

RESOLUTION NO. 18-41

**A RESOLUTION ADJUSTING SOLID WASTE COLLECTION AND DISPOSAL RATES
EFFECTIVE JANUARY 1, 2019**

WHEREAS, Ordinance No. 06-1001 was adopted February 1, 2006, and under said Ordinance, an agreement was entered into between the City of Oregon City and Oregon City Garbage Company, Inc. (dba B&B Leasing) for a Solid Waste Collection and Disposal Franchise; and

WHEREAS, Chapter 8.20.130 of the Oregon City Municipal Code, provides that rates shall be approved by the City Commission and established by resolution; and

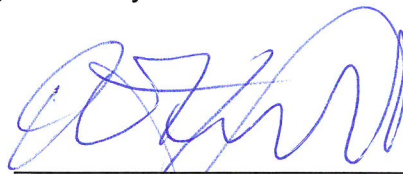
WHEREAS, the Franchisee is currently requesting a rate increase due to increased costs of recycling.

NOW, THEREFORE, OREGON CITY RESOLVES AS FOLLOWS:

Section 1. The Rate for Solid Waste Services provided by Oregon City Garbage Company, Inc. (dba B&B Leasing), an Oregon Corporation, shall be set forth in the attached Exhibit B and said rates shall be the maximum rates chargeable by the Franchisee.


Section 2. The new Rate Schedule set forth in Exhibit B shall be effective January 1, 2019 and Resolution No. 18-41 shall take effect immediately upon its adoption by the City Commission.

Approved and adopted at a regular meeting of the City Commission held on the 7th day of November 2018.



DAN HOLLADAY, Mayor

Attested to this 7th day of November, 2018



Kattie Riggs, City Recorder

Approved as to legal sufficiency:



City Attorney

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Oregon City, OR 97045
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www.oregoncitygarbageco.com



OREGON CITY
GARBAGE
Company, Inc.

October 26, 2018

Mr. Dan Holladay, Mayor
City of Oregon City
625 Center Street
Oregon City, OR 97045

Re: Oregon City Garbage
Rate Adjustment

Dear Mayor Holladay,

We are honored to have provided solid waste services to the City of Oregon City for many years and look forward to providing services in the years ahead. Our service goal has been and will continue to be, to provide the highest level and efficient collection service available in the industry. We have automated lift collection vehicles and provide trash, recycling and yard debris residential collection; trash and recycling commercial collection; and drop box service. Being headquartered here in Oregon City and with many of our employees living in the city we take pride in working with the city to see the parks, cemeteries, vacant lots, etc. looking presentable.

Clackamas County reviews the financial results of each franchisee in the County. They contract with an outside consulting group specializing in solid waste financial analysis to perform an analysis of the data submitted. Expenses are adjusted to eliminate costs that are allowed for tax purposes, but not allowed for determining collection fees. The County's policy is to measure the health of the solid waste collection system within a range of 8-12% return on revenues. For 2017 the county collection system was within the range although in September of 2017 China stopped buying recycled material from the United States (Attachment A). This caused a complete change in the world market pricing. As such County staff requested a substantial unprecedented increase (\$2.80 on a 35gal cart). This is a quote from the staff report.

"The immediate effect on the County's collection system has been an increase in processing costs beginning in September 2017, reaching 375-400% above the cost reflected in our current fees. Costs are expected to remain at this level for the time being. Typically cost increases are gradual enough to absorb them in each review of the prior 12 months of the costs. These recent costs are unanticipated and rose quickly. Although our collection companies have limited ability to 'shop' for the best processing price, MRFs have increased costs across the board or restricted access, to varying degrees. Thus, collectors face a large gap between their costs and existing revenue from fees."

At this time we are requesting a rate adjustment. The recycling change represents 57% of the rate adjustment. Since our last rate adjustment, solid waste disposal has increased by \$8.85/ton with \$3.19 in the current year and overall the solid waste change is 30% of the rate adjustment. Inflation coverage represents the remaining 13% of the adjustment.

We are providing a comparison of the rates in the surrounding County cities and unincorporated County inside the Urban Growth Boundary.

Thank you for your consideration of this rate adjustment.

Very Truly Yours,

Oregon City Garbage

Oregon City Garbage Company, Inc.
Summary of Proposed Rate Adjustments
Effective January 1, 2019

Service		Current Monthly Rates	Proposed Adjustment	Proposed Monthly Rate	Proposed Adjustment %
Residential Cart					
20gal	Weekly	20.63	2.40	23.03	11.6%
35gal	Weekly	25.83	2.50	28.33	9.7%
65gal	Weekly	35.55	2.60	38.15	7.3%
95gal	Weekly	38.55	2.70	41.25	7.0%
35gal	Monthly	12.21	2.09	14.30	17.1%
35gal	Will call	10.96	0.49	11.45	4.5%
20gal	Will call	8.94		9.10	0.0%
Bag	Will call	5.41	0.59	6.00	10.9%
Extra 35gal equivalent		7.00	-	7.00	0.0%
Yard Debris	extra	3.00	0.10	3.10	3.3%
Yard Debris	yearly	63.60	2.40	66.00	3.8%
Recycling Only		-	4.50	4.50	
Residential Central billing					
20gal	Weekly	19.55	1.88	21.43	9.6%
35gal	Weekly	23.23	3.50	26.73	15.1%
65gal	Weekly	34.20	2.35	36.55	6.9%
95gal	Weekly	38.25	1.40	39.65	3.7%
Commercial Cart					
35gal	Weekly	25.83	2.50	28.33	9.7%
65gal	Weekly	35.55	2.60	38.15	7.3%
95gal	Weekly	38.55	2.70	41.25	7.0%

Oregon City Garbage Company, Inc.
Summary of Proposed Rate Adjustments
Effective January 1, 2019

