

POLK COUNTY BOARD OF COMMISSIONERS

DATE: August 7, 2024
TIME: 9:00 a.m.
PLACE: Polk County Courthouse, Dallas, Oregon

THE LOCATION OF THIS MEETING IS ADA ACCESSIBLE. PLEASE ADVISE THE BOARD OF COMMISSIONERS AT (503-623-8173), AT LEAST 24 HOURS IN ADVANCE, OF ANY SPECIAL ACCOMMODATIONS NEEDED TO ATTEND OR TO PARTICIPATE IN THE MEETING VIRTUALLY.

PAGE: **AGENDA ITEMS**

- 1. CALL TO ORDER AND NOTE OF ATTENDANCE**
- 2. ANNOUNCEMENTS**
 - (a) Regular meetings of the Board of Commissioners are held on Tuesday and Wednesday each week. Each meeting is held in the Courthouse Conference Room, 850 Main Street, Dallas, Oregon. Each meeting begins at 9:00 a.m. and is conducted according to a prepared agenda that lists the principal subjects anticipated to be considered. Pursuant to ORS 192.640, the Board may consider and take action on subjects that are not listed on the agenda. The Board also holds a department staff meeting at 9:00am on every Monday in the Commissioners Conference Room at 850 Main Street, Dallas, Oregon.
 - (b) Please see more announcements on pages 3 and 4.
 - (c) The Polk County Fair will begin Wednesday August 7, 2024 at 2:00 PM located at the Polk County Fairgrounds and continue through Saturday August 10, 2024.
 - (d) The Homeless Prevention Advisory Council (AKA P.A.T.H.S) will be meeting on August 14th, 2024 from 12:00 pm to 2:00 pm located at 1407 Monmouth Independence Hwy, Monmouth OR 97361.
 - (e) The Polk County Board of Commissioners will be holding a public meeting on August 14th, 2024 to consider adopting updates to the Polk County Multi-Jurisdictional Natural Hazard Mitigation Plan. The hearing will take place at 9:00 a.m, located in the main conference room at 850 Main Street Dallas.
- 3. COMMENTS (for items not on this agenda and limited to 3 minutes)**
- 4. APPROVAL OF AGENDA**
- 5. APPROVAL OF THE MINUTES FROM July 31, 2024**
- 6. APPROVAL OF CONSENT CALENDAR**
- 7. PUBLIC HEARING - CDBG APPLICANT– Diana Cvitanovich**
- 8. RECLASSIFICATION OF AN EMPLOYEE – Matt Hawkins**

CONSENT CALENDAR

- a) Polk County Order No. 24-07, Solid Waste Rate Increase
(Austin McGuigan, Community Development Director)
- b) Polk County Order No. 24-08, Appointing a Public Health Administrator
(Noelle Carroll, Health Services Director)

**THE BOARD OF COMMISSIONERS WILL MEET IN EXECUTIVE SESSION
PURSUANT TO ORS 192.660.**

ADJOURNMENT

POLK COUNTY PUBLIC MEETINGS AND PUBLIC HEARINGS
GUIDELINE FOR CITIZENS

REGULAR MEETING AGENDA

Regular meetings of the Polk County Board of Commissioners convene at 9 a.m. each Wednesday morning. Any person wishing to bring a matter before the Board at one of these meetings may do so by mailing or delivering written notice, concisely describing the nature of the item, to the Board of Commissioners, Polk County Courthouse, Dallas, Oregon 97338, by noon on the preceding Thursday. Unless otherwise announced, meetings are held in the Main Conference Room of the Courthouse.

APPEARANCE OF INTERESTED CITIZENS

The Board sets aside a time at each regular meeting for comment by the public on subjects not appearing on the Agenda. Individuals may come forward and make any statement they wish, but not to exceed three (3) minutes in length, except as is required to give concise answers to questions from Board members. If the subject will require a lengthier presentation, or merits inclusion as an item on the Agenda of a future meeting, the Board shall schedule it accordingly.

