

COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Date Written: June 4, 2019

Reviewed: Kelly Brooks, Assistant City Manager

From: Reba Crocker, Right-of-Way Contract Coordinator

Subject: Adoption of Solid Waste Rates for Fiscal Year 2020

ACTION REQUESTED

Adopt the solid waste rates for fiscal year 2020.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

June 2014: Council and staff discussed the current solid waste rate structure and concluded that no rate increase was necessary to sustain the system.

June 2015: Council approved a solid waste rate increase for residential and commercial services.

June 2016: Council approved increases to the commercial rates to equalize the rate of return (ROR) across all service levels and create a new class of service for special waste required to be disposed of outside the Metro region.

September 2016: The city held a curbside bulky waste event.

July 2017: Council approved a solid waste rate increase to drop box services and added a voluntary food scraps recovery program.

August 2017: The city held a curbside bulky waste event.

October 2017: Council approved a yearly curbside bulky waste event.

June 2018: The city held a curbside bulky waste event.

June 2018: Council approved a solid waste rate increase for residential (19%) and commercial (11%) services. Drop box service rates were projected to be sufficient and no adjustment was made.

ANALYSIS

Council annually reviews and adopts solid waste rates charged by the city's haulers. The process is as follows:

- Around March 15 the city's franchised solid waste haulers submit financial information to the city's contracted consultant, Bell & Associates, Inc., identifying revenues and expenses for the previous year relating to the provision of solid waste services.
- The consultant consolidates the information and provides a Solid Waste and Recycling Rate Review report containing a projected ROR.
- Costs are adjusted to eliminate amounts that may be allowable for tax purposes, but that are not allowed for rate determination.

- The report is used to evaluate the financial health of the system and set the solid waste rates. Milwaukie Municipal Code (MMC) Chapter 13.24.160(2) states “rates shall be adequate to provide an expected operating margin for the subsequent rate year equal to 10% of composite city-wide gross revenues; however, the City shall not be required to change rates if the expected operating margin in the current year falls between 8% and 12% of gross revenues. The 10% target, and the 8% to 12% range of return on gross revenues is considered sufficient to reflect the level of business risk assumed by the franchisee, to allow investment in equipment, and to ensure quality collection service.”
- The ROR is reviewed, and rate adjustments are evaluated against the 8% to 12% ROR acceptable range, with the target goal of a 10% ROR when rates are adjusted.
- Staff discusses the ROR with the consultant and the solid waste haulers.
- City staff reviews the information and prepares the information for Council.
- Council discusses the information and adopts solid waste rates.

While every effort is made to accurately project future ROR, unknowns are still present. Two of the city’s franchised haulers have recently adjusted their collection routes to increase efficiency and reduce costs. In July 2018, residential and commercial rates were increased with every effort to provide a 10% ROR. Unfortunately, the increased rates were not sufficient to provide the targeted ROR between 8-12%

Additional factors that effect the ROR are increases to driver wages, health insurance costs, recycling processing, and yard debris processing. Metro’s solid waste disposal fee will remain unchanged.

The city’s initiatives such as the curbside bulky waste event (costing \$71,000 in 2016, \$67,000 in 2017 and \$56,500 in 2018) the introduction of a voluntary residential food scraps program, and the business food scraps program all have an impact on the ROR.

Staff has discussed the rates and ROR with the consultant and it is anticipated that the proposed rates will cause the ROR to fall within the prescribed range of 8-12%.

BUDGET IMPACTS

The city will continue to receive franchise fees based on gross revenues from the three haulers.

WORKLOAD IMPACTS

None.

COORDINATION, CONCURRENCE, OR DISSENT

City staff and the consultant are in concurrence.

STAFF RECOMMENDATION

Staff recommends that solid waste rates be adjusted as shown on the attached *History of Rates in Milwaukie*.

ALTERNATIVES

Defer rate adjustment to a later date.

ATTACHMENTS

1. History of Rates in Milwaukie with proposed 2019 rates.
2. Solid Waste and Recycling Rate Review Report by Bell & Associates, Inc
3. Resolution adopting solid waste rates.
4. Rate schedule.

