

# CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

## Study Session Worksheet

Presentation Date: 6-18-13 Time: 2:30 Length: 30 minutes

Presentation Title: Solid Waste Administration: Fee Adjustments

Department: DTD

Presenters: Rick Winterhalter

### POLICY QUESTION

Does the Board concur with the Solid Waste Commission that costs to provide integrated solid waste collection services to the public have risen sufficiently to require an increase in the fees charged customers?

### ISSUE & BACKGROUND

The Department of Transportation and Development (DTD) is responsible for managing the County's integrated solid waste collection system. This includes an annual review of the production records of the 11 franchised solid waste collection companies currently holding the County's 23 franchises. The purpose of the review is to ensure the solid waste collection services requested by the citizens of the County are being provided as safely and as efficiently as possible. The review is used to establish the fees charged for the variety of services required by the County and ensure a fair return on revenues to the collectors.

The County is currently divided into four fee zones: 1) Urban; 2) Rural; 3) Distant Rural and 4) Mountain. The Urban zone is within the Metro Urban Growth Boundary established prior to March 2003. Zones are differentiated by services offered (no Yard Debris outside Urban zone) and the distances traveled between houses and to disposal sites.

The fees are proposed to take effect on August 1, 2013 with an increase for the most common service level, the residential 32 gallon can/cart collected weekly, of 25 cents per month from \$28.65 to \$28.90 in the Urban fee zone, an adjustment of less than 1%. All other classes of service including commercial can/cart follow similar adjustments.

Analysis has been conducted on a range of factors impacting the cost of providing service, including labor and fuel costs and increases in disposal fees at Metro transfer stations. This process is assisted by a certified public accountant to review franchisee financial records.

The 2012 projections anticipated a decline in revenues earned from recycling. The numbers revealed a larger than anticipated decline and that is factored into this year's projections.

The Metro Council has adopted an increase to the cost of disposal of \$0.49 per ton effective September 1, 2013. It is necessary to pass this fee through in order to ensure the franchisees are able to recover this increase. Disposal expense is approximately 30% of the direct operational expenses. Metro's staff report attached. A disposal fee increase of this or a greater magnitude can be expected over the next several years.

The anticipated decrease in fuel costs, and the increases in labor costs and disposal fees have been factored into the projections used to calculate the proposed fee adjustments.

The following tables illustrate the current proposed fee adjustments necessary in each zone to continue the safe and efficient provision of solid waste collection services the public has come to expect. The 32-35 gallon can/cart is the predominant service level. See attachments for proposed changes to other service levels.

<i>Residential 32/35 gallon can/cart</i>	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>Urban</b>	\$28.65	\$28.90	\$0.25
<b>Rural</b>	\$25.30	\$25.60	\$0.30
<b>Distant Rural</b>	\$30.35	\$30.65	\$0.30
<b>Mountain Zone</b>	\$31.60	\$31.90	\$0.30

Staff is proposing an increase for container service based on cubic yard serviced. This reflects the adjustments to fuel, labor and disposal costs mentioned above.

<b>Fee Zones</b>	<b>Adjustment Per Cubic Yard</b>
<b>Urban</b>	\$0.95
<b>Rural</b>	\$1.04
<b>Distant Rural/Mountain</b>	\$1.04

In addition to the adjustment presented above, an additional adjustment to commercial carts is recommended. A historical differential has existed between the carts collected from residential and commercial customers, with commercial customers having a lower fee, except in the Rural zone. In the Urban zone, this differential can be attributed to the collection of yard debris from residential customers. However, in the rural, distant rural and mountain zones yard service is not available and the differential is no longer appropriate. Staff is proposing this differential be equalized over the next three years through incremental increases, equal to a third of the current differential, added to any other adjustment proposed for this class of service.

<i>Commercial 32/35 gallon can/ cart</i>	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>Rural</b>	\$25.35	\$25.60	\$0.25
<b>Distant Rural</b>	\$28.90	\$29.65	\$0.75
<b>Mountain Zone</b>	\$30.15	\$30.90	\$0.75
<i>60 gallon cart</i>	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>Rural</b>	\$35.80	\$36.30	\$0.50
<b>Distant Rural</b>	\$38.05	\$39.10	\$1.05
<b>Mountain Zone</b>	\$39.30	\$40.35	\$1.05

Staff is recommending a slight adjustment in the collection fees associated with open drop box service and small compactors. Currently the composite earnings for the drop box falls below the acceptable range and have for several years. The system has seen an increase in use of lidded boxes as businesses attempt to avoid illegal dumping in their open drop boxes and adhere to storm water best management practices. The cost of new equipment along with the associated increases in labor expenses warrants this slight adjustment. The last increase on the collection component of drop box fees was approved in 2011.

<b>Open Drop Box-All Zones</b>	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>10/20 Cubic Yards</b>	\$113.00	\$119.00	\$6.00
<b>30 Cubic Yards</b>	\$130.00	\$136.00	\$6.00
<b>40 Cubic Yards</b>	\$147.00	\$153.00	\$6.00

<b>Compactors-All Zones</b>	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>Less than 25 Cubic Yards</b>	\$128.00	\$135.00	\$7.00

Additional background materials are attached.

#### OPTIONS AVAILABLE

- Adjust fees as proposed to meet the expected increases in expenses.
- Keep fees at current levels.

**QUESTION(S) PRESENTED FOR CONSIDERATION**

Do the members of the Board accept the recommendation of the Solid Waste Commission and staff?

Do the members of the Board prefer to adjust the collection fees in a different manner?

**RECOMMENDATIONS**

On June 4, 2013 members of the Solid Waste Commission met. The Commission recommended the results of this year's annual financial review of the integrated solid waste management program be presented to the Board of County Commissioners. It was further, unanimously, recommended to accept the fee adjustments as presented by staff effective August 1, 2013.

**SCHEDULE FOR STUDY SESSION**

Division Director/Head Approval S. H. D., Com. F. O.  
Department Director/Head Approval M. B. Castaneda 6-11-13  
County Administrator Approval \_\_\_\_\_

For information on this issue or copies of attachments, please contact Rick Winterhalter @ 503.742.4466.

### Urban

Cart/Can Service		Adjustment		
Current Rate	Service Level	Proposed	\$	%
\$ 24.90	20 gal Singlefamily	\$ 25.15	0.25	1.0%
\$ 28.65	32 gal	\$ 28.90	0.25	0.9%
\$ 37.80	60 gal	\$ 38.10	0.30	0.8%
\$ 44.40	90 gal	\$ 44.70	0.30	0.7%
\$ 12.95	On Call	\$ 13.05	0.10	0.8%
\$ 12.25	Monthly	\$ 12.35	0.10	0.8%
\$ 20.40	20 gal Multifamily	\$ 20.65	0.25	1.2%
\$ 24.15	32 gal	\$ 24.40	0.25	1.0%
\$ 24.70	35 gal Commercial	\$ 24.95	0.25	1.0%
\$ 35.75	60 gal	\$ 36.05	0.30	0.8%
\$ 38.35	90 gal	\$ 38.65	0.30	0.8%
Container Service		Adjustment		
Current Rate	Service Level	Proposed	\$	%
\$ 92.30	1 yard weekly	\$ 93.25	\$ 0.95	1.0%
\$ 151.99	2 yard weekly	\$ 153.90	\$ 1.91	1.3%
\$ 296.25	2 yard 2x weekly	\$ 300.06	\$ 3.81	1.3%
\$ 507.83	4 yard 2x weekly	\$ 515.45	\$ 7.62	1.5%

### Rural

Cart/Can Service		Adjustment		
Current Rate	Service Level	Proposed	\$	%
\$ 21.65	20 gal Singlefamily	\$ 21.90	0.25	1.2%
\$ 25.30	32 gal	\$ 25.60	0.30	1.2%
\$ 36.40	60 gal	\$ 36.70	0.30	0.8%
\$ 41.70	90 gal	\$ 42.05	0.35	0.8%
\$ 13.35	On Call	\$ 13.50	0.15	1.1%
\$ 12.30	Monthly	\$ 12.45	0.15	1.2%
\$ 20.05	20 gal Multifamily	\$ 20.30	0.25	1.2%
\$ 23.70	32 gal	\$ 24.00	0.30	1.3%
\$ 25.35	35 gal Commercial	\$ 25.60	0.25	1.0%
\$ 35.80	60 gal	\$ 36.30	0.50	1.4%
\$ 38.40	90 gal	\$ 38.90	0.50	1.3%
Container Service		Adjustment		
Current Rate	Service Level	Proposed	\$	%
\$ 104.75	1 yard weekly	\$ 105.79	\$ 1.04	1.0%
\$ 179.55	2 yard weekly	\$ 181.63	\$ 2.08	1.2%
\$ 346.25	2 yard 2x weekly	\$ 350.41	\$ 4.16	1.2%
\$ 629.80	4 yard 2x weekly	\$ 638.11	\$ 8.31	1.3%

### Distant Rural

Distant Rural		Adjustment		
Current Rate	Service Level	Proposed	\$	%
\$ 26.35	20 gal Singlefamily	\$ 26.60	0.25	0.9%
\$ 30.35	32 gal	\$ 30.60	0.25	0.8%
\$ 40.25	60 gal	\$ 40.55	0.30	0.7%
\$ 45.60	90 gal	\$ 45.95	0.35	0.8%
\$ 13.80	On Call	\$ 13.95	0.15	1.1%
\$ 13.95	Monthly	\$ 14.10	0.15	1.1%
\$ 24.75	20 gal Multifamily	\$ 25.00	0.25	1.0%
\$ 28.75	32 gal	\$ 29.00	0.25	0.9%
\$ 28.90	35 gal Commercial	\$ 29.65	0.75	2.6%
\$ 38.05	60 gal	\$ 39.30	1.25	3.3%
\$ 40.65	90 gal	\$ 41.90	1.25	3.1%

Distant Rural		Adjustment		
Current Rate	Service Level	Proposed	\$	%
\$ 119.01	1 yard weekly	\$ 120.05	\$ 1.04	0.9%
\$ 199.82	2 yard weekly	\$ 201.90	\$ 2.08	1.0%
\$ 378.53	2 yard 2x weekly	\$ 382.69	\$ 4.16	1.1%
\$ 686.11	4 yard 2x weekly	\$ 694.42	\$ 8.31	1.2%

### Mountain

Mountain		Adjustment		
Current Rate	Service Level	Proposed	\$	%
\$ 27.60	20 gal Singlefamily	\$ 27.85	0.25	0.9%
\$ 31.60	32 gal	\$ 31.85	0.25	0.8%
\$ 41.50	60 gal	\$ 41.80	0.30	0.7%
\$ 46.85	90 gal	\$ 47.20	0.35	0.7%
\$ 14.10	On Call	\$ 14.25	0.15	1.1%
\$ 14.25	Monthly	\$ 14.40	0.15	1.1%
\$ 26.00	20 gal Multifamily	\$ 26.25	0.25	1.0%
\$ 30.00	32 gal	\$ 30.25	0.25	0.8%
\$ 30.15	35 gal Commercial	\$ 30.90	0.75	2.5%
\$ 39.30	60 gal	\$ 40.55	1.25	3.2%
\$ 41.90	90 gal	\$ 43.15	1.25	3.0%

Mountain		Adjustment		
Current Rate	Service Level	Proposed	\$	%
\$ 138.06	1 yard weekly	\$ 139.10	\$ 1.04	0.8%
\$ 237.92	2 yard weekly	\$ 240.00	\$ 2.08	0.9%
\$ 454.74	2 yard 2x weekly	\$ 458.90	\$ 4.16	0.9%
\$ 838.53	4 yard 2x weekly	\$ 846.84	\$ 8.31	1.0%