PUBLIC HEARING FORMAT

Land Use

1. Chairman opens hearing.
 - a. Reading of hearing request or appeal statement.
 - b. Call for abstentions (ex parte contact or conflict of interest).
2. County staff presents background, summary and its recommendation (20-minute limit).
3. Applicant (Appellant) presents his/her case (15-minute limit).
4. Public testimony. Note that all testimony and evidence must be directed toward the applicable factual and legal criteria as identified in the record and/or during this hearing. Do not repeat previous testimony. Simply note for the record that you are in agreement with that earlier testimony. Your time to present testimony is limited. FAILURE TO RAISE AN ISSUE IN THIS HEARING, IN PERSON OR BY LETTER, OR FAILURE TO PROVIDE ADEQUATE SPECIFICITY TO AFFORD THE BOARD AN OPPORTUNITY TO RESPOND TO THE ISSUE MAY PRECLUDE LATER APPEAL TO LUBA ON THAT ISSUE.
 - a. Individuals in favor of the application or appeal.
 - b. Individuals against the application or appeal. At the discretion of the Chairman, an attorney, consultant, or other designated representative of two or more individuals may be allowed the combined time for each represented individual who does not speak, not to exceed 20 minutes. The Chairman may require proof of designation.
5. Rebuttal by Applicant (Appellant) (10-minute limit).
6. Questions from Board (discussion limited to individuals questioned by the Board).
 - a. Staff.
 - b. Applicant (Appellant).
 - c. Individuals testifying.
7. Chairman closes hearing and announces closing of Record.
8. Chairman announces date for deliberation and decision.
9. The Board's decision is deemed the final decision of Polk County. It may be appealed to LUBA within 21 days of its issuance in written form. The address and phone number of LUBA may be obtained from the Polk County Community Development Department and will also appear on the Notice of Decision which will be mailed to all persons who testify, submit comments, or print their name and address on the hearing attendance sheet at the back of the hearing room.

**Public Notice and Notice of Public Hearing
by the
Polk County Board of Commissioners**

Polk County is eligible to apply for a 2024 Community Development Block Grant from Business Oregon. Community Development Block Grant funds come from the U.S. Department of Housing and Urban Development. The grants can be used for public facilities and housing improvements, primarily for persons with low and moderate incomes.

Approximately \$12 million will be awarded to Oregon non-metropolitan cities and counties in 2024. The maximum grant that a city or county can receive is \$400,000 for a Housing Rehabilitation Program

Polk County is preparing an application for a 2024 Community Development Block Grant from Business Oregon for the Polk Regional Housing Rehabilitation (PRC) Program that will provide grants to owner-occupied homes in Polk County for the purpose of housing rehabilitation. It is estimated that the proposed project will benefit at least 30 persons, of whom 100% will be of low or moderate income.

A public hearing will be held by the Polk County Board of Commissioners at 9:00 am on August 07, 2024 at the Polk County Courthouse, 850 Main Street. Dallas, Oregon. The purpose of this hearing is for the Board of Commissioners to obtain citizen views and to respond to questions and comments about: community development and housing needs, especially the needs of low- and moderate-income persons, as well as other needs in the community that might be assisted with a Community Development Block Grant project; and the proposed project.

Written comments are also welcome and must be received by 4:00 pm August 06, 2024 at 850 Main Street. Dallas, Oregon 97338. Both oral and written comments will be considered by the Board of Commissioners in deciding whether to apply.

The location of the hearing is accessible to persons with disabilities. Please contact Nicole Pineda at (503) 623.8173 by August 06, 2024 if you will need any special accommodations to attend or participate in the meeting. You may attend and comment via Zoom by contacting Nicole Pineda at (503) 623.8173 by August 05, 2024

More information about Oregon Community Development Block Grants, the proposed project, and records about Polk County's past use of Community Development Block Grant funds is available for public review at the Polk County Court House, 850 Main Street. Dallas, Oregon, during regular office hours. Advance notice is requested. If special accommodations are needed, please notify Nicole Pineda at (503) 623.8173 so that appropriate assistance can be provided.

Permanent involuntary displacement of persons or businesses is not anticipated as a result from the proposed project. If displacement becomes necessary, alternatives will be examined to minimize the displacement and provide required/reasonable benefits to those displaced. Any low- and moderate-income housing that is demolished or converted to another use will be replaced.



Posted 1:00 pm 7/29/2024

Aviso Público y Noticia de Audiencia Pública

07 de agosto del 2024, 9:00 a. m., CONSEJO PROVINCIAL POLK

El condado de Polk es elegible para solicitar un Subsidio en Bloque para el Desarrollo Comunitario 2024 (Community Development Block Grant) de Business Oregon. Los fondos del Subsidio en Bloque para el Desarrollo Comunitario provienen del Departamento de Vivienda y Desarrollo Urbano de los EE. UU. Los subsidios pueden ser usados para instalaciones públicas y remodelación de casas, primariamente por personas con ingresos moderados o bajos

Aproximadamente \$12 millones serán otorgados en 2024 a ciudades y condados no-metropolitanos de Oregon. El máximo de subsidios que la ciudad o el condado puede recibir es \$400,000.