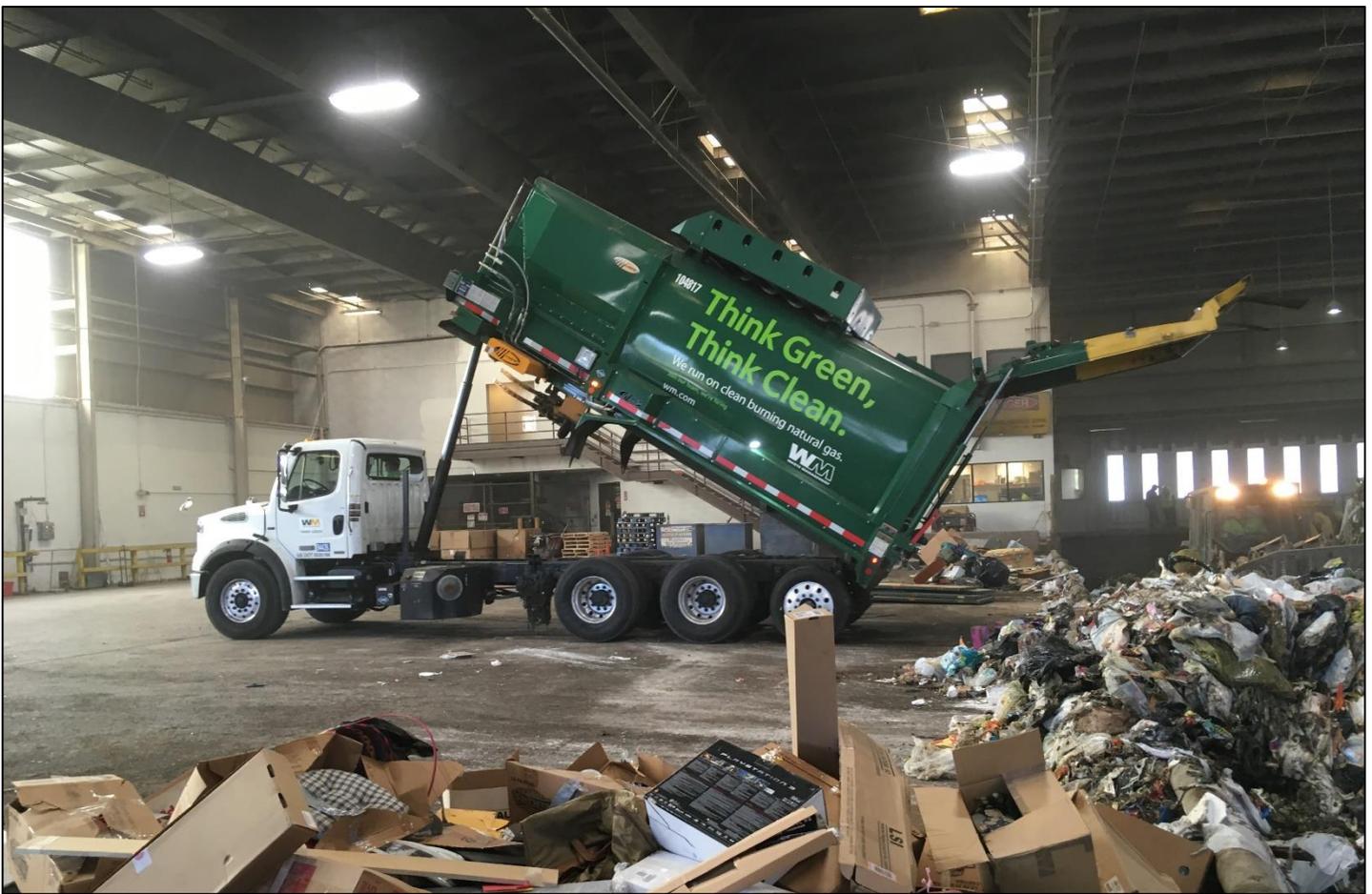
History of Rates in Milwaukie

Red Indicates a change

| | 1-Jul-14 | 1-Jul-15 | 1-Aug-16 | 1-Aug-17 | 1-Jul-18 | Proposed Increase 7/1/2019 | Increase in Dollar amount |
|--------------------------|----------|----------|----------|----------|----------|----------------------------------|---------------------------------|
| Residential | | | | | | | |
| Monthly | 12.30 | 12.85 | 12.85 | 12.85 | 15.25 | 16.70 | 1.45 |
| On Cal | 13.05 | 13.60 | 13.60 | 13.60 | 14.60 | 16.05 | 1.45 |
| 20 Gal | 25.00 | 26.00 | 26.00 | 26.00 | 28.40 | 29.85 | 1.45 |
| 32/35 Gal (most common) | 28.85 | 29.90 | 29.90 | 29.90 | 32.40 | 33.85 | 1.45 |
| 60 Gal | 38.25 | 39.40 | 39.40 | 39.40 | 42.05 | 43.50 | 1.45 |
| 90 Gal | 45.10 | 46.35 | 46.35 | 46.35 | 49.15 | 50.60 | 1.45 |
| Extra Can/Cart | | | 29.90 | 29.90 | 32.40 | 33.85 | 1.45 |
| Extra yard | | | 2.60 | 2.60 | 2.60 | 4.05 | 1.45 |
| Commercial | | | | | | | |
| 20 Gal Multifamily | 20.65 | 21.65 | | 21.70 | 24.10 | 24.10 | |
| 32 Gal Court Apts | 24.35 | 25.40 | 26.05 | 26.05 | 27.90 | 27.90 | |
| x2 32 gal | | | 52.10 | 52.10 | 57.10 | 57.10 | |
| Extra Can/Cart | | | 21.85 | 21.85 | 24.05 | 24.05 | |
| 35 Gal Commercial | 24.90 | 25.95 | 26.05 | 26.05 | 28.55 | 28.55 | |
| 60 Gal Commercial | 36.20 | 37.35 | 37.50 | 37.50 | 40.15 | 40.15 | |
| 90 Gal Commercial | 39.05 | 40.30 | 40.55 | 40.55 | 43.35 | 43.35 | |
| 1 yard | 92.30 | 94.34 | 95.66 | 95.66 | 102.18 | 102.18 | |
| 2 yard | 151.99 | 156.06 | 158.75 | 158.75 | 171.74 | 171.74 | |
| 2 Yard 2x week | 296.25 | 304.39 | 309.76 | 309.75 | 335.74 | 335.74 | |
| 4 yard 2x week | 207.83 | 524.11 | 534.85 | 534.85 | 586.81 | 586.81 | |
| Drop Box | | | | | | | |
| 10/20 Cubic Yards | 119.00 | 119.00 | 119.00 | 125.00 | 125.00 | 150.00 | 25.00 |
| 30Cubic Yards | 136.00 | 136.00 | 136.00 | 145.00 | 145.00 | 160.00 | 15.00 |
| 40Cubic yards | 153.00 | 153.00 | 153.00 | 165.00 | 165.00 | 170.00 | 5.00 |
| Lidded 10/20 | 119.00 | 135.00 | 135.00 | 150.00 | 150.00 | 150.00 | |
| Monthly fee for Lid | | 20.00 | | | | | |
| Compactor Service | | | | | | | |
| 10/20 Cubic yards | 135.00 | 135.00 | | | | | |
| Under 25 Cubic yard | | | 135.00 | 150.00 | 150.00 | 150.00 | |
