MEMO

To: **Mayor and Members of Council**
From: **Vincent Martorello, City Manager**
CC: **City Council File**
Re: **Week of July 5, 2026 - Update**
Date: **July 10, 2026**

Here is a summary of my activities for the week of July 5, 2026.

- Planning Director interviews were conducted. We had two strong candidates. I have been checking references this week and I hope to have an employment offer to the preferred candidate by early next week.
- I watched the Lane County Board of Commissioners meeting on July 7, 2026. The Board voted to keep the Creswell Transfer Station open, but with reduced days of operation. Beginning August 10, 2026, the station will be open only on Fridays and Saturdays. The operating hours will stay the same. Creswell was mentioned several times during the meeting and was identified, along with Cottage Grove and Springfield, as contributing to the budget deficit. I sent you a memo earlier this week that provides context to the issue. I did revise memo, and I have attached it here for ease of reference.
- I finalized the City Attorney Contract and the Municipal Judge Contract. The City attorney contract will be on the July 13, 2026, Council agenda and the Municipal Judge contract will be on the August 10, 2026. Effective September 16, 2026, our Municipal Court will be held the third Wednesday of each month at 9:00 am.
- I attended the July 8 Public Safety Committee meeting.
- I attended the July 9 Hobby Field AMP - PAC Meeting #2. The updated master plan will be in a draft form towards the end of the year, and we will present it to you at a work session.
- We have had several employees out within Public Works over a several week period. The Public Works Director has done an incredible job balancing the workload and maintaining a high level of service.
- Discussed the STOL Event with the Airport Manager and she is doing a great job with donations. As of our conversation late on Thursday, she had acquired $37,950 in donations for the event. As you know, National STOL Event, costs us $30,000 and we anticipated additional costs upwards $10,000 – for an anticipated need of $40,000.

Anticipated Work – Week of July 12, 2026:

- July 13 – City Council meeting
- July 15 – Airport Commission meeting

Upcoming Work:

- July 27 Council Work Session – Airport Discussion, Judge Palmer visit, Council stipend discussion

Let me know if you have any questions or concerns.

With gratitude,
Vincent

MEMO

To: **Mayor and Members of Council**
From: **Vincent Martorello, City Manager**
CC: **City Council File**
Re: **Lane County Transfer Station Discussion**
Date: **July 8, 2026 – Updated July 9, 2026**

The purpose of this memo is to provide you with additional information and context about the July 7, 2026, Lane County Board of Commissioners meeting concerning the proposed closure of transfer stations in Lane County. For your convenience, here is a link to the YouTube recording of the meeting.

Board of Commissioners' Morning Meeting: July 7, 2026

County staff showed the Commissioners a breakdown of their budget deficit.

LANE COUNTY WASTE MANAGEMENT BUDGET OVERVIEW

- Division FTE: 94.9
- Required Resources: $41,112,572
  - $15M is for CleanLane construction funded through a bond
- Revenues: $38,112,572*
  - $15M is for CleanLane construction funded through a bond
- Structural Operating Deficit: $3M
- Annual Landfill Reserve Contribution Deficit: $2M
- Combined Deficit: $5M

REVENUE LOSS

The revenue loss from Short Mountain directly impacts the Structural Operating Deficit. During the meeting, Creswell, Springfield, and Cottage Grove were mentioned as contributing to this deficit. However, to my knowledge, only three cities currently have a System Benefit Fee IGA with Lane County: Eugene, Oakridge, and Florence.

County staff noted that Springfield stopped hauling waste to Short Mountain around 2022–2023, around the time the CleanLane facility was being discussed. Cottage Grove was not addressed, even though it ended its IGA with Lane County in 2016. However, Sanipac was still hauling waste to Short Mountain until 2022. As you know, Creswell terminated its agreement effective June 18, 2026.

As a result, Short Mountain's waste-stream revenue began declining for a number of years. The core question is – how did or did Lane County adjust its operational budget to address a declining waste stream? And it demonstrates that the County perhaps did know the waste stream was declining since 2022 when the CleanLane facility was being discussed.