Service		Current Monthly Rates	Proposed Adjustment	Proposed Monthly Rate	Proposed Adjustment %
Commercial Container					
1 1/3 yard	Weekly	139.62	10.97	150.59	7.9%
1 1/2 yard	Weekly	153.03	12.38	165.41	8.1%
2 yard	Weekly	203.55	16.50	220.05	8.1%
3 yard	Weekly	279.12	24.75	303.87	8.9%
4 yard	Weekly	365.04	33.00	398.04	9.0%
5 yard	Weekly	450.96	41.25	492.21	9.1%
6 yard	Weekly	536.80	48.00	584.80	8.9%
8 yard	Weekly	686.21	62.00	748.21	9.0%
10 yard	Weekly	936.00	75.00	1,011.00	8.0%
Recycling	Weekly	-	4.00	4.00/yd/week	
Drop Box					
10 yard	Scheduled Service	133.10	(21.10)	112.00	-15.9%
20 yard	Scheduled Service	151.20	(24.20)	127.00	-16.0%
30 yard	Scheduled Service	188.80	(41.80)	147.00	-22.1%
40 yard	Scheduled Service	228.80	(61.80)	167.00	-27.0%
10 yard	<4 Haul/site	133.10	8.90	142.00	6.7%
20 yard	<4 Haul/site	151.20	5.80	157.00	3.8%
30 yard	<4 Haul/site	188.80	(11.80)	177.00	-6.3%
40 yard	<4 Haul/site	228.80	(31.80)	197.00	-13.9%
10-15 yard	Compactor	164.05	(27.05)	137.00	-16.5%
20 yard	Compactor	178.00	(26.00)	152.00	-14.6%
30 yard	Compactor	235.50	(68.50)	167.00	-29.1%
40 yard	Compactor	280.00	(98.00)	182.00	-35.0%
Contaminated box to Hillsboro		300.00	25.00	325.00	8.3%

Oregon City Garbage Company, Inc.
Summary of Franchise Fee
Effective January 1, 2019

2017	Actual	\$235,143.75
2018	Projected	\$239,653.59
2019	Estimated	\$261,333.59

SUMMARY OF COMPARATIVE RATES
 CLACKAMAS COUNTY *
 As of September 1, 2018

Service	Current Oregon City	Proposed Oregon City	Clackamas				Proposed Gladstone
			County Urban	Lake Oswego	West Linn	Milwaukie	
Residential							
Weekly Pickup							
20 Gal. Cart	20.63	23.03	28.65	21.20	21.56	28.40	23.35
35 Gal. Cart	25.83	28.33	32.55	30.06	25.70	32.40	28.80
65 Gal. Cart	35.55	38.15	42.05	46.77	41.15	42.05	39.15
95 Gal. Cart	38.55	41.25	49.00	49.21	45.26	49.15	42.35
Franchise Fee							
35G Fran Fee \$	4%	4%	5%	5%	5%	5%	5%
	1.03	1.13	1.63	1.50	1.29	1.62	1.44
35 Gal W/O fee	24.80	27.20	30.92	28.56	24.42	30.78	27.36

* The included cities are nearby and inside the Metro's Urban Growth Boundary

Oregon City Garbage Company
 Current rates
 Effective as of February 1, 2012
 2/1/2012

Current rates		
Residential		
20gal	Weekly	20.63
35gal	Weekly	25.83
65gal	Weekly	35.55
95gal	Weekly	38.55
35gal	Monthly	12.21
35gal	Will call	10.96
20gal	Will call	8.94
Bag	Will call	5.41
Extra 35gal equivalent		7.00
Yard Debris extra		3.00
Yard Debris yearly		63.00
Recycling Only		0.00
Residential Central billing		
20gal	Weekly	19.55
35gal	Weekly	23.23
65gal	Weekly	34.20
95gal	Weekly	38.25
Commercial		
35gal	Weekly	25.83
65gal	Weekly	35.55
95gal	Weekly	38.55

Oregon City Garbage Company
 Proposed Rates
 Effective as of January 1, 2019

Proposed rates		
Residential		
20gal	Weekly	23.03
35gal	Weekly	28.33
65gal	Weekly	38.15
95gal	Weekly	41.25
35gal	Monthly	13.50
35gal	Will call	11.45
20gal	Will call	9.10
Bag	Will call	6.00
Extra 35gal equivalent or less		7.00
Yard Debris extra		3.10
Yard Debris yearly		66.00
Recycling Only		4.50
Residential Central billing		
20gal	Weekly	21.43
35gal	Weekly	26.73
65gal	Weekly	36.55
95gal	Weekly	39.65
Commercial		
35gal	Weekly	28.33
65gal	Weekly	38.15
95gal	Weekly	41.25

Oregon City Garbage Company
Current rates
Effective as of February 1, 2012

Current rates		2/1/2012				
Pickup's per week		1	2	3	4	5
Containers						
1-1/3yd		139.62	265.28	390.94	516.59	642.25
	ea add'l	125.66	238.75	351.84	464.93	578.03
	Will Call	55.85				
	Extra Pick-Up	42.41				
1-1/2yd		153.03	290.76	428.48	566.21	703.94
	ea add'l	137.73	261.68	385.64	509.59	633.54
	Will Call	61.21				
	Extra Pick-Up	45.76				
2yd		203.55	386.75	569.94	753.14	936.33
	ea add'l	183.20	348.07	512.95	677.82	842.70
	Will Call/temporary	81.42				
	Extra Pick-Up	58.39				
3yd		279.12	530.33	781.54	1,032.74	1,283.95
	ea add'l	251.21	477.30	703.38	929.47	1,155.56
	Will Call/temporary	111.65				
	Extra Pick-Up	77.28				
4yd		365.04	693.58	1,022.11	1,350.65	1,679.18
	ea add'l	328.54	624.22	919.90	1,215.58	1,511.27
	Will Call/temporary	146.02				
	Extra Pick-Up	98.76				
5yd		450.96	856.82	1,262.69	1,668.55	2,074.42
	ea add'l	405.86	771.14	1,136.42	1,501.70	1,866.97
	Will Call/temporary	180.38				
	Extra Pick-Up	120.24				
6yd		536.80	1,019.92	1,503.04	1,986.16	2,469.28
	ea add'l	483.12	917.93	1,352.74	1,787.54	2,222.35
	Will Call/temporary	214.72				
	Extra Pick-Up	141.70				
8yd		686.21	1,303.80	1,921.39	2,538.98	3,156.57
	ea add'l	617.59	1,173.42	1,729.25	2,285.08	2,840.91
	Will Call	274.48				
	Extra Pick-Up	179.05				
10yd		936.00	1,778.40	2,620.80	3,463.20	4,305.60
	ea add'l	842.40	1,600.56	2,358.72	3,116.88	3,875.04
	Extra Pick-Up	374.40				
Recycling Container	IF no Solid Waste container service	0.00				