| 26-33 Cubic | | | 169.00 | 189.00 | 189.00 | 189.00 | |
| 34+ Cubic | | | 196.00 | 218.00 | 218.00 | 218.00 | |
| Special Waste | | | | | | | |
| 10/20 Yards | | | 161.00 | 161.00 | 161.00 | 161.00 | |
| 30 Yards | | | 178.00 | 178.00 | 178.00 | 178.00 | |



Solid Waste & Recycling Rate Review Report



City of Milwaukie Solid Waste Rate Review

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Background

Collection of waste and recycling within the City of Milwaukie (City) is accomplished under exclusive franchise agreements between Waste Management (WM), Hoodview Disposal (Hoodview), Clackamas Garbage¹, and the City. Table 1 summarizes the customer counts and revenue for each collection company.

Table 1: Milwaukie Solid Waste Franchise

| Collection Company | Cart Customers | Commercial Customers | Drop Box Hauls | Revenue |
|--------------------------|----------------|----------------------|----------------|-------------|
| Waste Management | 4,537 | 483 | 3,050 | \$4,597,744 |
| Hoodview Disposal | 1,637 | 15 | 39 | \$776,508 |
| Milwaukie Total | 6,174 | 498 | 3,089 | \$5,374,252 |

As the regulator of waste and recycling, City Council is responsible for establishing rates for all waste collection services.

Annual Cost Report

The annual cost report provides line-item costs and revenues associated with providing service within the City as well as combined line item totals for their non-Milwaukie operations. The format provides the capacity to calculate the cost of service for each line of business (cart, container, and drop box). Cart collection is primarily residential customers whereas business customers are serviced with a container.

In July 2018, the City increased residential collection rates an average of 8.4% - most residential customers incurred an increase of \$2.50 per month. Commercial collection was increased by \$1.50 per collected yard, which was an average increase of 9.3% over the previous rates. The increase in the rates was in response to the collapse of the recycling market as the franchised haulers were paying over \$120 per ton to local recycling processors to sort and market the collected materials from the City’s residential and commercial customers.