El condado de Polk está preparando una aplicación en 2024 para el subsidio del Bloque Subsidiario para el Desarrollo Comunitario que viene del Business Oregon para rehabilitación de viviendas. Está estimado que la propuesta del proyecto beneficiará por lo menos a 30 personas, de los cuales 100% serán de ingresos moderados o bajos. El condado de Polk llevará a cabo una audiencia pública a las 9:00 a. m. del 7 de Agosto de 2024 ante la junta de comisionados ubicada en 850 Main Street. Dallas, Oregon.

El propósito de esta audiencia es para que la ciudad de consejo provincial de polk obtenga puntos de vista de los ciudadanos y para responder preguntas acerca del: Desarrollo comunitario y necesidades de vivienda, especialmente las necesidades de personas con ingresos moderados y bajos, así como también otras necesidades en la comunidad que podrían ser asistidas con un subsidio del proyecto Community Development Block Grant (Bloque Subsidiario para el Desarrollo Comunitario); El proyecto propuesto. Los comentarios escritos son también bienvenidos y deben ser recibidos en el ayuntamiento 850 Main Street, Dallas, Oregon 97338 antes de las 4:00PM del 06 de Agosto 2024. El condado de polk considerará tanto los comentarios escritos como los orales para decidir si se aplican. Puedes asistir y testificar en persona llamando al (503) 623-8173 y reserva su espacio. También puede asistir y testificar en la audiencia pública a través de Zoom comunicándose con la oficina del condado por lo menos 24 horas antes de la audiencia. Comuníquese con Nicole Pineda al (503) 623.8173 en la oficina de los comisionados para asistir a través de Zoom y comentar o si necesita alguna adaptación especial para asistir o participar en la reunión.

Más información sobre las subvenciones en bloque para el desarrollo comunitario de Oregon, el proyecto propuesto y los registros anteriores del condado sobre el uso de las subvenciones en bloque para el desarrollo comunitario están disponibles para revisión pública en la oficina de la junta del comisionado durante el horario de oficina habitual. Se requiere aviso previo. Si se necesitan adaptaciones especiales, notifique a Nicole Pineda al (503) 623-8173 para que se le pueda brindar la asistencia adecuada.

El desalojamiento involuntario permanente de personas o negocios no es esperado como un resultado del proyecto propuesto. Si el desalojamiento llegara a ser necesaria, serán examinadas alternativas para minimizar la desalojamiento y proveer beneficios requeridos/razonables para aquellos desalojados. A Cualquier casa de ingreso moderados o al menos que sea demolida o convertida en otro uso será reemplazada.



POSTED 1:00 pm 7/29/2024

POLK COUNTY BOARD OF COMMISSIONERS
MINUTES July 31, 2024

1. CALL TO ORDER & ATTENDANCE

At 9:00 a.m., Commissioner Pope declared the meeting of the Polk County Board of Commissioners to be in session. Commissioner Mordhorst and Commissioner Gordon were present.

Staff present: Greg Hansen, Administrative Officer
Morgan Smith, County Counsel
Matt Hawkins, Administrative Services Director

2. ANNOUNCEMENTS

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Please see more announcements on pages 3 and 4.

The Polk County Board of Commissioners will be attending the Polk County Local Public Safety Coordinating Council meeting on August 5, 2024 at 12:00 p.m., located at 850 Main St., Dallas, OR 97338.

The Homeless Prevention Advisory Council (AKA P.A.T.H.S) will be meeting on August 14th, 2024 from 12:00 pm to 2:00 pm located at 1407 Monmouth Independence Hwy, Monmouth OR 97361.

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3. COMMENTS

4. APPROVAL OF AGENDA

MOTION: COMMISSIONER MORDHORST MOVED, COMMISSIONER GORDON SECONDED, TO APPROVE THE AGENDA.

MOTION PASSED BY UNANIMOUS VOTE OF THE BOARD.

5. APPROVAL OF MINUTES OF July 24, 2024

MOTION: COMMISSIONER GORDON MOVED, COMMISSIONER MORDHORST SECONDED, TO APPROVE THE MINUTES OF July 24, 2024.