Oregon City Garbage Company
Proposed Rates
Effective as of January 1, 2019

Proposed rates		1					
Pickup's per week		1	2	3	4	5	6
Containers							
1-1/3yd		150.59	286.18	421.77	557.36	692.95	
	ea add'l	131.01	262.03	393.04	524.05	655.07	
	Will Call	66.29					
	Extra Pick-Up	45.15					
1-1/2yd		165.41	315.82	466.23	616.64	767.05	
	ea add'l	143.91	287.81	431.72	575.63	719.53	
	Will Call	71.19					
	Extra Pick-Up	48.85					
2yd		220.05	425.10	630.15	835.20	1,040.25	
	ea add'l	191.44	382.89	574.33	765.77	957.22	
	Will Call/temporary	89.22					
	Extra Pick-Up	62.51					
3yd		303.87	592.74	881.61	1,170.48	1,459.35	
	ea add'l	264.37	528.73	793.10	1,057.47	1,321.83	
	Will Call/temporary	116.88					
	Extra Pick-Up	83.47					
4yd		398.04	781.08	1,164.12	1,547.16	1,930.20	2,313.24
	ea add'l	346.29	692.59	1,038.88	1,385.18	1,731.47	2,077.77
	Will Call/temporary	147.95					
	Extra Pick-Up	107.01					
5yd		492.21	969.42	1,446.63	1,923.84	2,401.05	
	ea add'l	428.22	856.45	1,284.67	1,712.89	2,141.11	
	Will Call/temporary	179.03					
	Extra Pick-Up	130.55					
6yd		584.80	1,154.60	1,724.40	2,294.20	2,864.00	
	ea add'l	508.78	1,017.55	1,526.33	2,035.10	2,543.88	
	Will Call/temporary	209.58					
	Extra Pick-Up	153.70					
8yd		748.21	1,481.42	2,214.63	2,947.84	3,681.05	
	ea add'l	650.94	1,301.89	1,952.83	2,603.77	3,254.71	
	Will Call	263.51					
	Extra Pick-Up	194.55					
10yd		1,011.00	2,007.00	3,003.00	3,999.00	4,995.00	
	ea add'l	879.57	1,759.14	2,638.71	3,518.28	4,397.85	
	Extra Pick-Up	350.23					
Recycling Container	IF no Solid Waste container service	4.00	per YARD	per Weekly	yards		

Oregon City Garbage Company
 Current rates
 Effective as of February 1, 2012
2/1/2012

Current rates			
Drop Box Fees			
	Permanent	Haul	Disposal
10yd		133.10	Plus Disposal
20yd		151.20	Plus Disposal
30yd		188.80	Plus Disposal
40yd		228.80	Plus Disposal
	Occasional		
10yd		133.10	Plus Disposal
20yd		151.20	Plus Disposal
30yd		188.80	Plus Disposal
40yd		228.80	Plus Disposal
Compacted Drop Box Haul Fee			
10-15yd		164.05	Plus Disposal
20yd		178.00	Plus Disposal
30yd		235.50	Plus Disposal
40yd		280.00	Plus Disposal

Oregon City Garbage Company
 Proposed Rates
 Effective as of January 1, 2019

Proposed rates			
Drop Box Fees			
	Permanent	Haul	Disposal
10yd		112.00	Plus Disposal rate with 15% surcharge
20yd		127.00	Plus Disposal rate with 15% surcharge
30yd		147.00	Plus Disposal rate with 15% surcharge
40yd		167.00	Plus Disposal rate with 15% surcharge
	Occasional		
10yd		142.00	Plus Disposal rate with 15% surcharge
20yd		157.00	Plus Disposal rate with 15% surcharge
30yd		177.00	Plus Disposal rate with 15% surcharge
40yd		197.00	Plus Disposal rate with 15% surcharge
Compacted Drop Box Haul Fee			
10-15yd		137.00	Plus Disposal rate with 15% surcharge
20yd		152.00	Plus Disposal rate with 15% surcharge
30yd		167.00	Plus Disposal rate with 15% surcharge
40yd		182.00	Plus Disposal rate with 15% surcharge
Contaminated Boxes		325.00	Customer pays Hillsboro Landfill direct

Uniform Drop Box Service Fees:

Rental Charge

Occasional: \$7.00 per day after 2 working days at one site or \$70.00 per month whichever is less and only if less than one load per week is hauled.

Industrial/Commercial/Multifamily: \$55.00 per month each box

Lid Charge \$5.00 per week billed on 1st day of delivery for boxes with an attached lid.

Delivery Charge \$30.00

Incidental Service Charges: \$7.00 per 5 minute increment

Standby Time: Charged when waiting for the box to be cleared, cars to be moved, etc.

Leveling Load: If a driver has to spend time getting the load level to haul it safely.