**Total County Composite  
Return on Revenues  
2012 Adjusted**

	Can / Cart Service	Container Service	Drop Box Service	Total County
<b>Collection &amp; Service Revenues</b>	<b>19,662,309</b>	<b>7,983,033</b>	<b>7,633,229</b>	<b>35,278,571</b>
<b>Direct Costs of Operations</b>	<b>14,016,164</b>	<b>5,626,145</b>	<b>7,196,315</b>	<b>26,838,623</b>
	% of revenue	% of revenue	% of revenue	% of revenue
Disposal Expense	3,867,581	2,502,929	4,165,599	10,536,109
	20%	31%	55%	30%
Labor Expense	5,211,474	1,609,698	1,251,500	8,072,672
	27%	20%	16%	23%
Truck Expense	3,090,036	873,191	1,155,182	5,118,409
	16%	11%	15%	15%
Equipment Expense	622,572	206,790	92,900	922,262
	3%	3%	1%	3%
Franchise Fees	827,901	339,524	327,680	1,495,105
	4%	4%	4%	4%
Other Direct Expense	396,600	94,013	203,454	694,067
	2%	1%	3%	2%
<b>Indirect Costs of Operations</b>	<b>3,639,908</b>	<b>1,325,102</b>	<b>426,468</b>	<b>5,391,478</b>
Management Expense	979,083	281,781	56,479	1,317,343
	5%	4%	1%	4%
Administrative Expense	1,244,131	349,449	88,643	1,682,223
	6%	4%	1%	5%
Other Overhead Expenses	1,416,694	693,872	281,346	2,391,912
	7%	9%	4%	7%
<b>Total Cost</b>	<b>17,656,072</b>	<b>6,951,247</b>	<b>7,622,783</b>	<b>32,230,101</b>
<b>Less Unallowable Costs</b>	<b>90,356</b>	<b>21,584</b>	<b>2,850</b>	<b>114,790</b>
<b>Allowable Costs</b>	<b>17,565,716</b>	<b>6,929,663</b>	<b>7,619,933</b>	<b>32,115,311</b>
<b>Franchise Income</b>	<b>2,096,593</b>	<b>1,053,370</b>	<b>13,296</b>	<b>3,163,260</b>
<b>Return on revenues</b>	<b>10.66%</b>	<b>13.20%</b>	<b>0.17%</b>	<b>8.97%</b>
<b>Customer Count / Drop Box Pulls</b>	<b>50,677</b>	<b>2,828</b>	<b>16,849</b>	

**2013 Projected Results**

	Can / Cart Service	Container Service	Drop Box Service	Total County
<b>Collection &amp; Service Revenues</b>	<b>19,453,293</b>	<b>7,874,389</b>	<b>7,724,872</b>	<b>35,052,554</b>
<b>Rate Increase</b>	<b>70,910</b>	<b>41,661</b>	<b>42,078</b>	<b>154,648</b>
<b>Direct Costs of Operations</b>	<b>14,176,118</b>	<b>5,713,589</b>	<b>7,322,791</b>	<b>27,212,498</b>
Disposal Expense	3,923,488	2,557,499	4,257,242	10,738,229
Labor Expense	5,298,965	1,636,574	1,272,361	8,207,900
Truck Expense	3,095,895	874,848	1,164,456	5,135,199
Equipment Expense	625,693	209,402	93,371	928,466
Franchise Fees	827,901	339,524	327,680	1,495,105
Other Direct Expense	404,175	95,741	207,682	707,599
<b>Indirect Costs of Operations</b>	<b>3,703,682</b>	<b>1,344,233</b>	<b>431,094</b>	<b>5,479,008</b>
Management Expense	998,536	287,398	57,572	1,343,505
Administrative Expense	1,266,826	355,868	90,211	1,712,906
Other Overhead Expenses	1,438,320	700,967	283,311	2,422,597
<b>Total Cost</b>	<b>17,879,800</b>	<b>7,057,821</b>	<b>7,753,885</b>	<b>32,691,507</b>
<b>Less Unallowable Costs</b>	<b>106,159</b>	<b>31,323</b>	<b>2,850</b>	<b>140,332</b>
<b>Allowable Costs</b>	<b>17,773,641</b>	<b>7,026,498</b>	<b>7,751,035</b>	<b>32,551,175</b>
<b>Franchise Income</b>	<b>1,750,562</b>	<b>889,552</b>	<b>15,914</b>	<b>2,656,027</b>
<b>Return on revenues</b>	<b>8.97%</b>	<b>11.24%</b>	<b>0.20%</b>	<b>7.54%</b>

**Urban Zone Composite  
Return on Revenues  
2012 Adjusted**

	<b>Can / Cart Service</b>		<b>Container Service</b>		<b>Drop Box Service</b>		<b>Urban Total</b>	
<b>Collection &amp; Service Revenues</b>	<b>11,235,741</b>		<b>6,002,038</b>		<b>6,646,078</b>		<b>23,883,857</b>	
<b>Direct Costs of Operations</b>	<b>7,922,154</b>	<b>% of revenue</b>	<b>4,228,489</b>	<b>% of revenue</b>	<b>6,291,439</b>	<b>% of revenue</b>	<b>18,442,082</b>	<b>% of revenue</b>
Disposal Expense	2,288,172	20%	1,995,817	33%	3,670,556	55%	7,954,545	33%
Labor Expense	2,913,994	26%	1,157,143	19%	1,032,028	16%	5,103,165	21%
Truck Expense	1,723,823	15%	598,345	10%	1,034,306	16%	3,356,474	14%
Equipment Expense	362,188	3%	161,662	3%	75,181	1%	599,031	3%
Franchise Fees	484,982	4%	265,000	4%	295,535	4%	1,045,517	4%
Other Direct Expense	148,995	1%	50,522	1%	183,833	3%	383,350	2%
<b>Indirect Costs of Operations</b>	<b>1,975,674</b>		<b>996,087</b>		<b>372,525</b>		<b>3,344,286</b>	
Management Expense	607,902	5%	233,106	4%	46,602	1%	887,610	4%
Administrative Expense	638,962	6%	237,562	4%	71,100	1%	947,624	4%
Other Overhead Expenses	728,810	6%	525,419	9%	254,823	4%	1,509,052	6%
<b>Total Cost</b>	<b>9,897,827</b>		<b>5,224,576</b>		<b>6,663,964</b>		<b>21,786,368</b>	
<b>Less Unallowable Costs</b>	<b>22,235</b>		<b>14,110</b>		<b>64</b>		<b>36,409</b>	
<b>Allowable Costs</b>	<b>9,875,592</b>		<b>5,210,466</b>		<b>6,663,900</b>		<b>21,749,959</b>	
<b>Franchise Income</b>	<b>1,360,149</b>		<b>791,572</b>		<b>-17,822</b>		<b>2,133,898</b>	
<b>Return on revenues</b>	<b>12.11%</b>		<b>13.19%</b>		<b>-0.27%</b>		<b>8.93%</b>	
<b>Customer Count / Drop Box Pulls</b>	<b>29,660</b>		<b>1,925</b>		<b>14,696</b>			

**2013 Projected Results**

	<b>Can / Cart Service</b>		<b>Container Service</b>		<b>Drop Box Service</b>		<b>Urban Total</b>
<b>Collection &amp; Service Revenues</b>	<b>11,130,018</b>		<b>5,915,718</b>		<b>6,726,830</b>		<b>23,772,566</b>
<b>Rate Increase</b>	<b>38,482</b>		<b>32,718</b>		<b>36,695</b>		<b>107,896</b>
<b>Direct Costs of Operations</b>	<b>8,022,576</b>		<b>4,295,856</b>		<b>6,402,677</b>		<b>18,721,110</b>
Disposal Expense	2,331,679		2,039,725		3,751,308		8,122,712
Labor Expense	2,962,625		1,176,383		1,049,190		5,188,198
Truck Expense	1,727,475		599,487		1,043,419		3,370,381
Equipment Expense	364,109		163,884		75,545		603,537
Franchise Fees	484,982		265,000		295,535		1,045,517
Other Direct Expense	151,706		51,377		187,680		390,764
<b>Indirect Costs of Operations</b>	<b>2,011,177</b>		<b>1,010,213</b>		<b>376,279</b>		<b>3,397,668</b>
Management Expense	620,036		237,775		47,501		905,312
Administrative Expense	650,591		241,842		72,348		964,781
Other Overhead Expenses	740,550		530,596		256,430		1,527,575
<b>Total Cost</b>	<b>10,033,753</b>		<b>5,306,069</b>		<b>6,778,956</b>		<b>22,118,778</b>
<b>Less Unallowable Costs</b>	<b>38,038</b>		<b>23,849</b>		<b>64</b>		<b>61,951</b>
<b>Allowable Costs</b>	<b>9,995,715</b>		<b>5,282,220</b>		<b>6,778,892</b>		<b>22,056,827</b>
<b>Franchise Income</b>	<b>1,172,785</b>		<b>666,217</b>		<b>-15,367</b>		<b>1,823,635</b>
<b>Return on revenues</b>	<b>10.50%</b>		<b>11.20%</b>		<b>-0.23%</b>		<b>7.64%</b>

**Rural Zone Composite  
Return on Revenues  
2012 Adjusted Results**

	Can / Cart Service	Container Service	Drop Box Service	Rural Total
Collection & Service Revenues	5,859,077	1,190,991	561,886	7,611,954
	<b>4,206,002</b>	<b>836,038</b>	<b>490,623</b>	<b>5,532,663</b>
	<i>% of revenue</i>	<i>% of revenue</i>	<i>% of revenue</i>	<i>% of revenue</i>
Direct Costs of Operations	4,206,002	836,038	490,623	5,532,663
Disposal Expense	1,189,900 20%	339,723 29%	298,281 53%	1,827,904 24%
Labor Expense	1,474,033 25%	240,176 20%	107,409 19%	1,821,618 24%
Truck Expense	957,868 16%	165,612 14%	56,987 10%	1,180,467 16%
Equipment Expense	188,643 3%	26,593 2%	6,318 1%	221,554 3%
Franchise Fees	225,312 4%	40,139 3%	13,954 2%	279,405 4%
Other Direct Expense	170,246 3%	23,795 2%	7,674 1%	201,715 3%
Indirect Costs of Operations	1,118,255	198,535	28,534	1,345,324
Management Expense	224,767 4%	29,075 2%	5,307 1%	259,149 3%
Administrative Expense	401,713 7%	58,025 5%	10,377 2%	470,115 6%
Other Overhead Expenses	491,775 8%	111,435 9%	12,850 2%	616,060 8%
Total Cost	5,324,257	1,034,573	519,157	6,877,987
Less Unallowable Costs	45,781	3,224	781	49,786
Allowable Costs	5,278,476	1,031,349	518,376	6,828,201
Franchise Income	580,601	159,642	43,510	783,753
Return on revenues	9.91%	13.40%	7.74%	10.30%
Customer Count / Drop Box Pulls	14,133	671	1,210	