In March 2019, both franchised companies submitted the annual detailed cost report to the City for the calendar year 2018. The reported financial results of collection operations within the City was a profit margin of just above break-even at 0.28%. Reported results were analyzed and the following tasks were completed:

- a. Analyze reported route collection hours to the reported customer counts for each line of business.
- b. Using a predictive test of revenue for each line of business, ensure the reported revenues are reasonable for the number of reported customers.
- c. By thoroughly reviewing the reported direct cost line items, determine if the expense is reasonable in relation to the customer and operational data entered from the detailed cost report.

¹ Clackamas Garbage did not submit a report to the City for 2018.

- d. Utilize a predictive test of disposal to determine if the reported disposal expense is reasonable.
- e. Using the reported administrative line items, determine if the expense is reasonable in relation to the operational data entered from the detailed cost report as well as comparable to prior report submissions.
- f. Review the costs between the City and the franchised hauler's other collection operations to determine if the allocations are reasonable.

Adjustments made to the reports of both companies increased the results from 0.28% to 2.0%. Table 2 details the return for each collection service provided within the Milwaukie franchise collection system.

Table 2: 2018 Adjusted Milwaukie Results

| Cost Component | Roll Cart | Container | Drop Box | Total |
|--|------------------|------------------|-----------------|--------------|
| Revenues | \$2,482,078 | \$1,504,492 | \$1,387,682 | \$5,374,252 |
| Direct Costs of Operations | \$1,992,740 | \$1,244,136 | \$1,311,684 | \$4,548,560 |
| Indirect Costs of Operations | \$447,746 | \$198,905 | \$63,783 | \$710,434 |
| Total Costs for Rates | \$2,440,486 | \$1,443,041 | \$1,375,467 | \$5,258,994 |
| Franchise Income (Revenue – Total Costs) | \$41,592 | \$61,451 | \$12,215 | \$115,258 |
| Return on Revenue (Income / Revenue) | 1.7% | 4.1% | 0.9% | 2.1% |

The 2.1% adjusted return for 2018 is very low when compared to the projected 2018 presented with the rate increase package approved in June 2018. The Milwaukie composite incurred approximately \$160,000 of recycling processing cost from January to June 2018. The impact of these costs, which were not included in the collection rates until July, reduced the composite by approximately 3% (from 5% to the adjusted 2%). Recycling costs comprised \$2.15 of the \$2.50 rate increase with the remaining \$0.35 in the rate paying for increased collection costs. The projected results for 2019 from the rate package approved by City Council are included in the appendix of this report.

Of interest is the substantial increase in expenses over the previous years. The expectation of increased collection efficiency from the consolidation of the franchised companies within the City over the last four years has not been fully realized². Table 3 on the following page compares the cost of collection, without the disposal / processing and franchise fees, for residential and commercial service within the City.

² Waste Management purchased Wichita Sanitation in 2016 and Hoodview purchased Deines Garbage in 2018.

Table 3: Residential and Commercial Collection Costs from 2018 to 2015

| Service | 2018 | 2017 | 2016 | 2015 |
|--------------------|-------------|-------------|-------------|-------------|
| Residential | \$1,199,930 | \$1,197,591 | \$1,065,624 | \$1,048,490 |
| Commercial | \$562,486 | \$462,272 | \$464,004 | \$421,036 |
| Total | \$1,762,416 | \$1,659,863 | \$1,529,628 | \$1,469,526 |
| %▲ | 6% | 9% | 4% | |

In addition to collection costs, general and administrative (G&A) costs have also increased, mostly in 2018. G&A costs are comprised of management, customer service, and administration costs.

Table 4 compares these costs over the last four years by each franchised company.

Table 4: G&A Costs by Company from 2018 to 2015

| G&A Costs | 2018 | 2017 | 2016 | 2015 |
|-------------------------------|-----------|-----------|-----------|-----------|
| Waste Management | \$530,103 | \$500,348 | \$480,414 | \$393,686 |
| Wichita | | | | \$57,408 |
| Hoodview | \$183,910 | \$45,272 | \$20,231 | \$48,443 |
| Deines | | | \$36,952 | \$36,094 |
| Total G&A Cost | \$714,013 | \$545,620 | \$537,597 | \$535,631 |
| % ▲ from previous year | 31% | 1% | 0% | |

Reasons for the increases in costs in Milwaukie

Sale of Mel Deines Sanitary to Hoodview

Revenue and expenses generated before the sale to Hoodview were not reported to the City. While revenue and expenses reported by Hoodview capture most of the expenses from the Deines territory, it is still an incomplete picture of the true costs of servicing the combined areas. With the integration of the Deines routes, Hoodview disposal completed a major re-route with the Milwaukie and Clackamas routes that increased the collection costs in 2018. Hoodview management reported that the driver hours used to allocate costs in 2018 might not be reliable due to the change in operations.