Wash Out: \$30.00 Assessed when the customer requests the service. Also assessed when drop box is contaminated and requires cleaning before delivering to a new site.

Compactor Turn-around: \$20.00 for compactor requiring repositioning on truck to enable collection and tip.

Dry Run: \$30.00 assessed when the scheduled collection is prevented because the box is blocked or the customer is not ready.

Disposal Site Rejected load returned to customer: \$50.00

Deadhead Round Trip: \$30.00 to be used for specialized boxes that cannot be exchanged.

Miscellaneous Services

Reinstatement Fee: \$10.00 When service is reinstated after it has been stopped for non-payment of if customer stops and starts more than twice in a calendar year.

Cart Redelivery: \$15.00 If cart picked up then service restarted within 12 months for non-payment.

Clackamas County Fee Schedule For Waste and Recycling Collection Services

Effective: May 1, 2018

U R B A N	Residential Service		Monthly Fee	Fee per Pick Up	At House Service²
	Weekly Pick Up¹ - one cart each for garbage, yard debris and recycling				
	20 gallon cart/can		\$ 28.65		\$ 32.15
	35 gallon cart/can		\$ 32.55		\$ 36.05
	60 gallon cart		\$ 42.05		N/A
	90 gallon cart		\$ 49.00		N/A
	Occasional extra garbage - 35 gallon			\$ 6.05	\$ 6.85
	Occasional extra yard debris - 35 gallon			\$ 3.00	
	Monthly Pick Up⁴ - one cart/can of garbage; weekly recycling included				
	35 gallon cart/can		\$ 15.35		\$ 16.25
	Occasional extra garbage - 35 gallon			\$ 6.05	\$ 6.85
	On-Call Pick Up⁴ - one cart/can of garbage				
	35 gallon cart/can			\$ 14.65	N/A
	Other Services and Fees				
	Recycling only - weekly		\$ 7.20		N/A
	Yard debris subscription ³ - weekly		\$ 5.70		N/A
	Yard debris Permanent 2nd Cart		\$ 4.25		N/A
	Distance fees		Table 2		
	Terrain fee		\$ 3.65		
	Multifamily Service - for shared containers see commercial fees.				
	Weekly Pick Up¹ - one cart/can of garbage and recycling				
	Central billing	20 gallon	\$ 24.15		\$ 26.15
		35 gallon	\$ 28.05		\$ 30.05
	Individual billing	20 gallon	\$ 25.75		\$ 27.75
		35 gallon	\$ 29.65		\$ 31.65
	Occasional extra garbage - 35 gallon			6.05	\$ 6.85
	Bulky waste - furniture, appliances etc.			Table 1	
	Additional fees - see Tables 1 and 2				

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

² 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.

³ Available to customers without weekly garbage service. Requires full year subscription. May be billed annually or monthly, depending on provider.

⁴ Putrecibles must not be placed in cart/can in excess of 7 days prior to scheduled collection.

Exhibit A

Effective: May 1, 2018

U R B A N	Commercial Containers weekly recycling included						
	Stops/ Week	Monthly fee for container size in cubic yards					
		1	<i>Add'l</i>	1 1/3	<i>Add'l</i>	1.5	<i>Add'l</i>
	1	\$102.18	\$87.74	\$126.89	\$108.73	\$135.29	\$117.14
	2	\$196.62	\$169.39	\$246.06	\$212.33	\$262.84	\$226.85
	3	\$291.07	\$249.61	\$365.20	\$314.91	\$390.40	\$337.09
	4	\$385.51	\$332.70	\$484.36	\$418.11	\$517.93	\$446.55
	5	\$479.96	\$412.91	\$603.53	\$520.71	\$645.48	\$559.65
	6	\$574.40	\$495.18	\$722.69	\$622.61	\$773.03	\$668.52
	Stops/ Week	Monthly fee for container size in cubic yards					
		2	<i>Add'l</i>	3	<i>Add'l</i>	4	<i>Add'l</i>
	1	\$171.74	\$148.64	\$234.60	\$203.66	\$299.62	\$262.08
	2	\$335.74	\$291.47	\$456.75	\$397.42	\$586.81	\$513.03
	3	\$499.75	\$433.50	\$678.91	\$591.82	\$874.00	\$763.14
	4	\$663.75	\$573.18	\$901.06	\$788.27	\$1,161.19	\$1,010.65
	5	\$827.77	\$720.25	\$1,123.23	\$981.08	\$1,448.37	\$1,264.72
	6	\$991.77	\$860.51	\$1,345.37	\$1,170.59	\$1,735.56	\$1,515.10
	Stops/ Week	Monthly fee for container size in cubic yards					
		5	<i>Add'l</i>	6	<i>Add'l</i>	8	<i>Add'l</i>
	1	\$362.31	\$337.56	\$417.93	\$389.46	\$517.40	\$484.39
2	\$711.00	\$662.21	\$822.24	\$767.43	\$1,021.19	\$955.84	
3	\$1,059.70	\$984.71	\$1,226.54	\$1,139.11	\$1,524.97	\$1,427.49	
4	\$1,408.37	\$1,308.88	\$1,630.85	\$1,517.31	\$2,028.76	\$1,897.15	
5	\$1,757.08	\$1,636.01	\$2,035.17	\$1,895.13	\$2,532.55	\$2,359.83	
6	\$2,105.76	\$1,965.71	\$2,439.48	\$2,266.76	\$3,036.34	\$2,835.46	
Commercial Carts/Cans¹ - monthly fee; weekly recycling included							
One Stop per Week				One cart/can	Two carts/cans	Each additional	
35 gallon cart/can				\$28.60	\$55.00	\$24.40	
60 gallon cart				\$40.00	N/A	N/A	
90 gallon cart				\$42.85	N/A	N/A	
Occasional extra garbage - 35 gallon				N/A	N/A	\$5.00	
Two Stops per Week							
35 gallon cart/can - 2 stops/wk				\$56.60	\$108.90	\$25.05	
Occasional extra garbage - 35 gallon				N/A	N/A	\$5.00	
Additional fees may apply - see Tables 1, 2 & 3							