**2013 Projected Results**

	Can / Cart Service	Container Service	Drop Box Service	Rural Total
Collection & Service Revenues	5,774,518	1,176,008	568,448	7,518,974
Rate Increase	23,037	5,860	3,025	28,898
Direct Costs of Operations	4,244,614	848,202	499,217	5,592,032
Disposal Expense	1,197,429	346,702	304,843	1,848,975
Labor Expense	1,499,149	244,301	109,228	1,852,678
Truck Expense	959,567	165,921	57,021	1,182,509
Equipment Expense	189,563	26,873	6,354	222,789
Franchise Fees	225,312	40,139	13,954	279,405
Other Direct Expense	173,593	24,266	7,818	205,676
Indirect Costs of Operations	1,137,040	201,347	29,051	1,367,438
Management Expense	229,198	29,638	5,410	264,246
Administrative Expense	408,969	59,090	10,568	478,626
Other Overhead Expenses	498,874	112,619	13,074	624,566
Total Cost	5,381,654	1,049,548	528,268	6,959,470
Less Unallowable Costs	45,781	3,224	781	49,786
Allowable Costs	5,335,873	1,046,324	527,487	6,909,684
Franchise Income	461,683	135,544	43,986	638,187
Return on revenues	7.96%	11.47%	7.70%	8.46%

**Distant Rural Zone Composite**  
**Return on Revenues**  
**2012 Adjusted**

	Can / Cart Service	Container Service	Drop Box Service	Distant Rural Total
Collection & Service Revenues	2,567,491	790,004	425,265	3,782,760
<b>Direct Costs of Operations</b>	<b>1,888,008</b> % of revenue	<b>561,618</b> % of revenue	<b>414,253</b> % of revenue	<b>2,863,879</b> % of revenue
Disposal Expense	389,509 15%	167,389 21%	196,762 46%	753,660 20%
Labor Expense	823,447 32%	212,379 27%	112,063 26%	1,147,889 30%
Truck Expense	408,345 16%	109,234 14%	63,889 15%	581,468 15%
Equipment Expense	71,741 3%	18,535 2%	11,401 3%	101,677 3%
Franchise Fees	117,607 5%	34,385 4%	18,191 4%	170,183 4%
Other Direct Expense	77,359 3%	19,696 2%	11,947 3%	109,002 3%
<b>Indirect Costs of Operations</b>	<b>545,979</b>	<b>130,480</b>	<b>25,409</b>	<b>701,868</b>
Management Expense	146,414 6%	19,600 2%	4,570 1%	170,584 5%
Administrative Expense	203,456 8%	53,862 7%	7,166 2%	264,484 7%
Other Overhead Expenses	196,109 8%	57,018 7%	13,673 3%	266,800 7%
<b>Total Cost</b>	<b>2,433,987</b>	<b>692,098</b>	<b>439,662</b>	<b>3,565,747</b>
<b>Less Unallowable Costs</b>	<b>22,340</b>	<b>4,250</b>	<b>2,005</b>	<b>28,595</b>
<b>Allowable Costs</b>	<b>2,411,647</b>	<b>687,848</b>	<b>437,657</b>	<b>3,537,152</b>
Franchise Income	155,844	102,156	-12,392	245,608
<b>Return on revenues</b>	<b>6.07%</b>	<b>12.93%</b>	<b>-2.91%</b>	<b>6.49%</b>
<b>Customer Count / Drop Box Pulls</b>	<b>6,884</b>	<b>232</b>	<b>943</b>	

**2013 Projected Results**

	Can / Cart Service	Container Service	Drop Box Service	Distant Rural Total
Collection & Service Revenues	2,548,757	782,662	429,594	3,761,013
Rate Increase	9,390	3,083	2,358	14,830
<b>Direct Costs of Operations</b>	<b>1,908,928</b>	<b>569,530</b>	<b>420,898</b>	<b>2,899,356</b>
Disposal Expense	394,380	171,072	201,091	766,542
Labor Expense	837,191	215,889	113,943	1,167,023
Truck Expense	408,853	109,441	64,016	582,309
Equipment Expense	72,022	18,645	11,473	102,140
Franchise Fees	117,607	34,385	18,191	170,183
Other Direct Expense	78,876	20,098	12,184	111,159
<b>Indirect Costs of Operations</b>	<b>555,464</b>	<b>132,673</b>	<b>25,764</b>	<b>713,902</b>
Management Expense	149,301	19,985	4,661	173,947
Administrative Expense	207,267	54,936	7,296	269,498
Other Overhead Expenses	198,897	57,753	13,807	270,456
<b>Total Cost</b>	<b>2,464,393</b>	<b>702,204</b>	<b>446,662</b>	<b>3,613,259</b>
<b>Less Unallowable Costs</b>	<b>22,340</b>	<b>4,250</b>	<b>2,005</b>	<b>28,595</b>
<b>Allowable Costs</b>	<b>2,442,053</b>	<b>697,954</b>	<b>444,657</b>	<b>3,584,664</b>
Franchise Income	116,094	87,791	-12,706	191,180
<b>Return on revenues</b>	<b>4.54%</b>	<b>11.17%</b>	<b>-2.94%</b>	<b>5.06%</b>

**Exhibit A**  
**Clackamas County Fee Schedule**  
**For Waste and Recycling Collection Services**

Effective August 1, 2013

U R B A N	Residential Service		
	Monthly Fee	Fee per PICK UP	At House Service
<b>Weekly Pick Up<sup>1</sup> - one cart/can of garbage, 60 gallon yard debris and recycling</b>			
20 gallon cart/can	\$ 25.15		\$ 28.65
35 gallon cart/can	\$ 28.90		\$ 32.40
60 gallon cart	\$ 38.10		N/A
90 gallon cart	\$ 44.70		N/A
Occasional extra garbage - 35 gallon		\$ 6.05	\$ 6.85
Occasional extra yard debris - 35 gallon		\$ 2.60	
<b>Monthly Pick Up<sup>1</sup> - one cart/can of garbage; weekly recycling included</b>			
35 gallon cart/can	\$ 12.35		\$ 13.25
Occasional extra garbage - 35 gallon		\$ 6.05	\$ 6.85
<b>On-Call Pick Up<sup>1</sup> - one cart/can of garbage</b>			
35 gallon cart/can		\$ 13.05	N/A
<b>Other Services and Fees</b>			
Recycling only - weekly	\$ 4.15		N/A
Yard debris subscription <sup>3</sup> - weekly	\$ 5.30		N/A
Bulky waste - furniture, appliances etc.		Table 1	
Distance fees	Table 2		
Terrain fee	\$ 3.65		
<b>Multifamily Service<sup>4</sup> - for shared containers; weekly recycling included</b>			
<b>Weekly Pick Up<sup>1</sup> - one cart/can of garbage and recycling</b>			
Central billing	20 gallon	\$ 20.65	\$ 22.65
	35 gallon	\$ 24.40	\$ 26.40
Individual billing	20 gallon	\$ 22.25	\$ 24.25
	35 gallon	\$ 26.00	\$ 28.00
Occasional extra garbage - 35 gallon		6.05	\$ 6.85
Bulky waste - furniture, appliances etc.		Table 1	
<b>Additional fees - see Tables 1 and 2</b>			

<sup>1</sup> Greater than one cart/can per week, use multiples of single cart/can fee.  
<sup>2</sup> At House Service is when garbage carts/cans are picked up at house instead of curbside/roadside (must be placed within 50 feet of curb/road). At House Service is not available for recycling or yard debris.  
<sup>3</sup> Available to customers without weekly garbage service. Requires full year subscription. May be billed annually or monthly, depending on provider.  
<sup>4</sup> Putrecibles must not be placed in cart/can in excess of 7 days prior to scheduled collection.

**Exhibit A**

Effective: August 1, 2013

U R B A N	Commercial Containers - weekly recycling included					
	Stops/ Week	Monthly fee for container size in cubic yards				
		1	Add'l	1 1/3	Add'l	1.5
1	\$93.25	\$ 78.81	\$ 115.00	\$ 96.84	\$ 121.92	\$ 103.77
2	\$178.78	\$ 151.55	\$ 222.27	\$ 188.54	\$ 236.07	\$ 200.08
3	\$264.30	\$ 222.84	\$ 329.52	\$ 279.23	\$ 350.26	\$ 296.95
4	\$349.83	\$ 297.02	\$ 436.79	\$ 370.54	\$ 464.41	\$ 393.03
5	\$435.35	\$ 368.30	\$ 544.06	\$ 461.24	\$ 578.59	\$ 492.76
6	\$520.88	\$ 441.66	\$ 651.33	\$ 551.25	\$ 692.74	\$ 588.23
Stops/ Week	Monthly fee for container size in cubic yards					
	2	Add'l	3	Add'l	4	Add'l
1	\$153.90	\$ 130.80	\$ 207.83	\$ 176.89	\$ 263.94	\$ 226.40
2	\$300.06	\$ 255.79	\$ 403.23	\$ 343.90	\$ 515.45	\$ 441.67
3	\$446.23	\$ 379.98	\$ 598.62	\$ 511.53	\$ 766.96	\$ 656.10
4	\$592.39	\$ 501.82	\$ 794.02	\$ 681.23	\$ 1,018.47	\$ 867.93
5	\$738.57	\$ 631.05	\$ 989.42	\$ 847.27	\$ 1,269.98	\$ 1,086.33
6	\$884.73	\$ 753.47	\$ 1,184.82	\$ 1,010.04	\$ 1,521.49	\$ 1,301.03
Stops/ Week	Monthly fee for container size in cubic yards					
	5	Add'l	6	Add'l	8	Add'l
1	\$317.70	\$ 292.95	\$ 364.41	\$ 335.94	\$ 446.04	\$ 413.03
2	\$621.80	\$ 573.01	\$ 715.20	\$ 660.39	\$ 878.47	\$ 813.12
3	\$925.89	\$ 850.90	\$ 1,065.99	\$ 978.56	\$ 1,310.90	\$ 1,213.42
4	\$1,229.98	\$ 1,130.49	\$ 1,416.78	\$ 1,303.24	\$ 1,743.33	\$ 1,611.72
5	\$1,534.08	\$ 1,413.01	\$ 1,767.58	\$ 1,627.54	\$ 2,175.76	\$ 2,003.04
6	\$1,838.17	\$ 1,698.12	\$ 2,118.37	\$ 1,945.65	\$ 2,608.19	\$ 2,407.31
<b>Commercial Carts/Cans - monthly fee, weekly recycling included</b>						
		First cart/can	Second cart/can	Each additional		
<b>One Stop per Week</b>						
35 gallon cart/can		\$24.95	\$47.70	\$20.75		
60 gallon cart		\$36.05	N/A	N/A		
90 gallon cart		\$38.65	N/A	N/A		
Occasional extra garbage - 35 gallon		N/A	N/A	\$5.00		
<b>Two Stops per Week</b>						
35 gallon cart/can - 2 stops/wk		\$49.30	\$94.30	\$21.40		
Occasional extra garbage - 35 gallon		N/A	N/A	\$5.00		
<b>Additional fees may apply - see Tables 1, 2 &amp; 3</b>						

<sup>1</sup> The use of a cart and the type of customer using a cart for commercial waste collection services shall be at the discretion of the collector.