MOTION PASSED BY UNANIMOUS VOTE OF THE BOARD.

The following items were approved by Motion under **5. APPROVAL OF CONSENT CALENDAR:**
N/A

At 9:02 a.m. County Counsel announced that the meeting was recessed to Executive Session pursuant to ORS 192.660(2)(d) To conduct deliberations with persons designated by the governing body to carry on labor negotiations.

The Executive Session ended at 9:18 a.m. and Commissioner Pope directed staff to move forward as discussed and the meeting was adjourned.

POLK COUNTY BOARD OF COMMISSIONERS

Craig Pope, Chair

Jeremy Gordon, Commissioner

Lyle Mordhorst, Commissioner

Minutes: Nicole Pineda
Approved: August 7, 2024

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by the
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POSTED 1:00 pm 7/29/2024



MEMORANDUM

TO: Board of Commissioners
FROM: Matt Hawkins, Admin. Services Director
DATE: July 31, 2024
SUBJECT: Reclassification of a Health Services Supervisor III

Wednesday – August 7, 2024 (5 minutes)

RECOMMENDATION:

The Board of Commissioners approve the reclassification of a Health Service Supervisor III.

ISSUE:

Shall the Board approve the reclassifications?

DISCUSSION:

It is recommended that Alba Garcia in Health Services, be reclassified from a Health Service Supervisor III to a Health Services Manager I. Alba has been working out of class since November of 2023 taking on the extra job duties to cover the supervision of several additional programs. This is an abnormally long period of time to be in working out of class status and Alba has been performing the additional duties very well, thus the reason we are requesting a reclassification.

Alba is currently at step 5 of the Health Services Supervisor III position which is \$7,229 monthly. If the reclassification is approved, she will move to step 4 of the Health Services Manager I position which is \$7,811.

Should the reclassification be approved it would be effective August 1, 2024.

FISCAL IMPACT:

This reclassification will have an impact on the budget for FY 24-25 of approximately \$9,500 including PERS contribution should it be for 12 months.



POLK COUNTY

POLK COUNTY COURTHOUSE ★ DALLAS, OREGON 97338
(503) 623-9237

COMMUNITY DEVELOPMENT

AUSTIN M'GUIGAN
Director

TO: Board of Commissioners

FROM: Austin McGuigan, Solid Waste Administrator; Christina Tisdell, Env. Health

DATE: July 29, 2024

SUBJECT: Order No. 24-07 – Solid Waste Rate Increase

August 7, 2024 - Consent

RECOMMENDATION: Adopt Order No. 24-07 to ratify the Hearings Officer's decision for a solid waste rate increase for Valley Recycling and Disposal, Inc. (Valley Recycling).

ISSUE: Should a rate increase for solid waste collection service be approved for Valley Recycling?

BACKGROUND: Valley Recycling has proposed a rate increase to offset rising operating costs and declining revenue. Valley Recycling is proposing a combined collection rate increase of 6.5% to all collection services, a redistribution of fees for urban and rural commercial container rates and a mileage rate increase for drop box services.

The Hearings Officer conducted the public hearing on Tuesday July 23, 2024. The Hearing Officer's recommendation is attached with findings, conclusions and recommendations. Based on the staff report and the testimony received at the hearing, the Hearing Officer has recommended the rate increase. Unless a majority of the Board wants to open the record, your decision, pursuant to Polk County Code Chapter 70, must be based on the record developed through the hearing held on Tuesday July 23, 2024.

DISCUSSION / ALTERNATIVES:

1. Ratify rate increases as proposed by Valley Recycling.
2. Modify the Hearing Officer's decision.
3. Rescind the Hearing Officer's decision.
4. Remand the decision back to the Hearing Officer for reconsideration.

FISCAL IMPACT:

Valley Recycling will impact approximately 1588 customers by increasing their collection service rates. Rates are proposed to be effective October 1, 2024.

In the matter of Solid Waste Collection)
Rate Increase by Valley Recycling and Disposal)

WHEREAS, the above matter came before the Polk County Board of Commissioners as a decision from the Polk County Hearings Officer for approval of a solid waste collection rate increase for Valley Recycling and Disposal; and

WHEREAS, the Polk County Hearings Officer conducted a public hearing on this matter on June 3, 2022; and

WHEREAS, the Polk County Hearings Officer found that the rate increase will be just, fair, reasonable, and sufficient to provide service to the public; now, therefore:

Sec.1 The application for a solid waste collection rate increase for Valley Recycling and Disposal is **ratified**.