¹The 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: May 1, 2018

R U R A L	Residential Service		Monthly Fee	Fee per Pick Up	At House Service²
	Weekly Pick Up¹ - one cart/can of garbage and recycling				
	20 gallon cart/can		\$25.48		\$28.98
	35 gallon cart/can		\$29.35		\$32.85
	60 gallon cart		\$40.75		N/A
	90 gallon cart		\$46.45		N/A
	Occasional extra garbage - 35 gallon			\$6.10	\$6.90
	Monthly Pick Up³ - one cart/can garbage; weekly recycling included				
	35 gallon cart/can		\$15.75		\$16.65
	Occasional extra garbage - 35 gallon			\$6.10	\$6.90
	On-Call Pick Up³ - one cart/can of garbage				
	35 gallon cart/can			\$14.90	N/A
	Other Services and Fees				
	Recycling only - weekly		\$9.85		N/A
	Bulky waste - furniture, appliances etc.			Table 1	
	Distance fees		Table 2		
	Terrain fee		\$3.65		
	Multifamily Service - for shared containers see commercial fees.				
	Weekly Pick Up¹ - one cart/can of garbage and recycling				
	Central billing	20 gallon	\$23.90		\$25.90
		35 gallon	\$27.75		\$29.75
	Individual billing	20 gallon	\$25.48		\$27.48
		35 gallon	\$29.35		\$31.35
	Occasional extra garbage - 35 gallon			\$6.10	\$6.90
Bulky waste - furniture, appliances etc.			Table 1		
Additional fees may apply - see Tables 1 and 2					

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

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

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

Exhibit A

Effective: May 1, 2018

R U R A L	Commercial Containers weekly recycling included						
	Stops/ Week	Monthly fee for container size in cubic yards					
		1	<i>Add'l</i>	1 1/3	<i>Add'l</i>	1.5	<i>Add'l</i>
	1	\$116.88	\$ 112.18	\$ 144.27	\$ 139.11	\$ 160.56	\$ 154.92
	2	\$224.35	\$ 215.75	\$ 278.31	\$ 269.01	\$ 309.83	\$ 299.73
	3	\$331.73	\$ 319.33	\$ 412.28	\$ 398.83	\$ 459.25	\$ 444.60
	4	\$439.20	\$ 422.95	\$ 546.39	\$ 528.74	\$ 608.55	\$ 589.35
	5	\$546.58	\$ 526.53	\$ 680.40	\$ 658.55	\$ 757.81	\$ 734.26
	6	\$663.50	\$ 638.75	\$ 824.60	\$ 797.71	\$ 918.37	\$ 889.12
	Stops/ Week	Monthly fee for container size in cubic yards					
2		<i>Add'l</i>	3	<i>Add'l</i>	4	<i>Add'l</i>	
1	\$203.80	\$ 197.35	\$ 288.83	\$ 280.83	\$ 372.80	\$ 363.35	
2	\$394.75	\$ 383.10	\$ 561.70	\$ 547.35	\$ 726.79	\$ 709.84	
3	\$585.50	\$ 568.65	\$ 834.57	\$ 813.72	\$ 1,080.79	\$ 1,056.34	
4	\$776.29	\$ 754.24	\$ 1,107.44	\$ 1,080.29	\$ 1,434.79	\$ 1,402.84	
5	\$967.19	\$ 939.89	\$ 1,380.27	\$ 1,346.42	\$ 1,788.72	\$ 1,749.17	
6	\$1,170.99	\$ 1,137.29	\$ 1,669.08	\$ 1,627.53	\$ 2,161.62	\$ 2,112.47	
Stops/ Week	Monthly fee for container size in cubic yards						
	5	<i>Add'l</i>	6	<i>Add'l</i>	8	<i>Add'l</i>	
1	\$455.63	\$ 444.88	\$ 540.40	\$ 528.05	\$ 701.59	\$ 686.89	
2	\$889.79	\$ 870.42	\$ 1,056.19	\$ 1,034.19	\$ 1,374.29	\$ 1,348.19	
3	\$1,323.92	\$ 1,295.92	\$ 1,571.88	\$ 1,540.23	\$ 2,046.92	\$ 2,009.42	
4	\$1,758.12	\$ 1,721.52	\$ 2,087.62	\$ 2,046.37	\$ 2,719.51	\$ 2,670.61	
5	\$2,192.20	\$ 2,147.00	\$ 2,603.37	\$ 2,552.47	\$ 3,392.21	\$ 3,331.81	
6	\$2,647.82	\$ 2,591.87	\$ 3,142.86	\$ 3,079.66	\$ 4,093.80	\$ 4,018.80	
Commercial Carts/Cans¹ - monthly fee; weekly recycling included							
One Stop per Week				One cart/can	Two carts/cans	Each additional	
35 gallon cart/can				\$ 29.35	\$ 57.30	\$ 27.10	
60 gallon cart				\$ 40.75	N/A	N/A	
90 gallon cart				\$ 46.45	N/A	N/A	
Occasional extra garbage - 35 gallon				N/A	N/A	\$ 5.25	
Two Stops per Week							
35 gallon cart/can - 2 stops/wk				\$ 57.95	\$ 113.15	\$ 25.80	
Occasional extra garbage - 35 gallon				N/A	N/A	\$ 5.25	
Additional fees may apply - see Tables 1, 2 & 3							