Exhibit A

Effective August 1, 2013

R U R A L	Residential Service		Monthly Fee	Fee per Pick Up	At House Service <sup>2</sup>
	<b>Weekly Pick Up<sup>1</sup> - one cart/can of garbage and recycling</b>				
	20 gallon cart/can		\$21.90		\$25.40
	35 gallon cart/can		\$25.60		\$29.10
	60 gallon cart		\$36.70		N/A
	90 gallon cart		\$42.05		N/A
	Occasional extra garbage - 35 gallon			\$6.10	\$6.90
<b>Monthly Pick Up<sup>3</sup> - one cart/can; weekly recycling included</b>					
	35 gallon cart/can		\$12.45		\$13.35
	Occasional extra garbage - 35 gallon			\$6.10	\$6.90
<b>On-Call Pick Up<sup>3</sup> - one cart/can of garbage</b>					
	35 gallon cart/can			\$13.50	N/A
<b>Other Services and Fees</b>					
	Recycling only - weekly		\$6.45		N/A
	Bulky waste - furniture, appliances etc.			Table 1	
	Distance fees		Table 2		
	Terrain fee		\$3.65		
<b>Multifamily Service<sup>4</sup> - for shared containers see Commercial Fees</b>					
<b>Weekly Pick Up<sup>1</sup> - one cart/can of garbage and recycling</b>					
	Central billing	20 gallon	\$20.30		\$22.30
		35 gallon	\$24.00		\$26.00
	Individual billing	20 gallon	\$21.90		\$23.90
		35 gallon	\$25.60		\$27.60
	Occasional extra garbage - 35 gallon			\$6.10	\$6.90
	Bulky waste - furniture, appliances etc.			Table 1	
<b>Additional fees may apply - see Tables 1 and 2</b>					

<sup>1</sup>Greater than one cart/can per week, use multiples of single cart/can fee.

<sup>2</sup>At House service is when garbage carts/cans are picked up at house instead of curbside/roadside (must be within 50 feet of curb/road). At House Service is not available for recycling.

<sup>3</sup>Putrecibles must not be placed in cart/can in excess of 7 days prior to scheduled collection.

Exhibit A

Fees Effective: August 1, 2013

R U R A L	Commercial Containers <sup>1</sup> weekly recycling included						
	Stops/Week	Monthly fee for container size in cubic yards					
		1	Add'l	1 1/3	Add'l	1.5	Add'l
	1	\$105.79	\$ 101.09	\$ 129.49	\$ 124.33	\$ 143.94	\$ 138.30
	2	\$202.18	\$ 193.58	\$ 248.75	\$ 239.45	\$ 276.57	\$ 266.47
	3	\$298.47	\$ 286.07	\$ 367.94	\$ 354.49	\$ 409.37	\$ 394.72
	4	\$394.86	\$ 378.61	\$ 487.27	\$ 469.62	\$ 542.04	\$ 522.84
	5	\$491.15	\$ 471.10	\$ 606.50	\$ 584.65	\$ 674.68	\$ 651.13
	6	\$596.99	\$ 572.24	\$ 735.92	\$ 709.03	\$ 818.60	\$ 789.35
		Monthly fee for container size in cubic yards					
		2	Add'l	3	Add'l	4	Add'l
	1	\$181.63	\$ 175.18	\$ 255.57	\$ 247.57	\$ 328.46	\$ 319.01
	2	\$350.41	\$ 338.76	\$ 495.19	\$ 480.84	\$ 638.11	\$ 621.16
	3	\$518.99	\$ 502.14	\$ 734.80	\$ 713.95	\$ 947.77	\$ 923.32
	4	\$687.61	\$ 665.56	\$ 974.42	\$ 947.27	\$ 1,257.43	\$ 1,225.48
	5	\$856.34	\$ 829.04	\$ 1,213.99	\$ 1,180.14	\$ 1,567.03	\$ 1,527.48
	6	\$1,037.97	\$ 1,004.27	\$ 1,469.56	\$ 1,428.01	\$ 1,895.59	\$ 1,846.44
		Monthly fee for container size in cubic yards					
		5	Add'l	6	Add'l	8	Add'l
	1	\$400.20	\$ 389.45	\$ 473.89	\$ 461.54	\$ 612.91	\$ 598.22
	2	\$778.94	\$ 759.57	\$ 923.17	\$ 901.17	\$ 1,196.93	\$ 1,170.83
	3	\$1,157.64	\$ 1,129.64	\$ 1,372.36	\$ 1,340.71	\$ 1,780.89	\$ 1,743.39
	4	\$1,536.43	\$ 1,499.83	\$ 1,821.59	\$ 1,780.34	\$ 2,364.80	\$ 2,315.90
	5	\$1,915.08	\$ 1,869.88	\$ 2,270.83	\$ 2,219.93	\$ 2,948.82	\$ 2,888.42
	6	\$2,315.28	\$ 2,259.33	\$ 2,743.81	\$ 2,680.61	\$ 3,561.73	\$ 3,486.73
<b>Commercial Carts/Cans<sup>2</sup> monthly fee, weekly recycling included</b>							
	<b>One Stop per Week</b>	<b>First cart/can</b>	<b>Second cart/can</b>	<b>Each additional</b>			
	35 gallon cart/can	\$ 25.60	\$ 49.80	\$ 23.35			
	60 gallon cart	\$ 36.30	N/A	N/A			
	90 gallon cart	\$ 38.90	N/A	N/A			
	Occasional extra garbage - 35 gallon	N/A	N/A	\$ 5.25			
	<b>Two Stops per Week</b>						
	35 gallon cart/can - 2 stops/wk	\$ 50.45	\$ 98.15	\$ 22.75			
	Occasional extra garbage - 35 gallon	N/A	N/A	\$ 5.25			
<b>Additional fees may apply - see Tables 1, 2 &amp; 3</b>							

<sup>1</sup>The use of a cart and the type of customer using a cart for commercial waste collection services shall be at the discretion of the collector.

Exhibit A

Effective August 1, 2013

D I S T A N T  R U R A L	Residential Service		
	Monthly Fee	Fee per Pick-Up	At House Service
	<b>Weekly Pick Up<sup>1</sup> - one cart/can of garbage and recycling</b>		
	20 gallon cart/can	\$26.60	\$30.10
	35 gallon cart/can	\$30.60	\$34.10
	60 gallon cart	\$40.55	N/A
	90 gallon cart	\$45.95	N/A
	Occasional extra garbage - 35 gallon	\$6.65	\$7.45
	<b>Monthly Pick Up<sup>3</sup> - one cart/can; weekly recycling included</b>		
	35 gallon cart/can	\$14.10	\$15.00
Occasional extra garbage - 35 gallon	\$6.65	\$7.45	
<b>On-Call Pick Up<sup>3</sup> - one cart/can of garbage</b>			
35 gallon cart/can	\$13.95	N/A	
<b>Other Services and Fees</b>			
Recycling only - weekly	\$7.20	N/A	
Bulky waste - furniture, appliances etc.	Table 1		
Distance fees	Table 2		
Terrain fee	\$3.65		
<b>Multifamily Service - for shared containers and common area fees</b>			
<b>Weekly Pick Up<sup>1</sup> - one cart/can of garbage and recycling</b>			
Central billing	20 gallon	\$25.00	\$27.00
	35 gallon	\$29.00	\$31.00
Individual billing	20 gallon	\$26.60	\$28.60
	35 gallon	\$30.60	\$32.60
Occasional extra garbage - 35 gallon		\$6.65	\$7.45
Bulky waste - furniture, appliances etc.	Table 1		
<b>Additional fees may apply - see Tables 1, 2 &amp; 3</b>			

<sup>1</sup> Greater than one cart/can per week, use multiples of single cart/can fee.

<sup>2</sup> At House service is when garbage carts/cans are picked up at house instead of curbside/roadside (must be within 50 feet of curb/road). At House Service is not available for recycling.

<sup>3</sup> Putrecibles must not be placed in cart/can in excess of 7 days prior to scheduled collection.

Exhibit A

Fees Effective: August 1, 2013

D I S T A N T  R U R A L	Commercial Containers - weekly recycling						
	Stops/Week	Monthly fee based on size in cubic yards					
		1	Add'l	1 1/3	Add'l	1.5	Add'l
	1	\$120.05	\$ 115.35	\$ 145.74	\$ 140.58	\$ 161.22	\$ 155.57
	2	\$222.45	\$ 213.85	\$ 273.02	\$ 263.72	\$ 302.84	\$ 292.74
	3	\$324.74	\$ 312.34	\$ 400.21	\$ 386.76	\$ 444.66	\$ 430.01
	4	\$427.14	\$ 410.89	\$ 527.54	\$ 509.89	\$ 586.34	\$ 567.14
	5	\$529.44	\$ 509.39	\$ 654.78	\$ 632.93	\$ 728.00	\$ 704.45
	6	\$641.29	\$ 616.54	\$ 792.20	\$ 765.30	\$ 880.92	\$ 851.67
	Stops/Week	Monthly fee based on size in cubic yards					
2		Add'l	3	Add'l	4	Add'l	
1	\$201.90	\$ 195.45	\$ 281.84	\$ 273.84	\$ 360.74	\$ 351.29	
2	\$382.69	\$ 371.04	\$ 539.49	\$ 525.14	\$ 694.42	\$ 677.47	
3	\$563.29	\$ 546.44	\$ 797.12	\$ 776.27	\$ 1,028.12	\$ 1,003.67	
4	\$743.92	\$ 721.87	\$ 1,054.77	\$ 1,027.62	\$ 1,361.81	\$ 1,329.86	
5	\$924.67	\$ 897.37	\$ 1,312.36	\$ 1,278.51	\$ 1,695.44	\$ 1,655.89	
6	\$1,118.32	\$ 1,084.62	\$ 1,585.95	\$ 1,544.40	\$ 2,048.03	\$ 1,998.88	
Stops/Week	Monthly fee based on size in cubic yards						
	5	Add'l	6	Add'l	8	Add'l	
1	\$438.49	\$ 427.74	\$ 518.19	\$ 505.84	\$ 669.22	\$ 654.52	
2	\$847.27	\$ 827.90	\$ 1,003.52	\$ 981.52	\$ 1,301.31	\$ 1,275.21	
3	\$1,256.01	\$ 1,228.01	\$ 1,488.75	\$ 1,457.10	\$ 1,933.33	\$ 1,895.83	
4	\$1,664.84	\$ 1,628.24	\$ 1,974.03	\$ 1,932.78	\$ 2,565.31	\$ 2,516.41	
5	\$2,073.53	\$ 2,028.33	\$ 2,459.32	\$ 2,408.42	\$ 3,197.39	\$ 3,136.99	
6	\$2,503.77	\$ 2,447.82	\$ 2,968.35	\$ 2,905.15	\$ 3,858.36	\$ 3,783.36	
<b>Commercial Carts/ Cans - monthly recycling included</b>							
		First cart/can	Second cart/can	Each additional			
<b>One Stop per Week</b>							
35 gallon cart/can		\$29.65	\$58.60	\$28.65			
60 gallon cart		\$39.30	N/A	N/A			
90 gallon cart		\$41.90	N/A	N/A			
Occasional extra garbage- 35 gallon		N/A	N/A	\$6.00			
<b>Two Stops per Week</b>							
35 gallon cart/can - 2 stops/wk		\$58.60	\$115.75	\$28.05			
Occasional extra garbage - 35 gallon		N/A	N/A	\$6.00			
<b>Additional fees may apply - see Tables 1, 2 &amp; 3</b>							

<sup>1</sup> The use of a cart and the type of customer using a cart for commercial waste shall be at the discretion of the collector.

