 7 tons, and the average for a drop box haul is 2.5 tons.

Table 7: Total Drive and Disposal Cost per Franchisee at Coffin Butte Landfill

Franchisee / City	Valley / West Salem	Brandt / Monmouth	Republic / Dallas	Republic / Falls City
Collection Cost per Hr.	\$138.92	\$138.92	\$138.92	\$138.92
Miles to Coffin Butte	25	15	20	21
Drive Time @ 45 mph	1.11	0.67	0.89	0.93
Landfill Dump Time	0.50	0.50	0.50	0.50
Total Drive + Dump Time	1.61	1.17	1.39	1.43
Drive Cost (Drive/Dump Time x Collection Cost per Hour)	\$223.81	\$162.07	\$192.94	\$199.11
Disposal Fee per Ton (Res/Com)	\$67.67	\$67.67	\$67.67	\$67.67
Tons per Haul to Landfill	7.5 tons	7.5 tons	7.5 tons	7.5 tons
Disposal Cost (Disposal Fee x Tons)	\$507.50	\$507.50	\$507.50	\$507.50
Drive Cost + Disposal Cost	\$731.31	\$669.57	\$700.44	\$706.61
Res/Com Total Cost per Ton (Drive + Disposal / 7.5 tons)	\$97.51	\$89.28	\$93.39	\$94.21
Disposal Fee per Ton (Roll Off)	\$73.00	\$73.00	\$73.00	\$73.00
Tons per Haul to Landfill	2.5 tons	2.5 tons	2.5 tons	2.5 tons
Disposal Cost (Disposal Fee x Tons)	\$182.50	\$182.50	\$182.50	\$182.50
Drive Cost + Disposal Cost	\$406.31	\$344.57	\$375.44	\$381.61
R/O Total Cost per Ton (Drive + Disposal / 2.5 tons)	\$162.52	\$137.83	\$150.18	\$152.64

Table 8 on the next page compares the total drive time and disposal costs of a route truck and a drop box haul for both facilities.

Table 8: Total Drive and Disposal Costs for Collection Route Trucks

Franchisee / City	Valley West Salem	Brandt Monmouth	Republic Dallas	Republic Falls City
Coffin Butte Cost per Ton	\$97.51	\$89.28	\$93.39	\$94.21
ReHub Cost per Ton	\$134.54	\$132.89	\$131.25	\$139.48
Difference	\$37.03	\$43.62	\$37.85	\$45.26
35 gal cart cost (27# set out)	\$2.16	\$2.55	\$2.21	\$2.65

Table 9: Total Drive and Disposal Cost per Franchisee at ReHub Transfer Station

Franchisee / City	Valley / West Salem	Brandt / Monmouth	Republic / Dallas	Republic / Falls City
Collection Cost per Hr.	\$138.92	\$138.92	\$138.92	\$138.92
Miles to ReHub in Rickreall	9	7	5	15
Drive Time @ 45 mph	0.40	0.31	0.22	0.67
Transfer Station Dump Time	0.25	0.25	0.25	0.25
Total Drive + Dump Time	0.65	0.56	0.47	0.92
Drive Cost (Drive/Dump Time x Collection Cost per Hour)	\$90.29	\$77.95	\$65.60	\$127.34
Disposal Fee per Ton (Res/Com)	\$122.50	\$122.50	\$122.50	\$122.50
Tons per Haul to Transfer Station	7.5 tons	7.5 tons	7.5 tons	7.5 tons
Disposal Cost (Disposal Fee x Tons)	\$918.75	\$918.75	\$918.75	\$918.75
Drive Cost + Disposal Cost	\$1,009.04	\$996.70	\$984.35	\$1,046.09
Res/Com Total Cost per Ton (Drive + Disposal / 7.5 tons)	\$134.54	\$132.89	\$131.25	\$139.48
Disposal Fee per Ton (Roll Off)	\$122.50	\$122.50	\$122.50	\$122.50
Tons per Haul to Transfer Station	2.5 tons	2.5 tons	2.5 tons	2.5 tons
Disposal Cost (Disposal Fee x Tons)	\$306.25	\$306.25	\$306.25	\$306.25
Drive Cost + Disposal Cost	\$396.54	\$384.20	\$371.85	\$433.59
R/O Total Cost per Ton (Drive + Disposal / 2.5 tons)	\$158.62	\$153.68	\$148.74	\$173.44

Table 10 on the following page compares the total drive time and disposal costs of a drop box haul for both facilities.

Table 10: Total Drive and Disposal Costs for Drop Box Hauls

Franchisee / City	Valley West Salem	Brandt Monmouth	Republic Dallas	Republic Falls City
Coffin Butte Cost per Ton	\$162.52	\$137.83	\$150.18	\$152.64
ReHub Cost per Ton	\$158.62	\$153.68	\$148.74	\$173.44
Difference	\$(3.91)	\$15.85	\$(1.44)	\$20.79

Polk County Policy Issues for Consideration

Republic collects approximately 52% of all waste within Polk County and will not use ReHub to dispose of waste collected within its franchised areas.

For all collected waste in Polk County to be delivered to ReHub, the County must enact a flow control ordinance.

Republic will expend the resources necessary to control the waste collected within its franchise areas of Polk County.

As the capacity diminishes at Coffin Butte, Republic will increase the cost per ton.