Hoodview G&A Costs

General and Administrative (G&A) costs for Hoodview allocated to Milwaukie increased from \$44,895 to \$183,911, an increase of 310% from the previous year. G&A costs should increase to some degree with the acquisition of new companies; however, the amount reported in 2018 is higher than expected. The explanation for the increase is due to adding City of Portland costs to the G&A as well as the purchase of Mel Deines' Sanitary. Two full-time management positions and additional CSR's were hired. Wages for all the CSR's were increased as the economy dictated. There are other expenses that will require additional review of management, but a final answer has not been submitted by Hoodview before the submission of this report to the City.

WM Collection Costs

WM's reported commercial collection costs increased by \$133,977 from the prior year without a commensurate increase in revenue and collection activity. Table 5 compares the reported amounts from 2018 to the previous year.

Table 5: Comparison of WM's Milwaukie Commercial Collection Costs from 2017 to 2018

| Reported Year | 2017 | 2018 | ▲ | % ▲ |
|--|-------------|-------------|-----------|-------|
| Collection Revenue | \$1,210,836 | \$1,347,794 | \$136,958 | 11.3% |
| Revenue from Rate Increase | | \$28,455 | | 2.3% |
| Collected Yards | 77,181 | 86,736 | 9,555 | 12% |
| Weekly Container Lifts | 449 | 482 | 33 | 7% |
| Collection Expense ¹ | \$541,315 | \$675,292 | \$133,977 | 25% |

¹ Collection expense doesn't include disposal and franchise fees

The 11.3% increase in revenue is from a combination of the rate increase from last year (2.3%) and a 9% growth in volume. Assuming the collection costs for 2019 will be in-line with previous years, a rate increase for commercial collection is unnecessary.

Drop Box

Reported truck hours for drop box is a combination of the actual time expended to service each box or compactor, plus an allocation of 19.7% of non-productive time added to the actual time of each haul. The 19.7% non-productive time is defined by WM as the drive time from the yard to the first and last customer of the day, plus any time that the driver is not servicing a specific customer. For every truck hour, an additional 12 minutes of cost was added to the haul (60 minutes x .197 = 11.8).

The problem with allocating the non-productive time on actual productive time is that it allocates a higher cost to the 1,572 special waste hauls to Hillsboro Landfill. The average haul time from Milwaukie to Hillsboro Landfill is 2 hours and 55 minutes (2.79 hours). Multiplying each haul by 19.7% adds 55 minutes (2.79 x .197) to the actual haul time. To put this in perspective, 1,572 special waste hauls multiplied by 2.79 hours and then by 19.7% adds 863 hours of costs to Milwaukie. The cost per hour is \$96.26; therefore, \$83,072 (863 hours x \$96.26) of costs have been allocated to Milwaukie.

When this haul rate was updated last year, it was set it at the cost of service. WM has been charging \$359.42 for the special waste hauls. At WM's average time of 2 hours and 55 minutes, the cost of service is \$337.50. The difference in the cost versus the rate is \$21.92 to the benefit of WM.

Proposed Rates

Residential

The combination of three separate costs comprise the recommended rate increase for residential service; the city-wide clean-up, the increased cost to process commingled recycling, and the Metro processing fee for residential organics. Table 6 combines the following three costs and calculated the proposed rate increase.

- The annual city-wide clean-up was added a few years ago; however, the cost of the service was never calculated into the collection rates. In 2018, the haulers reported a combined cost of \$55,551. Spreading the clean-up cost over the City's 6,024 customers is \$0.78 per month.
- When rates were implemented in 2018, the estimated cost per ton to process commingled recycling was \$105. Over the last 12 months, the market for the recyclable materials has softened further. The projected cost to process commingled in 2019 has increased to \$112 per ton. The impact per customer per month is an additional \$0.12.
- Metro will increase the residential organic processing fee from \$67.08 per ton to \$77.99 per ton effective July 1. The additional cost to each customer is \$0.33.

Table 6: Residential Rate Costs

| Program | Cost |
|--------------------------|---------------|
| City-Wide Clean-Up | \$0.78 |
| Recycling Processing | \$0.12 |
| Organic Waste Processing | \$0.33 |
| Total Costs | \$1.22 |
| Margin & Franchise Fee | \$0.22 |
| Total Cost | \$1.45 |

Drop Box Rates

The franchised haulers reported 3,089 drop box and compactor hauls in 2018. All but 39 were completed by WM. Approximately 52% of the hauls were special waste loads delivered to the Hillsboro Landfill for Precision Cast Parts. The average time to haul the box of special waste to Hillsboro and back was 2 hours and 47 minutes.