Exhibit A

Effective August 1, 2013

<b>MOUNTAIN</b>	<b>Residential Service</b>			
	Weekly Pick Up <sup>1</sup> - one can of garbage and recycling	Monthly Fee	Fee per Pick Up	At House Service
	20 gallon can	\$27.85		\$31.35
	35 gallon can	\$31.85		\$35.35
	Occasional extra - 35 gallon		\$6.65	\$7.45
	Monthly Pick Up <sup>3</sup> - one can; weekly recycling included			
	35 gallon can	\$14.40		\$12.90
	Occasional extra - 35 gallon		\$6.65	\$7.45
	On-Call Pick Up <sup>3</sup> - one can of garbage			
	35 gallon can		\$14.25	N/A
	Other Services and Fees			
	Recycling only - weekly	\$7.20		N/A
	Bulky waste - furniture, appliances etc.		Table 1	
	Distance fees		Table 2	
	Terrain Fee	\$3.65		
<b>Multifamily Service</b> (Commercial fees for shared containers)				
Weekly Pick Up <sup>4</sup> - one cart/can of garbage and recycling				
Central billing	20 gallon	\$26.25	\$28.25	
	35 gallon	\$30.25	\$32.25	
Individual billing	20 gallon	\$27.85	\$29.85	
	35 gallon	\$31.85	\$33.85	
Occasional extra garbage - 35 gallon		\$6.65	\$7.45	
Bulky waste - furniture, appliances etc.		Table 1		
<b>Additional fees may apply - see Tables 1, 2 &amp; 3</b>				

<sup>1</sup>Greater than one can per week, use multiples of single can fee.

<sup>2</sup>Cans picked up at house instead of roadside or curb (must be within 50 feet of roadside or curb).

<sup>3</sup>Putrecibles must not be placed in cart/can in excess of 7 days prior to scheduled collection.

Exhibit A

Fees Effective: August 1, 2013

<b>MOUNTAIN</b>	<b>Commercial Containers</b> (includes weekly recycling)						
	Stops/Week	Monthly fee for container size in cubic yards					
		1	Add'l	1 1/3	Add'l	1.5	Add'l
	1	\$139.10	\$ 134.40	\$ 171.15	\$ 165.99	\$ 189.80	\$ 184.15
	2	\$260.55	\$ 251.95	\$ 323.82	\$ 314.52	\$ 360.00	\$ 349.90
	3	\$381.90	\$ 369.50	\$ 476.42	\$ 462.97	\$ 530.40	\$ 515.75
	4	\$503.35	\$ 487.10	\$ 629.15	\$ 611.50	\$ 700.65	\$ 681.45
	5	\$624.70	\$ 604.65	\$ 781.79	\$ 759.94	\$ 870.89	\$ 847.34
	6	\$755.60	\$ 730.85	\$ 944.62	\$ 917.72	\$ 1,052.39	\$ 1,023.14
	Stops/Week	Monthly fee for container size in cubic yards					
		2	Add'l	3	Add'l	4	Add'l
	1	\$240.00	\$ 233.55	\$ 339.00	\$ 331.00	\$ 436.95	\$ 427.50
	2	\$458.90	\$ 447.25	\$ 653.80	\$ 639.45	\$ 846.84	\$ 829.89
	3	\$677.60	\$ 660.75	\$ 968.59	\$ 947.74	\$ 1,256.74	\$ 1,232.29
	4	\$896.34	\$ 874.29	\$ 1,283.39	\$ 1,256.24	\$ 1,666.64	\$ 1,634.69
5	\$1,115.19	\$ 1,087.89	\$ 1,598.14	\$ 1,564.29	\$ 2,076.48	\$ 2,036.93	
6	\$1,346.94	\$ 1,313.24	\$ 1,928.89	\$ 1,887.34	\$ 2,505.28	\$ 2,456.13	
<b>Commercial Cans</b> - monthly fee; weekly recycling included							
One Stop per Week				First can	Second can	Each additional	
35 gallon can				\$30.90	\$61.10	\$29.90	
Occasional extra garbage - 35 gallon				N/A	N/A	\$6.00	
Two Stops per Week							
35 gallon can - 2 stops/wk				\$61.10	\$120.75	\$29.30	
Occasional extra garbage - 35 gallon				N/A	N/A	\$6.00	
<b>Additional fees may apply - see Tables 1, 2 &amp; 3</b>							

**Exhibit A**  
Effective August 1, 2013

**Table 1**

<b>Miscellaneous Services</b>		
<b>Bulky Waste</b> - appliances, furniture, etc. <i>Fee based on weight and special handling needs. If not easily accessible, hourly fee also applies.</i>		
Minimum fee	\$5.45	
Maximum fee	\$29.15	
Coolant removal fee	\$30.00	<i>Applies to refrigerators, freezers and air conditioners even if refrigerant is removed. Disposal fee additional.</i>
<b>Clean Up Containers</b>		
Each collection charged at 33% of regular container fee (see commercial containers).		
Handling fee*	\$16.60	<i>*only charged for first collection.</i>
Container rent is charged when container is kept longer than 5 working days with no collection. <sup>1</sup>		
< 3 cubic yard	\$2.10	rent per day
3 cubic yards	\$3.10	rent per day
4 cubic yards	\$4.10	rent per day
<i>For larger containers, see Drop Box, Table 4</i>		
<b>Tire Handling Fee</b> - charged in addition to disposal fees		
Off rim	\$2.00	
On rim	\$5.50	
<i>Tires greater than 18 inch diameter are subject to a special handling fee.</i>		
<b>Occasional Extra Garbage</b> - 35 gallon maximum		
Light	\$3.00	<i>does not require extra trip</i>
Heavy	\$5.05	<i>curbside/roadside and requires extra trip</i>
Heavy	\$5.85	<i>picked up at house (50 ft max from curb/road)</i>
<b>Hourly handling fee</b> - charged in addition to disposal fees		
1 truck, 1 person	\$73.00	per hour
1 truck, 2 people	\$105.00	per hour
<b>Other Fees</b>		
Gate fee	\$1.00	
Reinstatement fee	\$5.00	<i>When service is reinstated after it has been stopped for non-payment or if customer stops and starts service more than once in a calendar year.</i>
Cart redelivery	\$10.00	<i>If cart picked up then service restarted within 12 months.</i>

<sup>1</sup> Rent shall not exceed \$20.00 per container in a 30 day period.

**Exhibit A**  
Effective August 1, 2013

**Table 2**

<b>Distance Fees</b>	
Distance	Monthly Fee
3 - 50 feet	\$ 3.50
51 - 100 feet	\$ 5.10
101 - 200 feet	\$ 6.15
201 - 400 feet	\$ 7.20
401 - 800 feet	\$ 8.25
More than 800 feet	\$ 9.30

Distance fees apply when service is not curbside or roadside as defined.

Distances over 50 feet are considered drive-in only.

Fees for distances over 50 feet also apply to non-urban containers served off public roads.

**Table 3**

<b>Miscellaneous Container Fees</b>
<b>Overweight charges</b> will be applied to containers weighing over 275 pounds per cubic yard. The fee must be mutually agreeable to the customer and collector. The County will act as an arbitrator in the event of a dispute.
<b>Containers that have been compacted</b> are charged 2.2 times the regular container fee for the zone.
<b>Overweight compacted containers</b> weighing over 500 pounds per cubic yard will be charged this fee plus disposal for the excess weight.
<b>Container cleaning fee</b> will be charged for containers needing cleaning more than 2 times in a 12 month period. The fee is the actual cost of cleaning.
<b>Mileage fee</b> applies to Distant Rural and Mountain Fee Zones when containers are located over 26 miles round trip from a disposal site if there are less than seven (7) containers picked up per collection route.

Exhibit A

Effective August 1, 2013

Table 4

Drop Boxes and Compactors	
<b>Open Drop Box</b>	
20 cubic yard container	\$119.00
30 cubic yard container	\$136.00
40 cubic yard container	\$153.00
<b>Compacted Drop Box</b>	
Less than 25 cubic yards	\$135.00
25 - 34 cubic yards	\$169.00
35 cubic yards and greater	\$196.00
<b>Rental Fee</b>	
Per day (after 2 working days at one site)	\$6.30
Per month (collection of less than one load per week)	\$63.00
<b>Delivery Fee<sup>1</sup></b>	
Urban zone	\$40.00
All other zones	\$50.00
<b>Mileage Fee</b>	
Per mile over 18 miles roundtrip from where the truck is stationed (if in Clackamas County, if not then from the Metro South Transfer Station) for a repeat customer and for over 18 miles of truck operation for a one-stop drop box customer.	\$4.70
<b>Multifamily Service Fee - additional fee for communities using compactors and drop boxes to collect garbage. Fee is charged per unit per month.</b>	
5-299 units	\$1.60
300 - 399 units	\$1.45
More than 399 units	\$1.40
<b>Incidental Service Fees</b>	
Stand by time - waiting for box to be cleared, cars to be moved, etc. <sup>2</sup>	\$7.00
Leveling load - if driver must spend time leveling load to safely haul. <sup>2</sup>	\$7.00
Wash out - if requested by customer or box is contaminated.	\$30.00
Compactor turn-around - if repositioning required to enable collection and tip.	\$40.00
Deadhead round trip - for specialized boxes that cannot be exchanged.	\$25.00
Dry run - if scheduled collection is prevented because box is blocked or customer is not ready.	\$30.00

<sup>1</sup>For the occasional customer, the delivery charge shall be made for the first drop box at a given location within a 30-day period. For the repeat customer, the delivery charge shall be made for service at different locations.

<sup>2</sup>Charged in 5 minute increments.

Exhibit A

Effective December 1, 2003

Table 5

Infectious Waste		
Number of units	Fee per gallon	
	20/21	35/48
1	\$ 81.45	\$ 83.23
2	\$ 61.85	\$ 63.50
3	\$ 54.30	\$ 56.00
4	\$ 49.35	\$ 51.00
5	\$ 46.35	\$ 48.00
6	\$ 44.35	\$ 46.00
7	\$ 41.85	\$ 43.50
8	\$ 40.40	\$ 42.00
9	\$ 37.35	\$ 39.00
10	\$ 35.85	\$ 37.50
11	\$ 34.75	\$ 36.50
12	\$ 33.25	\$ 35.00
13	\$ 32.75	\$ 34.50
14	\$ 32.00	\$ 33.75
15	\$ 31.25	\$ 33.00
16	\$ 26.30	\$ 28.00
17	\$ 26.30	\$ 28.00
18	\$ 26.30	\$ 28.00
19	\$ 26.30	\$ 28.00
20	\$ 26.30	\$ 28.00
60	\$ 17.90	\$ 18.75
75	\$ 17.45	\$ 18.10
90	\$ 12.80	\$ 13.10

## Solid Waste Management Fee Schedule Supporting Documents

June 18, 2013

### Solid Waste Collection Fee Adjustment

- ORS 459A.085(3) allows the Counties and Cities to "...displace competition with a system of regulated [integrated solid waste] collection service by issuing franchises which may be exclusive if service areas are allocated."
- The State also provides to Cities and Counties the authority to assess fees that are adequate to provide necessary collection service and allow the recovery of the costs necessary to provide the opportunity to recycle.
- The Department of Transportation and Development (DTD) is responsible for managing the County's Integrated Solid Waste Collection System.
- One condition of maintaining a County franchise in good standing is:  
*On an annual basis submit production, sale and purchase records, which include income and expense statements, labor hours, truck hours, customer and receptacle counts, tonnage reports, and which may include, at the County's option, financial statements and tax returns, for 12 month periods, beginning January 1 and ending December 31 of the previous year, for purposes of Solid Waste Management Fee review...*(Clackamas County Solid Waste and Recycling Collection Services Administrative Regulations for Franchisee & Customer; Adopted 10/10/1994, Last amended 11/5/2009)
- The County currently manages 23 franchises. These franchises are held by 11 companies a mix of locally owned Subchapter C corporations and publicly traded corporations. Some of the franchises consolidate their annual reports, resulting in fewer reports than franchisees.
- The County has a contract with Bell & Associates, Inc. a consulting firm specializing in solid waste financial analysis, to perform an analysis of the data submitted.
- The information submitted by the individual franchises is consolidated to create a composite 'franchisee.' Costs are adjusted to eliminate those allowed for tax purposes but not allowed for determining collection fees. This composite is used to analyze the financial health of the entire system.
- The County determines the systems' health based on return on revenues. The county's policy is to measure the health of the solid waste collection system within a range of 8-12% return on revenues. When the system falls within this range typically neither an increase nor decrease in fees is deemed necessary. Special circumstances, such as the addition of new programs or anticipated increases in expenses outside the control of the companies, may cause exceptions.
- Metro Council has approved an increase in the disposal fee by \$0.49 per ton on September 1, 2013; raising the tip fee to \$94.33. The 'transaction fee' of \$3.00 for customers with accounts (franchisees) is to remain the same. For analytical purposes when calculating disposal it is assumed each transaction is a five (5) ton load; therefore an additional \$0.60 (to account for the transaction fee at the transfer station) is added to

the disposal fee to arrive at an effective disposal fee of \$94.93 beginning September 1, 2013. This increase has been factored into the projections calculated in the financial review.