Sec.3 The effective date of October 1, 2024, as determined by the Hearings Officer is **ratified**.

Page 1 of 2

POLK COUNTY BOARD OF COMMISSIONERS

Craig Pope, Chair

Lyle Mordhorst, Commissioner

Jeremy Gordon, Commissioner

Approved as to Form

Morgan Smith
County Counsel

**BEFORE THE COMMUNITY DEVELOPMENT DEPARTMENT
FOR POLK COUNTY, OREGON**

In the Matter of the Application of:

Valley Recycling & Disposal, Inc.

**ORDER RE: APPLICATION FOR
ANNUAL RATE INCREASE
(PCCO CH. 70)**

I. SUMMARY OF PROCEEDINGS

Valley Recycling and Disposal, Inc. (Valley Recycling), a Polk County Solid Waste Collection Franchisee, has requested a rate increase for solid waste collection services. Valley Recycling serves approximately 1,588 customers within the urban, rural, and distant areas in Polk County. Residential customers account for approximately 94% of operations and commercial customers account for approximately 6%. The last rate increase by Valley Recycling and Disposal was on January 1, 2023, when an overall rate increase of 15% was approved.

Valley Recycling applied for the current annual rate adjustment on June 25, 2024. The proposed rate adjustment request is a combined increase of 6.5% for solid waste collection services, a redistribution of fees for urban and rural commercial container rates which would result in an increase of 2.91% and 5.75% respectfully, and a mileage rate increase for drop box services for customers located more than five miles from the base station.

Polk County Code of Ordinances (PCCO) Chapter 70.0801 allows a Solid Waste Collection Franchisee to apply for an annual rate increase. The Polk County Board of Commissioners designated Hearings Officer may approve and establish rates filed by franchises if it finds that such rates are not demonstratively unreasonable and are not substantially higher than those charged generally in the County under similar service requirements and for the same or similar quality of service, or it may establish a different rate schedule. The Hearings Officer may also increase or decrease rates based on the cost of doing business. Leslie Howell was designated by the Board to hear and determine this application.

II. PUBLIC HEARING

A duly advertised public hearing was held in the Polk County Courthouse on July 23, 2024. Valley Recycling was represented by Estle Harlan. The Hearings Officer announced that she was a customer of Valley Recycling but her rates were not affected by this hearing and that she had no interest (financial or personal) in the matter nor any *ex parte* contact with any involved party. County Staff summarized its report and recommended a rate increase effective of September 1, 2024. Harlan presented additional testimony in favor of the application and stated that Valley Recycling supported County Staff's recommendation, including an effective date of September 1, 2024. There was no one in attendance who wished to speak for or against the application. There was no request for a continuance nor a request to leave the Record open for submission of further evidence. Leslie Howell, Polk County Hearings Officer, presided. She has authority to make a recommendation to the Board of Commissioners on this matter.

III. APPLICABLE LAW

In determining rates, the Administrator and the Hearings Officer shall make a finding that the rates will be just, fair, reasonable, and sufficient to provide proper service to the public. The

Administrator and the Hearing Officer may consider rates charged by other persons performing the same or similar service in the same or other areas. Under PCCO 70.0801(6) the Administrator and the Hearing Officer shall give due consideration to:

- (a) The investment in facilities and equipment.**
- (b) The services of management.**
- (c) Local wage scales.**
- (d) The concentration of customers in the area served.**
- (e) Methods of storage, collection, transportation and disposal, salvage, recycling, or reuse.**
- (f) A reasonable return to the franchisee.**
- (g) The length of haul to disposal facilities.**
- (h) The cost of disposal.**
- (i) The use of transfer stations or transfer systems and the added costs.**
- (j) The cost of alternate methods of disposal.**
- (k) The future service demands of the service area or disposal site which must be anticipated in equipment, facilities, personnel, or land.**
- (l) Extra charges for special pickups or pickups on days where service is not normally provided on a collection route.**
- (m) Extra charges where the type or character of waste or solid waste, including but not limited to wastes with peculiarly offensive odors, requires special handling or service.**
- (n) Extra charges for providing janitorial services on the premises where service is provided.**
- (o) In addition, with respect to disposal sites, the type of site, whether the site is open to the public, and hours, type of waste disposed of, and method of disposal.**
- (p) Cost of compliance with laws, ordinances or regulations and rules of public agencies or bodies having jurisdiction.**
- (q) Other factors that may, in the opinion of the Administrator and the Board, necessarily affect the rates to be charged.**

IV. FINDINGS

Polk County has previously considered the rate determination factors listed above in establishing the collection rates for this franchise area. Valley Recycling is requesting a 6.5% rate increase for all solid waste collection services, a redistribution of fees for urban and rural commercial container rates which would result in an increase of 2.91% and 5.75%, and a mileage rate increase for drop box services. Valley Recycling is not proposing changes to the types of service offered, collection or disposal.