Drop box and roll off compactor service rates are set on the average haul time multiplied by the hour cost to provide service. The service fees for the special waste loads and compactor loads were analyzed are adequate for the current cost. However, the regular haul fee for drop boxes fee needs to be adjusted to the cost of service. Table 7 details the cost of service calculation and Table 13 summarizes the proposed increases.

Table 7: Drop Box Haul Charge Cost of Service Calculation

| Cost | Regular / One-Time |
|---|---------------------------|
| Average Haul Time | 1.11 (1 hr. 7 minutes) |
| Direct Cost per Hour | \$96.26 |
| Cost per Haul (Time x Cost) | \$106.85 |
| G&A Cost per Haul | \$30.00 |
| Haul Cost (Haul + G&A) | \$136.85 |
| 10% margin (Haul Cost / 90%) | \$15.21 |
| 5% Franchise Fees (Haul Cost + Margin / 95%) | \$7.60 |
| Total Cost (Haul Cost + Margin + Fran Fee) | \$159.66 |

The lower rate for the smaller 20 yard box is an incentive for customers to select the smaller box, which is typically the best size for an occasional haul.

Table 8: Proposed Drop Box Haul Rates

| Service / Box Volume | Current Haul Fee | Proposed Increase | New Rate | Total Rate |
|----------------------|------------------|-------------------|----------|-----------------------------------|
| 20 Yard Box per Haul | \$125 | \$25 | \$150 | Haul charge + actual disposal fee |
| 30 Yard Box per Haul | \$145 | \$15 | \$160 | Haul charge + actual disposal fee |
| 40 Yard Box per Haul | \$165 | \$5 | \$170 | Haul charge + actual disposal fee |



Appendix - Financial Presentation Details

**Adjusted
Return on Revenues
City of Milwaukie January 1 to December 31, 2018**

| | Residential Service | | | Commercial Service | | | Drop Box | Grand Totals |
|--|---------------------|----------------|----------------|--------------------|----------------|--|------------------|------------------|
| | Solid Waste | Recycling | Yard Debris | Solid Waste | Recycling | | | |
| Collection & Service Revenues | 2,446,750 | 5,917 | 29,411 | 1,498,265 | 6,227 | | 1,387,682 | 5,374,252 |
| Direct Costs of Operations | 970,364 | 592,982 | 429,394 | 796,701 | 447,435 | | 1,311,684 | 4,548,560 |
| Disposal Expense | 383,413 15% | 158,893 6% | 140,472 6% | 448,240 30% | 166,092 11% | | 481,703 35% | 1,778,813 |
| Labor Expense | 253,162 10% | 265,363 11% | 173,252 7% | 162,895 11% | 166,388 11% | | 502,940 36% | 1,524,000 |
| Truck Expense | 132,717 5% | 135,057 5% | 88,135 4% | 71,877 5% | 71,067 5% | | 224,637 16% | 723,490 |
| Equipment Expense | 25,759 1% | 24,585 1% | 21,229 1% | 42,019 3% | 39,735 3% | | 30,550 2% | 183,877 |
| Franchise Fees | 109,802 4% | 0 0% | 230 0% | 67,271 4% | 47 0% | | 62,411 4% | 239,761 |
| Other Direct Expense | 65,511 3% | 9,084 0% | 6,076 0% | 4,399 0% | 4,106 0% | | 9,443 1% | 98,619 |
| Indirect Costs of Operations | 449,755 | 18% | | 200,116 | 13% | | 64,142 | 714,013 |
| Management Expense | 102,018 4% | | | 44,996 3% | | | 13,132 1% | 160,146 |
| Administrative Expense | 137,982 6% | | | 55,736 4% | | | 15,020 1% | 208,738 |
| Other Overhead Expenses | 209,755 8% | | | 99,384 7% | | | 35,990 3% | 345,129 |
| Total Cost | 2,442,495 | | | 1,444,252 | | | 1,375,826 | 5,262,573 |
| Less Unallowable Costs | 2,009 | | | 1,211 | | | 359 | 3,579 |
| Allowable Costs | 2,440,486 | | | 1,443,041 | | | 1,375,467 | 5,258,994 |
| Franchise Income | 41,592 | | | 61,451 | | | 12,215 | 115,258 |
| Customer Count / Yards / Hauls | 6,174 | | 6,111 | 89,388 | | | 3,089 | |
| Revenues | 2,482,078 | | | 1,504,492 | | | 1,387,682 | 5,374,252 |
| Direct Costs of Operations | 1,992,740 | 80% | | 1,244,136 | 83% | | 1,311,684 | 4,548,560 |
| Indirect Costs of Operations | 449,755 | 18% | | 200,116 | 13% | | 64,142 | 714,013 |
| Total Cost | 2,442,495 | | | 1,444,252 | | | 1,375,826 | 5,262,573 |
| Less Unallowable Costs | 2,009 | 0% | | 1,211 | 0% | | 359 | 3,579 |
| Allowable Costs | 2,440,486 | | | 1,443,041 | | | 1,375,467 | 5,258,994 |
| Franchise Income | 41,592 | | | 61,451 | | | 12,215 | 115,258 |
| Return on revenues | 1.68% | | | 4.08% | | | 0.88% | 2.14% |