- A 0% increase in the cost of disposing yard debris has been factored into the projections.
- Other notable expenses are rising, but at a lower percentage in the recent past. Driver wages are increasing by 2.0% and health insurance for all employees was held flat this year.
- Last year fuel was projected to increase by 4.99%. This year the projected adjustment is set at -1.21%.
- Other costs have not been projected to increase.
- After reviewing the production records submitted by the franchisees, and making agreed upon adjustments and applying projected increases, it has been determined that collection fee adjustments will need to be made in each of the collection zones for the coming year.

**History of Fee Adjustments (copied from previous reports)**

August 1, 2012

- Metro Council has approved an increase in the disposal fee by \$4.31 per ton on August 1, 2012; raising the tip fee to \$93.84. The ‘transaction fee’ of \$3.00 for account customers is to remain the same. For analytical purposes when calculating disposal it is assumed each transaction is a five (5) ton load; therefore an additional \$0.60 (to account for the transaction fee at the transfer station) is added to the disposal fee to arrive at an effective disposal fee of \$94.44 beginning August 1, 2011. A 4.5% increase has been factored into the projections calculated in the financial review.
- A 0% increase in the cost of disposing yard debris has been factored into the projections.
- Other notable expenses are rising, but at a lower percentage in the recent past. Driver wages are increasing by 2.0% and health insurance for all employees was held flat this year.
- Fuel was projected to increase by 4.99%.
- Other costs have not been projected to increase.
- After reviewing the production records submitted by the franchisees, and making agreed upon adjustments and applying projected increases, it has been determined that collection fee adjustments will need to be made in each of the collection zones for the coming year.
- A monthly rent was applied to all customers with a permanent box on site. Past practice had been to apply rental based on frequency of service for both temporary (occasional) and permanent customers.

In August 2012 fees were adjusted upwards in all zones for all service types.

32/35 gallon can/ cart	Current	Proposed	Change
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<b>Urban</b>	\$28.20	\$28.65	\$0.45
<b>Rural</b>	\$24.85	\$25.30	\$0.45
<b>Distant Rural</b>	\$29.80	\$30.35	\$0.55
<b>Mountain Zone</b>	\$31.05	\$31.60	\$0.55

An increase for container service based on cubic yard serviced was approved. This reflects the adjustments to fuel, labor and disposal costs as mentioned above.

<b>Fee Zone</b>	<b>Adjustment Per Cubic Yard</b>
<b>Urban</b>	\$2.62
<b>Rural</b>	\$2.82
<b>Distant Rural/Mountain</b>	2.77

August 1, 2011

- Metro Council approved an increase in the disposal fee by \$3.68 per ton on August 1, 2011; raising the tip fee to \$89.53. The 'transaction fee' of \$3.00 for account customers is to remain the same. For analytical purposes when calculating disposal it is assumed each transaction is a five (5) ton load; therefore an additional \$0.60 (to account for the transaction fee at the transfer station) is added to the disposal fee to arrive at an effective disposal fee of \$90.13 beginning August 1, 2011. This 4.3% increase has been factored into the projections calculated in the financial review.
- A 0% increase in the cost of disposing yard debris has been factored into the projections.
- Other notable expenses are rising, but at a lower percentage in the recent past.. Driver wages are increasing by 3.17% and health insurance for all employees is increasing by 12.86%.
- Last year fuel was projected as a negative 12.73%. This year a projected increase is at 30.86%.
- Other identified costs have been projected to increase at 3.17%.

- After reviewing the production records submitted by the franchisees, and making agreed upon adjustments and applying projected increases, it has been determined that collection fee adjustments will need to be made in each of the collection zones for the coming year.

<b>32/35 gallon can/ cart</b>	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>Urban</b>	\$27.45	\$28.20	\$0.75
<b>Rural</b>	\$24.20	\$24.85	\$0.65
<b>Distant Rural</b>	\$29.10	\$29.80	\$0.70
<b>Mountain Zone</b>	\$30.35	\$31.05	\$0.70

- Staff is proposing an increase for container service based on cubic yard serviced. This reflects the effects as mentioned above.

<b>Fee Zone</b>	<b>Adjustment Per Cubic Yard</b>
<b>Urban</b>	\$2.51
<b>Rural</b>	\$2.90
<b>Distant Rural/Mountain</b>	\$2.99

- Staff is also proposing a small increase to drop box service fees and an increase in the Urban Zone delivery fee to more accurately capture the costs associated with this service.

<b>Urban Zone</b>	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>Delivery Fee</b>	\$25.00	\$40.00	\$15.00

- The basic service charges for collecting and tipping a drop box/compactor have not changed since 2009. The following are the proposed changes to Open Drop Box and Compactor service in all zones.

<b>Open Drop Box-All Zones</b>	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>10/20 Cubic Yards</b>	\$110.00	\$113.00	\$3.00
<b>30 Cubic Yards</b>	\$127.00	\$130.00	\$3.00
<b>40 Cubic Yards</b>	\$144.00	\$147.00	\$3.00

<b>Compactors-All Zones</b>	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>Less than 25 Cubic Yards</b>	\$125.00	\$128.00	\$3.00
<b>25-34 Cubic Yards</b>	\$165.00	\$169.00	\$4.00
<b>Greater than 35 Cubic Yards</b>	\$191.00	\$196.00	\$5.00

August 1, 2010

- A 0% increase in the cost of disposing yard debris has been factored into the projections.
- Other notable expenses are rising, but at a lower percentage in the recent past.. Driver wages are increasing by 3.23% and health insurance for all employees is increasing by 9.83%.
- Last year fuel was projected as a negative 21.01%. This year a projected increase is at 12.73%, considerably lower than the 60% increase experienced 2 years ago.
- Other identified costs have been projected to increase at 3.04%.
- This year an unusual 30% increase in the PUC fees was experienced and expressed in the projections.
- Metro Council has approved an increase in the disposal fee by \$5.10 per ton on August 1, 2010; raising the tip fee to \$85.85. The 'transaction fee' of \$3.00 for account customers is to remain the same. For analytical purposes when calculating disposal it is assumed each transaction is a five (5) ton load; therefore an additional \$0.60 (to account for the transaction fee at the transfer station) is added to the disposal fee to arrive at an effective disposal fee of \$86.45 beginning August 1, 2010. This 6.32% increase has been factored into the projections calculated in the financial review.

<b>32/35 gallon can/ cart</b>	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>Urban</b>	\$26.35	\$27.45	\$1.10
<b>Rural</b>	\$23.30	\$24.20	\$0.90
<b>Distant Rural</b>	\$28.20	\$29.10	\$0.90
<b>Mountain Zone</b>	\$29.45	\$30.35	\$0.90

Staff is proposing an increase for container service based on cubic yard serviced. The adjustment takes into consideration effects on costs as mentioned above.

<b>Fee Zone</b>	<b>Proposed per Yard Adjustment</b>
<b>All Zones</b>	\$1.62

The distances traveled to deliver and collect a box in this area of the County and the infrequency of service continues to have a tremendous impact on the cost of delivering service to the outlying portions of the County. Staff believes the best way to address this concern is to increase the mileage fee. The proposed changes is:

<b>Drop Box Mileage Fee</b>	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>Over 18 miles round trip</b>	\$2.70	\$4.70	\$2.00

August 1, 2009

**35 gallon cart:** Urban fees were increased by \$1.35; Rural by \$0.50; Distant Rural & Mountain by \$2.25. (*The 32/35 gallon service is the predominant service in the customer mix. Other fees were adjusted proportionally based on the 32-gallon fee.*):

**Container** Urban/Rural fees increased by \$1.59 and Distant Rural/Mountain fees increased by \$3.21 per cubic yard served.

**Drop Box:**

	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>Outside the Urban Zone</b>			
<b>Delivery Fee</b>	\$45.00	\$50.00	\$5.00
<b>Mileage Fee</b>	\$2.30	\$2.70	\$0.40

The basic service charges for collecting and tipping a drop box/compactor have not changed since 1993. The following were the changes made in 2009 to Open Drop Box service in all zones.

<b>Open Drop Box-All Zones</b>	<b>Current</b>	<b>Proposed</b>	<b>Change</b>
<b>10/20 Cubic Yards</b>	\$80.55	\$110.00	\$29.45
<b>30 Cubic Yards</b>	\$98.10	\$127.00	\$28.90
<b>40 Cubic Yards</b>	\$113.35	\$144.00	\$30.65

The compactor fees as developed in 1993 were priced on a per yard basis within particular size ranges. This practice seemed to be dated per review of the standard throughout the region which revealed a fixed price within a size range. After surveying the size of compactors in service the proposed size ranges were created. The fees are based on those assessed by the City of Milwaukie.

<b>Compactors-All Zones</b>	<b>Current Low-High</b>	<b>Proposed</b>	<b>Change Low-High</b>
<b>Less than 25 Cubic Yards</b>	\$91.95-135.60	\$125.00	\$33.05-(10.60)
<b>25-34 Cubic Yards</b>	\$141.25-171.70	\$165.00	\$23.75-(6.70)
<b>Greater than 35 Cubic Yards</b>	\$176.75-178.00	\$191.00	\$14.25-13.00

- ◆ September 1, 2008  
**35 gallon cart:** Urban fees were increased by \$1.00; Rural by \$1.45; Distant Rural & Mountain by \$1.65.  
**Container** fees increased by \$1.47 per cubic yard served.  
**Drop Box:** Mileage increased to \$2.30.; Delivery charges -Urban increased from \$20 to \$25; All rural delivery from \$40 to \$45. Several incidental fees charged by most drop box companies were codified on the fee schedule, these include but are not limited to: wash out fee; dead head fee; clarified hourly increments.
- ◆ September 1, 2007  
Urban fees were increased by \$1.05. All other fee zones remained static.  
Yard Debris exemption program was eliminated. Those currently enrolled, "grandfathered" until leave County system regardless of address.
- ◆ July 1, 2006 Changes to Drop Box fees occurred for the first time since 1993.

<b>Rural Distant Rural</b>	<b>Current</b>	<b>Proposed &amp; Adopted</b>
Delivery Fee	\$20	\$40
Mileage Fee	\$1.70	\$2.00

- ◆ July 1, 2006 added the Mountain Zone to address increased services and collection challenges associated with this part of the County. Primarily the Mt. Hood area east of Rhondendron.
- ◆ There were no fee adjustments in 2005, although Metro did increase fees for disposal in September by 0.62% and other costs increased.