Valley Recycling has not identified future service demands that would justify a rate increase. Valley Recycling has not identified any changes to laws, ordinances or regulations that have increased the cost of compliance. Valley Recycling has identified inflationary increases in fuel, labor, and disposal costs as well as the general cost of doing business as justification for the proposed rate increase. Valley Recycling is also requesting a reasonable return of 8.44%.

Annual inflation based on the Urban Consumer Price Index (CPI - U) for West Size Class B/C increased 3.3% between 2023 and 2024. From 2022 to 2024 the inflation rate increased by a cumulative 9.1%. Valley Recycling's net income as percent of sales for the Polk County portion of their earnings has increased from 0.14% in 2022 to 10.47% in 2023. 2022 and 2023 actual results indicate that the largest expenses were combined operational costs. From 2022 to 2023, the total direct cost of operations increased by 5%. The 2025 Valley Recycling and Disposal ProForma projects that the total direct cost of operations will continue to increase by 9.7% from 2023 to 2025. Disposal costs are projected to go up 24.1%. Valley Recycling also projects that, with the proposed rate increase, the net income as a percent of sales would decrease to 8.44% from 10.47%. Without the rate increase, the net income as percent of sales would decrease to 2.56%. At the hearing, the representative for Valley Recycling emphasized the requested rate is below the general inflation rate from 2022 to 2024 and the requested rate of return to Valley Recycling is in accordance with industry standards. Also, at the hearing, the representative for Valley Recycling presented testimony that the cost of disposal had increased significantly, which is large part of the operating expenses.

In summary, the total direct cost of operations are projected to increase by 9.7% from 2023 to 2025. The Hearings Officer finds that before tax, a projected 8.44% operating margin is a reasonable rate of return to the franchisee and with the projected returns for other Polk County franchisees. The cost of disposal, wages and management services are all factors that the Hearings Officer considers when making a rate increase determination. The Hearings Officer finds that Valley Recycling has demonstrated that the cost of doing business has increased.

The Hearings Officer and the Board may compare rates charged by others performing the same or similar service in the same or other areas. Attached are rate comparison charts compiled by County Staff to review other solid waste collection rates both inside and surrounding Polk County. The surrounding counties included in this comparison are Benton, Lincoln, Marion, Tillamook, Yamhill and Washington.

A review of Valley Recycling's proposed urban residential rates within Polk County but outside the Valley Recycling franchise area are \$22.76 for a 32/35-gallon cart and \$36.40 for a 90/95-gallon cart. Valley Recycling is proposing \$18.40 for a 35-gallon cart and \$29.75 for a 95-gallon cart. Valley Recycling proposed 35-gallon cart rate and 95-gallon cart rate are 23.72% lower and 22.34% lower than the average Polk County Franchise rates respectfully. The average urban rates in surrounding counties are \$29.30 for a 32/35-gallon cart and \$47.18 for a 90/95-gallon cart. Valley Recycling's proposed urban rates are 59.23% and 58.59% less than surrounding counties for 32/35 gallon and 90/95-gallon carts. The Hearings Officer finds the proposed urban residential rates are just, fair and reasonable compared to other Polk County franchises in the local area.

A review of Valley Recycling's proposed rural residential rates are lower than the average rates charged by franchisees in Polk County and surrounding counties. In particular, the average rural rates within Polk County but outside the Valley Recycling's franchise area are \$22.70 for a 32/35-gallon cart and \$36.88 for a 90/95-gallon cart. Valley Recycling is proposing \$18.00 for a 35-gallon cart and \$30.80 for a 95-gallon cart. Valley Recycling's proposed 35-gallon cart rate and 95-gallon cart rate are 26.13% lower and 19.72% lower than the average Polk County Franchise rates respectfully. The average rates in surrounding counties are \$30.33 for a 32/35-gallon cart and \$48.69 for a 90/95-gallon cart. Valley Recycling's proposed rural rates are 68.48% and 36.74% less than surrounding counties for 32/35-gallon and 90/95-gallon carts. The Hearings Officer finds the proposed rural residential rates are just, fair and reasonable compared to other Polk County franchises in the local area.