COUNCIL RESOLUTION No.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON,
ADOPTING SOLID WASTE SERVICE RATES EFFECTIVE JULY 1, 2019.**

WHEREAS, Milwaukie Municipal Code (MMC) Chapter 13.24(2) states “Rates shall be adequate to provide an expected operating margin for the subsequent rate year equal to 10% of composite city-wide gross revenues; however, the City shall not be required to change rates if the expected operating margin in the current year falls between 8% and 12% of gross revenues;” and

WHEREAS, costs have increase due to both global and local policy changes; and

WHEREAS, without a rate increase the projected operating margin falls below the acceptable rate of return; and

WHEREAS, in accordance with the MMC it is anticipated that the proposed rate increases will result in a projected overall rate of return that will be within the targeted range.

Now, Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that the solid waste service rates shall be adjusted, and the rates attached as “Rate Schedule” are effective on July 1, 2019.

Introduced and adopted by the City Council on **June 4, 2019**.

This resolution is effective on **July 1, 2019**.

Mark F. Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney

RATE SCHEDULE

City of Milwaukie
Uniform Solid Waste Rates
Rates as of July 1, 2019

Uniform Monthly Residential Rates

| | Monthly Rate | |
|----------------------------------|--------------|-------|
| 20 Gallon Can (Mini-Can): | | |
| 1 Can/Cart (1 time/week) | \$ | 29.85 |

Weekly collection includes recycling and yard debris service.

| | | |
|---|----|-------|
| 32 Gallon Can/Cart: | | |
| 1 Can/Cart (1 time/week) | \$ | 32.40 |
| 2 Cans/Cart (1 time/week) | \$ | 66.25 |
| Each Add'l Can/Cart | \$ | 33.85 |
| Extra Can of Garbage (occasional)* | \$ | 6.05 |
| Extra Can of Yard Debris (occasional) | \$ | 4.05 |
| Court Apartments (1 time/week/recycling only) | \$ | 27.90 |

* This rate is for the first extra can collected, each additional at the stop is \$3.00.

Maximum weight for a 20 or 32 gal. can/cart is 60 lbs.

Weekly collection includes recycling and yard debris service. Recycling carts and bins and yard debris carts must be placed at the curb. Additional stops per week are charged at 100% of the first stop per week rate.

Roller Carts:

| | | |
|---------------------------------------|----|-------|
| 60 Gallon Cart (1 time/week) | \$ | 43.50 |
| 90 Gallon Cart (1 time/week) | \$ | 50.60 |
| Extra Can of Yard Debris (occasional) | \$ | 4.05 |

Weekly collection includes recycling and yard debris service. Recycling bins and yard debris carts must be placed at the curb. Additional stops per week are charged at 125% of the first stop per week rate. A deposit of \$30.00 may be charged when cart is placed. Refunds will be made after return of cart or after five years (whichever comes first). A \$10.00 redelivery charge may be charged for redelivery within one year, regardless of reason. Maximum weight for 60 gal. cart is 100 lbs and for 90 gal cart is 120 lbs.

Monthly and OnCall Service:

| | | |
|---------|----|-------|
| Monthly | \$ | 16.70 |
| On Call | \$ | 16.05 |

*Monthly service includes recycling but **not yard debris service**. Monthly and on call customers must subscribe for one year in advance for yard debris service. On call customers must provide hauler with 24 hours notice.*

**City of Milwaukie
Uniform Solid Waste Rates
Rates as of July 1, 2019**

Uniform Monthly Commercial Rates

| | <u>Monthly Rate</u> |
|-----------------------------|---------------------|
| 32 Gallon Can/Cart: | |
| One Can/Cart (1 time/week) | \$ 28.55 |
| Two Cans/Cart (1 time/week) | \$ 57.10 |
| Each Addtl Can/Cart | \$ 24.05 |
| Extra Can (occasional) | \$ 5.00 |

Additional stops per week are charged at 100% of the first stop per week rate.

| | |
|------------------------------|----------|
| Roller Carts: | |
| 60 Gallon Cart (1 time/week) | \$ 40.15 |
| 90 Gallon Cart (1 time/week) | \$ 43.35 |

Additional stops per week are charged at 125% of the first stop per week rate. A deposit of \$30.00 may be charged when cart is placed. Refunds will be made after return of cart or after five years (whichever comes first). A \$10.00 redelivery charge may be charged for redelivery within one year.