- ◆ On October 1, 2004 the following increases were made to residential and commercial services in each of the collection zones. *(The 32/35 gallon service is the predominant service in the customer mix. Other fees were adjusted proportionally based on the 32-gallon fee.):*

<b>32/35 gallon can/ cart</b>	<b>Current</b>	<b>Adopted 2004</b>	<b>Change</b>
<b>Urban</b>	\$21.10	\$21.55	\$0.45
<b>Rural</b>	\$19.50	\$19.90	\$0.40
<b>Distant Rural</b>	\$22.75	\$23.55	\$0.80

The changes in commercial container service were made on a per-yard basis. The following table shows the increase per yard in each of the fee zones.

<b>Fee Zone</b>	<b>Adopted per Yard Increase 2004</b>
<b>Urban</b>	\$1.75
<b>Rural</b>	\$1.75
<b>Distant Rural</b>	\$3.50

- ◆ In 2003 Metro increased the disposal fee but the County did not adopt a fee adjustment.
- ◆ In July 2002 the Board approved the following increases for 32-gallon can/cart service *(The 32-gallon service is the predominant service in the customer mix. Other fees were adjusted proportionally based on the 32-gallon fee.):*

<b>32/35 gallon can/cart</b>	<b>2002</b>
<b>Urban</b>	\$1.20
<b>Rural</b>	\$1.20
<b>Distant Rural</b>	\$2.70

- ◆ In 2001, residential and commercial fees were adjusted in the Urban zone only. Commercial containers fees were **decreased** 5-20%. The residential 32-gallon fee was increased by 11% (\$2.20) and residential customers were provided a large roller cart for yard debris collection service.

METRO  
Proposed FY 2013-14 Solid Waste Rates  
Ordinance No. 13-1302

Facts  
April 15, 2013

Schedule

- Councilor briefings completed.....April 17
- Ordinance and staff report released (*as part of the Council agenda package for 4/25/2013*) .....April 18
- First reading of rate ordinance (*same day as the budget is transmitted to council*) .....April 25
- Second reading and action scheduled (*same day as the budget is scheduled for approval*) ..... May 2
- Last date for action (*September 1 implementation to be met*) .....May 30
- Rates effective ..... September 1

Transaction fees

- Apply to all: mixed solid waste, commercial and residential organics, wood/yard debris
- Current rates: staffed scales \$12, automated scales \$3
- No change proposed

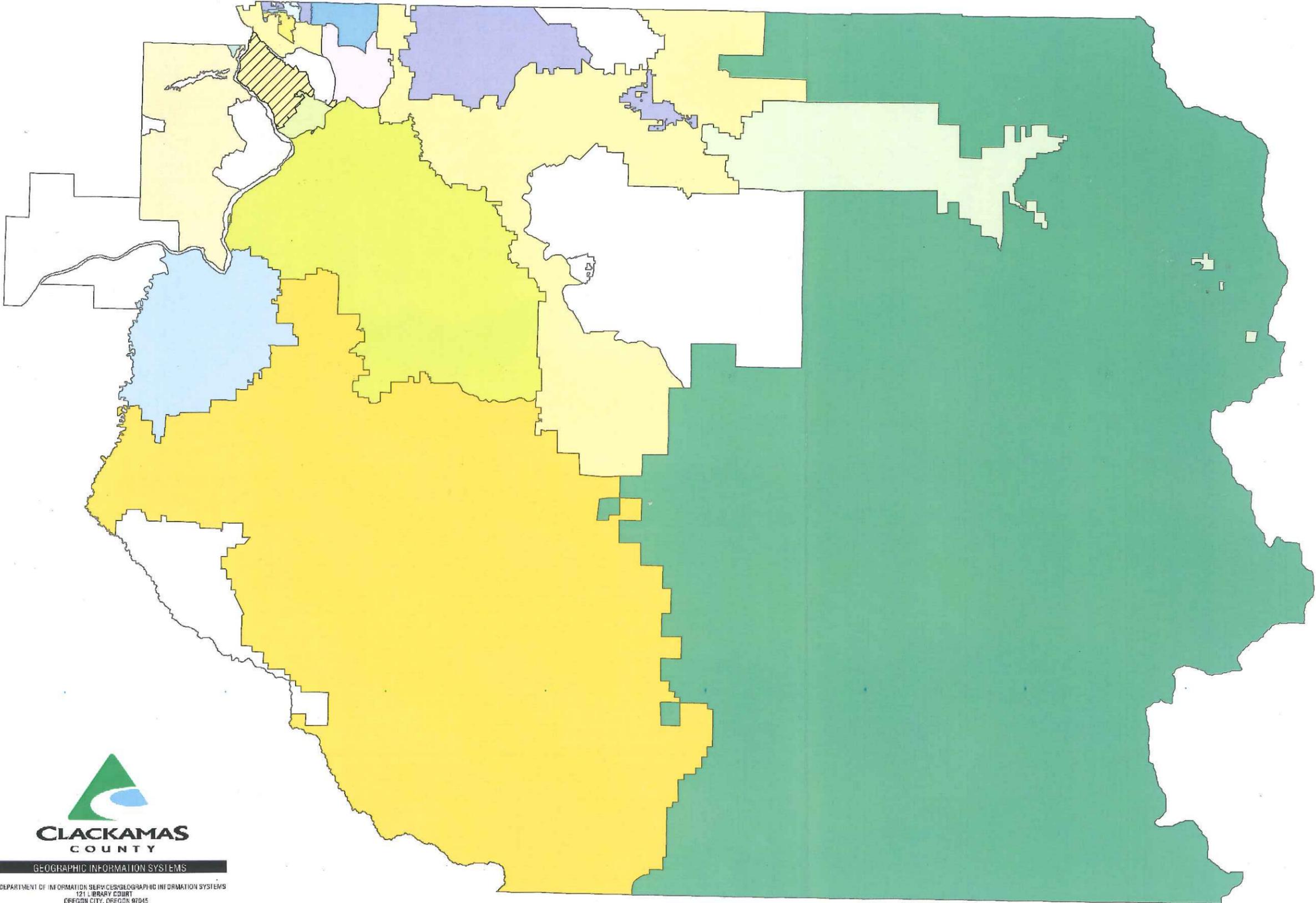
Tip fee (mixed solid waste)

- Current: \$93.84      Proposed: \$94.33      Change: \$0.49
- Change in components of the tip fee:
  - Tonnage charge (*operations cost*)      Current: \$61.35      39¢ increase to \$61.74.
  - Regional System Fee ("RSF")      Current: \$18.56      No change proposed.
  - Metro excise tax      Current: \$12.19      10¢ increase to \$12.29.
- The small change in the proposed rates stems from several rate policy decisions:
  - a) A move to cost of service for all of the organics tip fees. *This spreads fixed costs over a broader tonnage base, rather than being borne entirely by the mixed waste rate.*
  - b) Foregoing a deposit into the Renewal & Replacement Reserve. *A deposit is not needed next year because the reserve is already fully funded for FY 2013-14 capital expenditures.*
  - c) To use some of the uncommitted fund balance in lieu of new revenue requirements. *This keeps the RSF flat – otherwise it would be up 52¢ with (a) and (b) only; and limits the Tonnage Charge to a 39 cent increase – otherwise it would be up 91 cents with (a) and (b) only.*

Tip fees (organics)

- |               |                  |                   |                |
|---------------|------------------|-------------------|----------------|
| ○ Wood/YD     | Current: \$45.78 | Proposed: \$53.02 | Change: \$7.24 |
| ○ Residential | Current: \$54.83 | Proposed: \$56.67 | Change: \$1.84 |
| ○ Commercial  | Current: \$52.30 | Proposed: \$60.88 | Change: \$8.58 |
- Organics rates: **include** the 50¢ host fee, **exclude** the RSF and Metro excise tax.
  - Comments
    - These rates reflect moving to Metro's cost of service for organics.  
*They now include an allocation of general & administrative, capital, and fixed contract costs.*
    - The commercial rate also includes a change to anaerobic digestion on January 1, 2014.  
*Without this change, the proposed commercial rate would be \$57.54, a \$5.24 increase.*
    - Last year's residential organics rate already included an allocation of fixed costs, so this year's jump to full costs is not as large as for the other rates.
    - Last year's wood/yard debris rate *dropped by \$3.05*, from \$48.83 in FY 2011-12, to the current \$45.78, which amplifies the change to this year's cost-of-service rate.
    - Even with the changes, organics rates are \$33 to \$41 per ton below the price of disposal.

# Hauler Boundary Changes



**Legend**

-  Oak Grove Disposal
- Hauler Boudary**
-  Allied Waste (Rossman)
-  Allied Wasted (United)
-  American Sanitary
-  Arrow Sanitary
-  Bliss Sanitary
-  Canby Disposal
-  Clackamas Garbage Co
-  Dan Walker Disposal
-  Dunthorpe Sanitary
-  Gladstone Disposal
-  Hoodview (DBros)
-  Hoodview Disposal & Recycling, Inc.
-  M Deines Sanitary
-  M Deines Sanitary (PDeines)
-  Molalla Sanitary
-  Oregon City Garbage Co.
-  Sunset Garbage Collection
-  US Forest Service
-  Waste Management (JPL)
-  Waste Management of Oregon
-  West Linn Refuse & Recycle
-  Wichita Sanitary



GEOGRAPHIC INFORMATION SYSTEMS

DEPARTMENT OF INFORMATION SERVICES/GEOGRAPHIC INFORMATION SYSTEMS  
121 LIBRARY COURT  
OREGON CITY, OREGON 97045

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# CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

## Study Session Worksheet

Presentation Date: 6/18-13 Time: 2:30 Length: 30 minutes

Presentation Title: A Change in Control of a Franchise from Oak Grove Disposal Co., Inc. to Waste Management of Oregon, Inc.

Department: Department of Transportation and Development

Presenter: Rick Winterhalter

### POLICY QUESTION

Does the Board concur with the Solid Waste Commission that the change in control of the Oak Grove solid waste collection franchise from Oak Grove Disposal Co., Inc. to Waste Management of Oregon, Inc. be approved?

### ISSUE & BACKGROUND

The Clackamas County Solid Waste and Waste Management Code (10.03.250) allows the holder of a solid waste or wastes Collection Service Franchise to change control of the franchise or right to provide waste collection services to other persons. However, the change in control of franchise may only occur upon written notice to, and approval by, the Board of County Commissioners (Board). The Board may approve the transaction with a recommendation from the Solid Waste Commission.

Oak Grove Disposal Co., Inc. began providing collection service in the County over 70 years ago. The Oak Grove Disposal Co. provides garbage and recycling collection services for residential, commercial, industrial, and multi-family accounts. The Oak Grove Disposal franchised area is briefly described as bounded by the City of Milwaukie to the North, the City of Gladstone to the South, Aldercrest and Webster Roads to the East and the Willamette River to the west. Highway 99E runs roughly through the middle of the area.

Waste Management currently holds, in good standing, three collection franchises in the County and a number of collection companies in Oregon, the Pacific Northwest and nationally. Waste Management maintains a commitment to providing a high level of customer service. As a result of this transaction Waste Management will have the available land, equipment and personnel to carry out the requirements of a franchise holder in Clackamas County. Further, it is staff's expectation that the positive working relationships developed over the years with Waste Management's staff will continue.

### OPTIONS AVAILABLE

- Approve the change in control of the franchise currently held by Oak Grove Disposal Co., Inc. to Waste Management of Oregon, Inc.
- Deny the change in control of the franchise currently held by Oak Grove Disposal Co., Inc. to Waste Management of Oregon, Inc.

**QUESTION PRESENTED FOR CONSIDERATION**

Do the members of the Board accept the recommendation of the Solid Waste Commission and staff?