¹The 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: May 1, 2018

D I S T R I C T R U R A L	Residential Service		Monthly Fee	Fee per Pick Up	At House Service²
	Weekly Pick Up¹ - one cart/can of garbage and recycling				
	20 gallon cart/can		\$30.20		\$33.70
	35 gallon cart/can		\$34.35		\$37.85
	60 gallon cart		\$44.60		N/A
	90 gallon cart		\$50.35		N/A
	Occasional extra garbage - 35 gallon			\$6.65	\$7.45
	Monthly Pick Up³ - one cart/can; weekly recycling included				
	35 gallon cart/can		\$17.40		\$18.30
	Occasional extra garbage - 35 gallon			\$6.65	\$7.45
	On-Call Pick Up³ - one cart/can of garbage				
	35 gallon cart/can			\$15.35	N/A
	Other Services and Fees				
	Recycling only - weekly		\$10.05		N/A
	Bulky waste - furniture, appliances etc.			Table 1	
	Distance fees		Table 2		
	Terrain fee		\$3.65		
	Multifamily Service - for shared containers see commercial fees.				
	Weekly Pick Up¹ - one cart/can of garbage and recycling				
	Central billing	20 gallon	\$28.60		\$30.60
		35 gallon	\$32.75		\$34.75
	Individual billing	20 gallon	\$30.20		\$32.20
		35 gallon	\$34.35		\$36.35
	Occasional extra garbage - 35 gallon			\$6.65	\$7.45
	Bulky waste - furniture, appliances etc.			Table 1	
	Additional fees may apply - see Tables 1, 2 & 3				

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

² 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.

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

Exhibit A

Effective: May 1, 2018

D I S T R I B U T I O N	Commercial Containers includes weekly recycling						
	Stops/Week	Monthly fee based on size in cubic yards					
		1	<i>Add'l</i>	1 1/3	<i>Add'l</i>	1.5	<i>Add'l</i>
	1	\$131.14	\$ 126.44	\$ 160.52	\$ 155.36	\$ 177.84	\$ 172.19
	2	\$244.62	\$ 236.02	\$ 302.58	\$ 293.28	\$ 336.10	\$ 326.00
	3	\$358.00	\$ 345.60	\$ 444.55	\$ 431.10	\$ 494.54	\$ 479.89
	4	\$471.48	\$ 455.23	\$ 586.66	\$ 569.01	\$ 652.85	\$ 633.65
	5	\$584.87	\$ 564.82	\$ 728.68	\$ 706.83	\$ 811.13	\$ 787.58
	6	\$707.80	\$ 683.05	\$ 880.88	\$ 853.98	\$ 980.69	\$ 951.44
	Stops/Week	Monthly fee based on size in cubic yards					
		2	<i>Add'l</i>	3	<i>Add'l</i>	4	<i>Add'l</i>
	1	\$224.07	\$ 217.62	\$ 315.10	\$ 307.10	\$ 405.08	\$ 395.63
	2	\$427.03	\$ 415.38	\$ 606.00	\$ 591.65	\$ 783.10	\$ 766.15
	3	\$629.80	\$ 612.95	\$ 896.89	\$ 876.04	\$ 1,161.14	\$ 1,136.69
	4	\$832.60	\$ 810.55	\$ 1,187.79	\$ 1,160.64	\$ 1,539.17	\$ 1,507.22
	5	\$1,035.52	\$ 1,008.22	\$ 1,478.64	\$ 1,444.79	\$ 1,917.13	\$ 1,877.58
	6	\$1,251.34	\$ 1,217.64	\$ 1,785.47	\$ 1,743.92	\$ 2,314.06	\$ 2,264.91
	Stops/Week	Monthly fee based on size in cubic yards					
		5	<i>Add'l</i>	6	<i>Add'l</i>	8	<i>Add'l</i>
	1	\$493.92	\$ 483.17	\$ 584.70	\$ 572.35	\$ 757.90	\$ 743.20
2	\$958.12	\$ 938.75	\$ 1,136.54	\$ 1,114.54	\$ 1,478.67	\$ 1,452.57	
3	\$1,422.29	\$ 1,394.29	\$ 1,688.27	\$ 1,656.62	\$ 2,199.36	\$ 2,161.86	
4	\$1,886.53	\$ 1,849.93	\$ 2,240.06	\$ 2,198.81	\$ 2,920.02	\$ 2,871.12	
5	\$2,350.65	\$ 2,305.45	\$ 2,791.86	\$ 2,740.96	\$ 3,640.78	\$ 3,580.38	
6	\$2,836.31	\$ 2,780.36	\$ 3,367.40	\$ 3,304.20	\$ 4,390.43	\$ 4,315.43	
Commercial Carts/Cans¹ - monthly fee; weekly recycling included							
One Stop per Week				One cart/can	Two carts/cans	Each additional	
35 gallon cart/can				\$34.35	\$68.00	\$33.35	
60 gallon cart				\$44.60	N/A	N/A	
90 gallon cart				\$50.35	N/A	N/A	
Occasional extra garbage- 35 gallon				N/A	N/A	\$6.00	
Two Stops per Week							
35 gallon cart/can - 2 stops/wk				\$68.00	\$134.55	\$32.75	
Occasional extra garbage - 35 gallon				N/A	N/A	\$6.00	
Additional fees may apply - see Tables 1, 2 & 3							

¹The 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: May 1, 2018

M O U N T A I N	Residential Service		Monthly Fee	Fee per Pick Up	At House Service²
	Weekly Pick Up¹ - one can of garbage and recycling				
	20 gallon can		\$31.45		\$34.95
	35 gallon can		\$35.60		\$39.10
	Occasional extra - 35 gallon			\$6.65	\$7.45
	Monthly Pick Up³ - one can; weekly recycling included				
	35 gallon can		\$17.70		\$18.60
	Occasional extra - 35 gallon			\$6.05	\$6.85
	On-Call Pick Up³ - one can of garbage				
	35 gallon can			\$15.65	N/A
	Other Services and Fees				
	Recycling only - weekly		\$10.05		N/A
	Bulky waste - furniture, appliances etc.			Table 1	
	Distance fees		Table 2		
	Terrain Fee		\$3.65		
	Multifamily Service - for shared containers see commercial fees.				
	Weekly Pick Up¹ - one cart/can of garbage and recycling				
	Central billing	20 gallon	\$29.85		\$31.85
		35 gallon	\$34.00		\$36.00
	Individual billing	20 gallon	\$31.45		\$33.45
		35 gallon	\$35.60		\$37.60
Occasional extra - 35 gallon			\$6.65	\$7.55	
Bulky waste - furniture, appliances etc.			Table 1		
Additional fees may apply - see Tables 1, 2 & 3					

¹Greater than one can per week, use multiples of single can fee.