Valley Recycling's proposed urban and rural rates for a 2-yard container are on average 23.31% and 20.74% lower than other Polk County franchises and 34.42% and 26.56% lower than surrounding counties. Valley Recycling is proposing to redistribute commercial container rate to

address the disparity that has developed over the years due to the flat rate increase adjustments across all commercial container sizes. The proposed adjustment aims to rebalance commercial container rates with the actual costs of collection and disposal services, providing a more equitable and cost-effective solution for customers. Valley Recycling's proposed urban and rural commercial rates for containers would increase by 2.91% and 5.75% respectfully. Commercial urban rates for 1-yard, 1 ½ yard, and 2-yard containers would increase by approximately 9%. However, Valley Recycling is proposing a 5.27% decrease for the 3-yard container, while keeping the rates for the 4-yard, 5-yard, and 6-yard containers unchanged. The proposal would result in a net increase of 5.75% for urban commercial container rates.

Commercial rural rates for 1-yard, 1 ½ yard and 2-yard containers would increase by approximately 9%. However, Valley Recycling is proposing a 11.1% decrease for the 3-yard and 4-yard containers, while keeping the rate for the 5-yard and 6-yard containers unchanged. The proposal would result in a net increase of 2.91% for rural commercial container rates. The Hearings Officer finds that the proposed rates are lower than those charged in Polk County and in surrounding counties. The Hearings Officer finds the proposed rural and urban commercial container rates are just, fair and reasonable compared to other Polk County franchises in the local area and to rates in surrounding counties.

Valley Recycling's proposed drop box rates are \$237.25 for a 10-yard, 20-yard, 30-yard and 40-yard drop box. The average drop box rates within Polk County but outside the Valley Recycling franchise area are \$258.97 for a 10-yard, 20-yard, and 30-yard drop box. Valley Recycling's proposed drop box rates are approximately 9.15% lower than the average Polk County Franchise rates respectfully. Additionally, Valley Recycling is proposing to increase milage fee from \$1.40 per mile to \$1.85 per mile for drop box services located more than five miles from the base station. This is a 24.32% increase to the milage fee that would be applied separately to the overall drop box rate adjustment. Introducing a milage fee increase for drop boxes beyond a certain radius, Valley Recycling can ensure that customers who benefit from the service share the cost associated with providing it. The Hearings Officer finds the proposed drop box rates are just, fair and reasonable compared to other Polk County franchises in the local area.

V. CONCLUSIONS

Based on the information in the record and the analysis above, the Hearings Officer finds justification in approving a rate adjustment of a 6.5% increase in current collection rates with the exception of urban and rural commercial container rates which would increase by 2.91% and 5.75% respectfully. Additionally, the milage for drop box services located more than five miles from the based station is proposed to increase by 24.32%. The CPI-U index has shown an increase of 3.3% between 2023 and 2024. Without the proposed rate increase, Valley Recycling projects that the net income as percent of sales would decrease to 2.56% for 2025, down from 10.47% in 2023. With the proposed rate increase, the net income as percent of sales before tax would only decrease to 8.44% for 2025, which is a reasonable rate of return.

Valley Recycling applied for the current annual rate adjustment on June 25, 2024, and requested a September 1, 2024, start date. The Hearings Officer finds that PCCO 70.0801(3) requires applicants for an annual rate adjustment to submit the request 90 days prior to the effective date of the proposed rate change. Thus, the Hearings Officer finds an effective date of October 1, 2024, satisfies PCCO 70.0801(3), and the rate increase should be effective October 1, 2024.

VI. RECOMMENDATION

Based on the findings in this report, the Hearings Officer concludes that the proposed 6.5% increase in current collection rates with the exception of urban and rural commercial container rates which would increase by 2.91% and 5.75% respectfully and the milage for drop box services

located more than five miles from the based station is proposed to increase by 24.32%. is just, fair, reasonable, and sufficient to provide proper service to the public and a reasonable rate of return for the franchisee.

The Hearings Officer recommends that the Board of Commissioners APPROVE the proposed increase effective October 1, 2024.

Dallas, Oregon

July 29, 2024.