**RECOMMENDATION**

Staff respectfully requests the Board of County Commissioners approve the Change in Control of Franchise from Oak Grove Disposal Co., Inc. to Waste Management of Oregon, Inc.

**SCHEDULE FOR STUDY SESSION**

Division Director/Head Approval Scott D. Campbell  
Department Director/Head Approval R. B. Cartmel 6-11-13  
County Administrator Approval \_\_\_\_\_

For information on this issue, please contact Rick Winterhalter @ 503.742.4466.

**APPLICATION to TRANSFER a SOLID WASTE COLLECTION FRANCHISE  
Through a Change in Control**

**Transferor**

Name of Franchise

To be Transferred: Oak Grove Disposal Co., Inc.

Number of the Franchise

To Be Transferred: The Oak Grove franchise was under the authority of the Oak Lodge Sanitary District, when the County created franchises and assigned them numbers. This franchise will be assigned 13-28-C.

NAME OF AUTHORIZED FRANCHISE HOLDER: Oak Grove Disposal Co., Inc.

The Franchise holder is a:  Privately held corporation;  Publicly Traded Corporation;

Partnership;  LLC;  Single Proprietorship;  Other \_\_\_\_\_

In the case of corporations please list all the officers and registered agent and their contact information. List the registry number assigned to the corporation by the Secretary of State's State Corporation Division for all business entities and aliases associated with the entity holding the current franchise. Attach documentation verifying the information or simply refer to the documentation. An example of the documentation would be a copy of the search results on the Secretary of State's State Corporation Division website. <http://www.filinginoregon.com/>

Registry Nbr	Entity Type	Entity Status	State	Registry Date	Next Renewal Date	Renewal Due?
076814-14	Domestic Business Corporation	Active	OREGON	10-25-1965	10-25-2013	

**Entity Name** OAK GROVE DISPOSAL CO., INC.

**Foreign Name**

**Associated Names**

<b>Type</b>	PPB	PRINCIPAL PLACE OF BUSINESS				
<b>Addr 1</b>	16791 SE 120TH ST					
<b>CSZ</b>	CLACKAMAS	OR	97015	<b>Country</b>	UNITED STATES OF AMERICA	
<b>Type</b>	AGT REGISTERED AGENT			<b>Start Date</b>	09-30-1998	<b>Resign Date</b>
<b>Name</b>	STEVEN	D	GOSS			
<b>Addr 1</b>	FIVE CENTERPOINTE DR STE 240					
<b>CSZ</b>	LAKE OSWEGO	OR	97035	<b>Country</b>	UNITED STATES OF AMERICA	
<b>Type</b>	MAL MAILING ADDRESS					
<b>Addr 1</b>	PO BOX 22214					
<b>CSZ</b>	MILWAUKIE	OR	97269	2214	<b>Country</b>	UNITED STATES OF AMERICA
<b>Type</b>	PRE PRESIDENT					<b>Resign Date</b>
<b>Name</b>	PATRICIA		SPADY			
<b>Addr 1</b>	16791 SE 120TH ST					
<b>CSZ</b>	CLACKAMAS	OR	97015	<b>Country</b>	UNITED STATES OF AMERICA	
<b>Type</b>	SEC SECRETARY					<b>Resign Date</b>
<b>Name</b>	PATRICIA		SPADY			

<b>Addr 1</b>	16791 SE 120TH ST		
<b>CSZ</b>	CLACKAMAS	OR	97015
<b>Country</b>	UNITED STATES OF AMERICA		
<b>Name History</b>			
<b>Business Entity Name</b>	<b>Entity Type</b>	<b>Entity Status</b>	<b>Start Date</b>
OAK GROVE DISPOSAL CO., INC	EN	CUR	10-25-1965

## Transferee

Name of Business Entity Proposing to Hold the Oak Grove franchise, number 13-28-C named above:

WASTE MANAGEMENT OF OREGON, INC.

*This will be the name used in the Board action granting this entity the privilege of operating a solid waste collection franchise under Clackamas County Code 10.03.*

This business entity is a:  Privately held corporation;  Publicly Traded Corporation;

Partnership;  LLC;  Single Proprietorship;  Other \_\_\_\_\_

In the case of corporations please list all the officers and registered agent and their contact information. List the registry number assigned to the corporation by the Secretary of State's State Corporation Division for all business entities and aliases associated with the entity holding the current franchise. Attach documentation verifying the information or simply refer to the documentation. An example of the documentation would be a copy of the search results on the Secretary of State's State Corporation Division website. <http://www.filinginoregon.com/>

NAME OF AUTHORIZED OWNER AND / OR COOPERATION:

<b>New Search</b>	<b>Printer Friendly</b>	<b>Business Entity Data</b>				06-11-2013 10:14
Registry Nbr	Entity Type	Entity Status	Jurisdiction	Registry Date	Next Renewal Date	Renewal Due?
095115-10	Domestic Business Corporation	Active	OREGON	11-26-1971	11-26-2013	
<b>Entity Name</b>	WASTE MANAGEMENT OF OREGON, INC.					
<b>Foreign Name</b>						

<b>New Search</b>	<b>Printer Friendly</b>	<b>Associated Names</b>			
<b>Type</b>	PPB	PRINCIPAL PLACE OF BUSINESS			
<b>Addr 1</b>	1001 FANNIN SUITE 4000				
<b>CSZ</b>	HOUSTON	TX	77002	<b>Country</b>	UNITED STATES OF AMERICA
<b>Type</b>	AGT REGISTERED AGENT	<b>Start Date</b>	05-05-1997	<b>Resign Date</b>	
<b>Of Record</b>	003292-27 C T CORPORATION SYSTEM				
<b>Addr 1</b>	388 STATE ST STE 420				
<b>CSZ</b>	SALEM	OR	97301	<b>Country</b>	UNITED STATES OF AMERICA
<b>Type</b>	MAL MAILING ADDRESS				
<b>Addr 1</b>	1001 FANNIN SUITE 4000				
<b>Addr 2</b>	ATTN TAX DEPT				

<b>CSZ</b>	HOUSTON TX 77002	<b>Country</b>	UNITED STATES OF AMERICA
<b>Type</b>	PRE PRESIDENT	<b>Resign Date</b>	
<b>Name</b>	JASON S ROSE		
<b>Addr 1</b>	1001 FANNIN STE 4000		
<b>CSZ</b>	HOUSTON TX 77002	<b>Country</b>	UNITED STATES OF AMERICA
<b>Type</b>	SEC SECRETARY	<b>Resign Date</b>	
<b>Name</b>	LINDA J SMITH		
<b>Addr 1</b>	1001 FANNIN STE 4000		
<b>CSZ</b>	HOUSTON TX 77002	<b>Country</b>	UNITED STATES OF AMERICA

New Search    [Printer Friendly](#)    **Name History**

Business Entity Name	EN	PRE	Start Date	End Date
WASTE MANAGEMENT OF OREGON, INC.	EN	CUR	08-17-2000	
USA WASTE OF OREGON, INC.	EN	PRE	12-31-1997	08-17-2000
METROPOLITAN DISPOSAL AND RECYCLING CORPORATION	EN	PRE	05-08-1996	12-31-1997
THE ORIGINAL METROPOLITAN DISPOSAL AND RECYCLING CORPORATION	EN	PRE	04-17-1996	05-08-1996
METROPOLITAN DISPOSAL AND RECYCLING CORPORATION	EN	PRE	03-12-1992	04-17-1996
METROPOLITAN DISPOSAL CORPORATION	EN	PRE	06-26-1973	03-12-1992
METROPOLITAN DISPOSAL CORPORATION, INC.	EN	PRE	03-23-1972	06-26-1973
METROPOLITAN DISPOSAL COMMISSION, INC.	EN	PRE	11-26-1971	03-23-1972

TRANSFEEE

1. I SHALL notify the County of any intent to change principal ownership or name of the business entity holding the franchise.  
 YES                       NO
2. I SHALL submit a written request receive the forms for *Change in Control or Name Change* of the Franchise Holder prior to either action occurring.  
 YES                       NO
3. I SHALL notify the County of any intent to transfer the franchise to another person or entity.  
 YES                       NO
4. I SHALL be bound by the County's decision to accept or deny a *Change in Control, Name Change, or Transfer* of the franchise.  
 YES                       NO
5. I recognize the County's authority to revoke the privileges of holding this franchise without compensation.  
 YES                       NO
6. I recognize the County's authority to realign the borders of the area served by this franchise.  
 YES                       NO
7. I HAVE not willfully misrepresented the material facts or information given in this application for a franchise.  
 YES                       NO
8. I SHALL not willfully misrepresent material facts or information given in a future application for a franchise.  
 YES                       NO
9. I SHALL comply with all policies established by the County during the Franchise period.  
 YES                       NO
10. I SHALL use only authorized disposal sites.  
 YES                       NO

11. I SHALL notify the County of all disposal sites used at the time of this application and when those sites change.  
 YES                       NO
12. I SHALL furnish the County with a Certificate of Insurance and comply with Section 10.03.160 B 4, 5 and 6 of the Clackamas County Solid Waste and Waste Management Code and any subsequent amendments of regulations adopted thereto.  
 YES                       NO
13. I SHALL make accurate and timely franchise fee payments due the County under the Clackamas County Code and any subsequent amendments of regulations adopted thereto.  
 YES                       NO
14. I SHALL submit, on forms provided by the County, the production records of the transferor beginning January 1 of the year of the transfer to the closest month end prior to the submittal of the request for transfer.  
 YES                       NO
15. I SHALL separately submit, on forms provided by the County, the financial and production records of the transferor beginning January 1 of the year of the transfer to the date of the transfer as determined by the Board of County Commissioners. If the transfer takes place in the first quarter the submittal date shall be June 10; if in the second quarter the submittal date shall be September 10, if in the third quarter the , submittal date shall be September 10; in the fourth quarter the submittal shall be the same as required for the annual financial review.  
 YES                       NO
16. I SHALL separately submit, on forms provided by the County, the financial and production records produced by me after assuming operational responsibility of the franchise at the time of required submittal for the annual financial review.  
 YES                       NO
17. I SHALL combine, on forms provided by the County, the financial and production records produced by the transferor prior to my assuming operational responsibility of this franchise, with the production records produced by me after assuming operational responsibility, in order to meet the County's requirement for generation of the annual financial review report.  
 YES                       NO

18. I SHALL maintain collection vehicles, equipment, facilities and personnel commensurate with existing service.  
 YES                       NO
19. I SHALL continue to serve customers at the level of service they are accustomed to at the time of the transfer.  
 YES                       NO
20. I SHALL notify the County of any intention to change the level of service provided to customers at the time of the transfer.  
 YES                       NO
21. I SHALL notify the County of any impending changes to collection vehicles, equipment, facilities and personnel (management and other County contacts) during the franchise period.  
 YES                       NO
22. I SHALL secure written approval of the County prior to making changes to collection vehicles, and equipment affecting a change in service delivery from that of the transferor.  
 YES                       NO
23. I SHALL not willfully refuse to provide adequate service in a defined service area.  
 YES                       NO
24. I SHALL not willfully misrepresent the total number of customers or any other information relating to performing the operations necessary to comply with the Clackamas County Code and any subsequent amendments of regulations adopted thereto.  
 YES                       NO
25. I SHALL not willfully violate the Clackamas County Code, Administrative Rules, ORS Chapter 459 and 459A, or the rules or regulations promulgated there under and any subsequent amendments of regulations adopted thereto.  
 YES                       NO
26. I SHALL provide the best possible integrated solid waste collection service in the area served by my Clackamas County Franchise.  
 YES                       NO