Please keep all of this in mind if a commissioner reaches out to you concerned about Creswell's departure from short mountain because the three-million-dollar deficit has less to do with Creswell and more to do about County's budget management.

FEES AT SHORT MOUNTAIN

The fee in question is for Loose TN at $112.46. You can see what is included in the overall fee.

Fee Increases

Fee Type	Total Fee 11 % Increase	SBF	Disposal Fee	Other Fee
Loose TN	$117.24	$56.08	$53.67	$7.49
Loose TN (SML) 4.04% discount	$112.46	$53.63	$51.34	$7.49

REVENUE LOSS 2026-2027

The County is projecting a $3,000,000 deficit in its waste-management structural operations budget for FY 2026–2027. To estimate the revenue loss associated with the waste that is no longer being hauled to Short Mountain, I used the 2026–2027 tipping fee rate of $112.46 per ton.

When evaluating the County's revenue loss, there are two possible scenarios:

1. A full loss of tipping-fee revenue when no waste is hauled, or
2. A loss limited to the System Benefit Fee when a city does not have an IGA in place.

Because I am not certain whether Sanipac has fully stopped hauling to Short Mountain, I calculated both scenarios using the 2025 tipping-fee rates and the reported tonnage. I also ran the 2026 figures using a potential 9% fee increase, which the County has discussed previously.

2025

City	Tonnage	Overall Fee	Total Overall	SBF Only	Total SBF
Creswell	2,500.00	112.46	281,150.00	53.63	134,075.00
Cottage Grove	4,500.00	112.46	506,070.00	53.63	241,335.00
Springfield	40,000.00	112.46	4,498,400.00	53.63	2,145,200.00
			5,285,620.00		2,520,610.00

2026

City	Tonnage	Overall Fee	Total Overall	SBF Only	Total SBF
Creswell	2,500.00	122.58	306,450.00	56.63	141,575.00
Cottage Grove	8,500.00	122.58	1,041,930.00	56.63	481,355.00
Springfield	40,000.00	122.58	4,903,200.00	56.63	2,265,200.00
			6,251,580.00		2,888,130.00

SANIPAC AND THE COUNTY

County staff have indicated that the waste currently being hauled elsewhere is expected to return to Short Mountain. The County offered Sanipac a tipping fee in the range of 97 to 100 dollars, which would adjust the system benefit fee. Sanipac has not accepted this offer, and I believe the hesitation is related to the length of the contract the County wants, as well as concerns that state law—which I'm not fully familiar with—could allow the County to require Sanipac to stay at the facility even after the contract expires.

There is also concern about the possibility of a fee or rate hike at the end of the five-year term.

TAKEAWAY
Creswell represents roughly ten percent of the reported $3,000,000 budget deficit. We are not the cause of this deficit; at most, our recent decision may have highlighted long-standing budget and operational issues within the system.

Revenue declines from Lane County cities whether due to terminated IGAs or cities choosing not to enter one have been occurring for many years. Before responsibility is placed on any city, Lane County should outline what steps it has taken over the past decade to address ongoing operational and budget pressures. In addition, if there is minimum amount of waste stream revenue necessary for CleanLane or for the purposes of effective budget management, then the IGAs in place, or needed to be signed, should have been a priority for the County.

The larger issue is that the CleanLane facility requires a certain level of guaranteed waste tonnage. Without IGAs in place, or when private haulers pursue more efficient disposal options, the County cannot ensure the waste flow needed to make the project financially viable. This raises several important questions for both cities and haulers:

Which cities were included in the tonnage calculations used to justify the CleanLane project? For example, did the County assume Springfield's waste tonnage even though it has been hauled to Dry Creek since 2022–2023?

There is also a connection between the CleanLane proposal and the current IGA issues. The CleanLane proposal led to an increase in tipping fees at Short Mountain, and that plays into the decisions cities are now making about whether to sign or continue IGAs.

Finally, why aren't transfer-station fees based on the true cost of operating each station? A simple break-even model would seem more transparent and sustainable. At the Creswell Transfer Station, for example, the minimum fee would need to increase to about $23.00 to cover operating costs, based on current usage levels and the County's reported $113,000 annual deficit.

Please let me know if you would like additional information or clarification on this matter.

Vincent