



Staff Report

File #: 24-447
Version: 1

Date: 11/25/2024
Item #: 5.c.

TO: Mayor and City Council
THROUGH: Keith Stahley, City Manager
FROM: Josh Eggleston, Chief Financial Officer

SUBJECT:

Presentation of proposed solid waste transfer station in Polk County by Salem City staff, Polk County staff, and Apple Tree Holdings, LLC

Ward(s): Ward 1, 8
Councilor(s): Stapleton, Varney
Neighborhood(s): West Salem
Result Area(s): Good Governance; Natural Environment Stewardship; Safe and Healthy Community; Safe, Reliable and Efficient Infrastructure; Strong and Diverse Economy; Welcoming and Livable Community.

SUMMARY:

Polk County received an unsolicited proposal from Apple Tree Holdings, LLC (Apple Tree) to site, build, and operate a solid waste transfer station in Rickreall, OR with an estimated operational start date in 2027. City staff are actively working with both Polk County staff and Apple Tree to understand the benefits and impacts of this proposal to solid waste services and rates in Salem, particularly in West Salem.

ISSUE:

Information Only

RECOMMENDATION:

Information Only

FACTS AND FINDINGS:

Currently, no solid waste transfer station exists within Polk County. All waste collected in Polk County is hauled directly to disposal, processor, or reload facilities outside of Polk County. Similarly, residents and businesses that self-haul garbage, yard waste, or construction and demolition debris, must travel outside of Polk County to dispose of their solid waste.

In May 2024, Apple Tree submitted a proposal to Polk County to site, build, and operate a solid waste transfer station in Rickreall, OR, which would be known as "ReHub." As proposed by Apple Tree, ReHub would provide solid waste transfer operations for various waste streams, including municipal solid waste, recycling, inert materials, and yard debris/green waste. Currently, ReHub is projected to begin operations in 2027.

ReHub would be utilized by franchised haulers, allowing them to dispose of waste within Polk County, reducing transportation costs. ReHub would also be accessible to the public for self-haul disposal. Intergovernmental agreements (IGAs) between Polk County and its cities would be pursued to ensure sufficient throughput of material at ReHub to maintain necessary economies of scale.

The following steps are anticipated prior to ReHub becoming operational:

- Begin IGA process between Polk County and cities,
- Polk County to grant franchise to Apple Tree by end of 2024 (dependent on IGAs and approval of land use application),
- Apple Tree submits land use application,
- Land use approval from Polk County for proposed site,
- Finalize IGAs, and
- Apple Tree to begin construction and hire staff.

BACKGROUND:

In July 2024, City staff met with Polk County staff and Apple Tree to review the initial proposal. City staff have been reviewing potential benefits and impacts to solid waste services and rates in Salem.

Apple Tree presented this proposal to the Solid Waste Committee during its August 15, 2024, meeting. Members of the Committee recommended that this proposal be presented to the City Council.

More information on ReHub can be found at www.ReHubHoldings.com
<<http://www.ReHubHoldings.com>>.

Ryan Zink
Franchise Administrator

Attachments:

1. Presentation by Apple Tree Holdings, LLC