Compacted Containers:
2.2 times the loose container rate

Containers weighing in excess of 500 lbs per cubic yard will be charged this rate plus disposal for the excess weight. Compactors furnished by the customers shall be compatible with the equipment of the collector. If the collector agrees to furnish the compactor, the collector may charge a reasonable rental rate based on the value of the compactor and the cost of repair and maintenance.

Uniform Drop Box Rates

| | <u>Monthly Rate</u> |
|--|---------------------|
| Loose Material: | |
| 10/20 Yards | \$ 150.00 * |
| 30 Yards | \$ 160.00 * |
| 40 Yards | \$ 170.00 * |
| Lidded/Specialized box that cannot be exchanged | |
| 10/20 Yards | \$ 150.00 |

** Plus disposal costs*

An additional \$40.00 per drop box may be charged for one-stop service (plus disposal costs). Deposits of no more than \$500.00 may be charged for each drop box.

| | |
|----------------------------|-------------|
| Compacted Material: | |
| Under 25 Cubic Yards | \$ 150.00 * |
| 25-34 Cubic Yards | \$ 189.00 * |
| 34 + Cubic Yards | \$ 218.00 * |

** Plus disposal costs
Rental rate for permanent boxes hauled at least weekly is \$50.00 per month. Rental rate for occasional boxes after 48 hours on location is \$6.30 per day or \$63.00 a month, whichever is less, if less than one load per week is hauled. Monthly Equipment Fee of \$20.00 for Lidded/Specialty Drop Boxes. Mileage charge of \$4.70 per mile (over 18 miles round-trip from shop or Metro South). Deadhead round trip for boxes that cannot be exchanged: \$25.00*

| | |
|--|-------------|
| Special Wastes delivered to an appropriately permitted Landfill | |
| 10/20 Yards | \$ 161.00 * |
| 30 Yards | \$ 178.00 * |

** Plus disposal, monthly rental, mileage and monthly specialty drop box fees.*

**City of Milwaukie
Uniform Solid Waste Rates
Rates as of July 1, 2019**

**Uniform Rates for Miscellaneous Services
Commercial and Residential**

| Hourly Fee: | Rate |
|--|-----------------------|
| Truck + 1 person | \$ 73.00 |
| Truck + 2 people | \$ 105.00 |
| | |
| Other Miscellaneous: | |
| Furniture and Recyclable Appliance Pick-Up | \$ 5.45 to \$ 29.15 * |
| Tire Pick-Up (Off Rim) | \$ 2.00 ** |
| Tire Pick-Up (On Rim) | \$ 5.50 ** |
| Over 18 Inches | Special Handling Rate |

*Plus \$30.00 freon removal charge.

** Plus disposal.

Clean-up containers:

First Collection 33% of regular container rate, plus \$16.60 handling charge
Each Add'tl Collection 33% of regular container rate

Rent of container after 5 working days (M-F) with no collection:

| | |
|-------------|-----------------|
| 1 - 2 Yards | \$ 2.10 per day |
| 3 Yards | \$ 3.10 per day |
| 4 Yards | \$ 4.10 per day |

Rent not to exceed \$20.00 per container in a 30-day period.

Non-Customer Services

Non-customer includes a regular customer with a less than weekly service frequency.

| Recycling Only: | Monthly Rate |
|---|---------------------|
| Weekly curbside collection of recyclables | \$ 4.70 |
| | |
| Yard Debris Subscription Service Annual rate must be paid in full in advance of service | |
| 60 Gallon Cart | \$ 5.70 |
| Extra Can of Yard Debris | \$ 2.60 |
| Permanent Second Can | \$ 3.85 |

Monthly rates are for weekly service.

This service is provided only within the Urban Growth Boundary.

The subscriber is required to pay for one year of service in advance.

ANY OTHER TYPE OF SERVICE:

If due to changes in technology or needs of residents and business people of Milwaukie, additional or other types of services are needed, the charge for the service shall not be discriminatory, shall be reasonable by being commensurate with the fees above, and shall not exceed the fees most generally applicable in the Portland Metropolitan area.