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

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

Exhibit A

Effective: May 1, 2018

M O U N T A I N	Commercial Containers includes weekly recycling						
	Stops/ Week	Monthly fee for container size in cubic yards					
		1	<i>Add'l</i>	1 1/3	<i>Add'l</i>	1.5	<i>Add'l</i>
	1	\$150.19	\$ 145.49	\$ 185.93	\$ 180.77	\$ 206.42	\$ 200.77
	2	\$282.72	\$ 274.12	\$ 353.38	\$ 344.08	\$ 393.26	\$ 383.16
	3	\$415.16	\$ 402.76	\$ 520.76	\$ 507.31	\$ 580.28	\$ 565.63
	4	\$547.69	\$ 531.44	\$ 688.27	\$ 670.62	\$ 767.16	\$ 747.96
	5	\$680.13	\$ 660.08	\$ 855.69	\$ 833.84	\$ 954.02	\$ 930.47
	6	\$822.11	\$ 797.36	\$ 1,033.30	\$ 1,006.40	\$ 1,152.16	\$ 1,122.91
	Stops/ Week	Monthly fee for container size in cubic yards					
		2	<i>Add'l</i>	3	<i>Add'l</i>	4	<i>Add'l</i>
	1	\$262.17	\$ 255.72	\$ 372.26	\$ 364.26	\$ 481.29	\$ 471.84
	2	\$503.24	\$ 491.59	\$ 720.31	\$ 705.96	\$ 935.52	\$ 918.57
	3	\$744.11	\$ 727.26	\$ 1,068.36	\$ 1,047.51	\$ 1,389.76	\$ 1,365.31
4	\$985.02	\$ 962.97	\$ 1,416.41	\$ 1,389.26	\$ 1,844.00	\$ 1,812.05	
5	\$1,226.04	\$ 1,198.74	\$ 1,764.42	\$ 1,730.57	\$ 2,298.17	\$ 2,258.62	
6	\$1,479.96	\$ 1,446.26	\$ 2,128.41	\$ 2,086.86	\$ 2,771.31	\$ 2,722.16	
Commercial Cans - monthly fee; weekly recycling included							
One Stop per Week				One cart/can	Two carts/cans	Each additional	
35 gallon can				\$35.60	\$70.50	\$34.60	
Occasional extra - 35 gallon				N/A	N/A	\$6.00	
Two Stops per Week							
35 gallon can - 2 stops/wk				\$70.50	\$139.55	\$34.00	
Occasional extra - 35 gallon				N/A	N/A	\$6.00	
Additional fees may apply - see Tables 1, 2 & 3							

Table 1

Miscellaneous Services		
Bulky Waste - 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>
Clean Up Containers		
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. ¹		
< 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>		
Tire Handling Fee - charged in addition to disposal fees		
On rim	\$2.00	
Off rim	\$5.50	
<i>Tires greater than 18 inch diameter are subject to a special handling fee.</i>		
Occasional Extra Garbage - 35 gallon maximum		
Light	\$3.00	<i>does not require extra trip</i>
Heavy	\$5.05	<i>curbside/roadside and requires extra trip</i>
At House	\$5.85	<i>picked up at house (50 ft max from curb/road)</i>
Hourly handling fee - charged in addition to disposal fees		
1 truck, 1 person	\$73.00	per hour
1 truck, 2 people	\$105.00	per hour
Other Fees		
Gate fee	\$4.00	
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>

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

Exhibit A

Effective: May 1, 2018

Table 2

Distance Fees	
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

Miscellaneous Container Fees
Overweight charges 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.
Containers that have been compacted are charged 2.2 times the regular container fee for the zone.
Overweight compacted containers weighing over 500 pounds per cubic yard will be charged this fee plus disposal for the excess weight.
Container cleaning fee will be charged for containers needing cleaning more than 2 times in a 12 month period. The fee is the actual cost of cleaning.
Mileage fee 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.

Table 4

Drop Boxes and Compactors -Disposal, rental, mileage & other fees are additional	
Open Drop Box	
10-20 cubic yard	\$125.00
Lidded/Specialized-requiring deadhead roundtrip	\$150.00
30 cubic yard	\$145.00
40 cubic yard	\$165.00
Compacted Drop Box	
Less than 25 cubic yards	\$150.00
25 - 34 cubic yards	\$189.00
35 cubic yards and greater	\$218.00
Industrial Special Waste Drop Box	
10-20 cubic yard	\$161.00
30 cubic yard	\$178.00
Other fees	
Rental Fee	
Per day (after 2 working days at one site)	\$6.30
Per month (Occasional Customer collection of less than one load per week)	\$63.00
Per month (Permanent customer)	\$50.00
Per Month Equipment Fee: Lidded/Specialty Drop Box	\$20.00
Delivery Fee¹	
Urban zone	\$40.00
All other zones	\$50.00
Mileage Fee	
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
Multifamily Service Fee - additional fee for communities using compactors and drop boxes to collect garbage. Fee is charged per unit per month.	
5-299 units	\$1.60
300 - 399 units	\$1.45
More than 399 units	\$1.40
Incidental Service Fees	
Stand by time - waiting for box to be cleared, cars to be moved, etc. ²	\$7.00
Leveling load - if driver must spend time leveling load to safely haul. ²	\$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: 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

¹For 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.