Leslie Howell

Leslie Howell
Polk County Hearings Officer

2024 SURROUNDING COUNTIES RURAL COMPARISON

Container Size	Valley Proposed Polk Count	Benton County	Linn County	Marion County	Tillamook County	Yamhill County	Washington County	Average
32/35 GAL	\$18.00	\$35.11	\$25.31	\$31.89	\$32.28	\$27.98	\$29.39	\$30.33
65 GAL	\$23.85	\$43.68		\$39.84			\$43.08	\$42.20
90/95 GAL	\$30.80	\$53.74	\$38.53	\$48.53	\$53.88	\$46.63	\$50.83	\$48.69
2 YARD	\$158.30	\$182.58	\$205.86	\$160.88	\$266.92	\$299.29	\$177.83	\$215.56

2024 POLK COUNTY RURAL FRANCHISE RATE COMPARISON

FRANCHISE	<u>32 GAL/35 GAL</u>	<u>90/95 GAL</u>	<u>2 YARD</u>
Brandt's	\$21.30	\$41.00	\$171.85
Recology	\$22.97	\$38.26	\$224.56
Republic Service-Dallas	\$27.49	\$33.62	\$193.47
Republic-Polk Co.	\$19.05	\$34.62	\$169.80
Valley Recycling/Disposal	\$16.90	\$28.90	\$143.90
Polk Franchise Avg.	\$22.70	\$36.88	\$189.92
Valley Recycling/Disposal	\$18.00	\$30.80	\$157.30

Note: PC Avg is calculated outside of Valley's service area

2024 SURROUNDING COUNTIES URBAN RATE COMPARISON

Container Size	Valley Proposed Polk County	Benton County	Linn County	Marion County	Tillamook County	Yamhill County	Washington County	Average
32/35 GAL	\$18.40	\$35.11	\$32.31	\$30.37	\$22.05	\$26.53	\$29.42	\$29.30
65 GAL	\$24.45	\$43.68		\$40.39	\$44.10		\$41.80	\$42.49
90/95 GAL	\$29.75	\$53.74	\$38.53	\$47.45	\$50.10	\$44.22	\$49.05	\$47.18
2 YARD	\$144.65	\$182.58	\$205.86	\$145.90	\$179.40	\$284.01	\$168.91	\$194.44

2024 POLK COUNTY URBAN FRANCHISE RATE COMPARISON

FRANCHISE	<u>32 GAL/35 GAL</u>	<u>90/95 GAL</u>	<u>2 YARD</u>
Brandt's	\$21.75	\$40.95	\$171.85
Recology			
Republic Service-Dallas	\$27.49	\$33.62	\$193.47
Republic-Polk Co.	\$19.05	\$34.62	\$169.80
Valley Recycling/Disposal	\$17.30	\$27.95	\$126.35
Polk Franchise Avg.	\$22.76	\$36.40	\$178.37
Valley Recycling/Disposal	\$18.40	\$29.75	\$144.65

Note: PC Avg is calculated outside of Valley's service area

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4 **BEFORE THE BOARD OF COMMISSIONERS FOR**
5 **POLK COUNTY, OREGON**
6

7 In the Matter of Appointing a)
8 Local Public Health)
9 Administrator)
10
11
12

13 **ORDER NO. 24-08**
14

15 **WHEREAS**, ORS § 431.418(1) requires the Local Public Health Authority to appoint a qualified
16 Local Public Health Administrator to supervise the activities of the Local Public Health Authority; and
17
18

19 **WHEREAS**, Kari Wilhite appears to the Board to meet the criteria as the Local Public Health
20 Administrator and is willing and able to assume the duties contained in ORS § 431.418.
21
22

23 **THE POLK COUNTY BOARD OF COMMISSIONERS ORDERS AS FOLLOWS:**
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- 25 (1) That Kari Wilhite be appoint as Polk County's Local Public Health Administrator.
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27 (2) This order takes effect August 15, 2024.
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29 (3) Kari Wilhite's appointment as Polk County's Local Public Health Administrator shall expire on
30 January 31, 2025.
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33 Dated: August 7th, 2024 at Dallas, Oregon.
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36 **POLK COUNTY BOARD OF COMMISSIONERS**
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38

39 _____
40 Craig Pope, Chair
41
42

43
44 Approved as to Form
45
46 _____

47 Morgan Smith
48 County Counsel

Lyle Mordhorst, Commissioner

Jeremy Gordon, Commissioner