²Charged in 5 minute increments.

Exhibit A

Effective: May 1, 2018

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

RESOLUTION NO. 12-01

**A RESOLUTION ADJUSTING SOLID WASTE COLLECTION AND DISPOSAL RATES
APPROPRIATIONS FOR FISCAL YEAR 2011-12**

WHEREAS, Ordinance No. 06-1001 was adopted February 1, 2006, and under said Ordinance, an agreement was entered into between the City Of Oregon City and Oregon City Garbage Company, Inc. (dba B&B Leasing) for a Solid Waste Collection and Disposal Franchise; and

WHEREAS, Chapter 8.20.130 of the Oregon City Municipal Code of 2006, provides that rates shall be approved by the City Commission and established by resolution; and

WHEREAS, the Franchisee is currently requesting a rate increase due to increased costs of service; and

WHEREAS, the Franchisee is currently requesting a revenue adjustment of four point zero percent (4.00%).

NOW, THEREFORE, BE IT RESOLVED that the Rate for Solid Waste Service provided by Oregon City Garbage Company, Inc. (dba B&B Leasing), and Oregon Corporation shall be set forth in the attached Exhibit B and said rates shall be the maximum rates chargeable by the Franchisee.

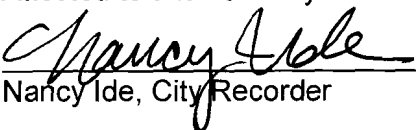
BE IT FURTHER RESOLVED that the new Rate Schedule set forth in Exhibit B shall be effective February 1, 2012.

Adopted, signed and approved this 18th day of January 2012.



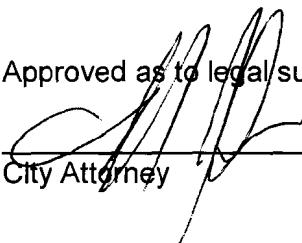
Doug Neeley, Mayor

Attested to this 18th day of January 2012



Nancy Ide, City Recorder

Approved as to legal sufficiency:



City Attorney

OREGON CITY GARBAGE COMPANY, INC.

RATE ADJUSTMENT PROPOSAL

PREPARED: JANUARY 6, 2012

EFFECTIVE: FEBRUARY 1, 2012

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Section A

January 6, 2012

Mr. David Frasher
City Manager
625 Center Street.
Oregon City, OR 97045

Re: Oregon City Garbage Company, Inc.
Rate Adjustment

Dear David:

Introduction:

We appreciate the confidence the City of Oregon City has placed in Oregon City Garbage Company, Inc. Throughout our history with the City, we have made every effort to provide the highest level of service possible. In addition, we appreciate the opportunity to participate in the various community programs as we believe our relationship goes beyond that of a normal service provider.

Rationale for Rate Increase:

We have already automated the City for solid waste, yard debris, and recycling collections, and have gained substantial efficiencies by acquiring and implementing varying sizes of roll carts. These roll carts have made it easier for the citizens of Oregon City to recycle more and thereby dispose less garbage. Automating our recycling goals has indeed furthered our efficiency as well as assisted in diverting recyclable materials from the solid waste stream. Unfortunately, much of the gains from these improvements have been consumed by adding a necessary glass collection route. Due to the fact that recyclable glass needs to be separate from other recyclable material, we had to add an entire additional route for the recycling of glass. This of course was a negative in terms of overall efficiency. In summary, despite the addition of the new glass collection service line, we have endeavored to reduce the need for rate adjustments by effective and efficient operations.

Clackamas County currently manages 22 garbage disposal franchises. These franchises are held by locally owned Subchapter C corporations and by publicly traded corporations. Some of the franchises consolidate their annual reports, resulting in fewer reports than franchisees. The County has a contract with an outside consulting group specializing in solid waste financial analysis to perform an analysis of the data submitted. The data 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 of 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 \$3.68 per ton effective August 1, 2011; raising the tip fee to \$89.53 per ton. The 'transaction fee' of \$3.00 for account customers using the automated scale is to remain the same. For analytical purposes when calculating disposal cost it is assumed by Clackamas County that 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 4.29% increase has been factored into the projections calculated in the financial review. It is necessary to pass the disposal and transaction fees through to the customer to ensure franchises can recover the increase in costs. Disposal expense is approximately 30% of the direct operational expenses. It is important to note that other expenses are rising as well, including driver wages, fuel, and health insurance costs.

The recent global recession has had a significant impact on recycling markets. In setting rates for our waste collection franchise, proceeds from the sale of recyclables are used to offset the costs associated with the recycling program. Recyclables are commodities that are often exported to other countries around the world. As we export more recyclables each year, primarily to China, the revenues have been steadily decreasing. The cost of disposal is \$14.27 per ton while the cost to recycle is \$26.98 per ton; this means that it costs slightly less than twice as much to recycle solid waste than it does to dispose of it.

In determining the necessary rate adjustment we have researched other jurisdictions with primary reliance upon the Clackamas County Solid Waste Rate Study which recommended that rates be adjusted effective August 1, 2011. In light of this study and the increasing costs as described above, we are proposing a rate change for Oregon City effective February 1, 2012.

Summary of Allowable Expenses:

The Clackamas County Solid Waste Rate Study uses financial information supplied by the various jurisdictions. The allowed return on revenues range between 8% and 12%. In calculating rates, the data that the haulers provide to the County include both allowable and unallowable expenses. Allowable expenses include but are not limited to:

- Disposal costs
- Cost of containers & roll carts
- Equipment acquisitions
- Wages
- Union benefits
- Fuel costs
- Legal & accounting services
- Office leases
- Other expenses directly related to the cost of service

The County eliminates unallowable costs in calculating a return on revenues for the haulers. Examples of unallowable costs include:

- Charitable contributions
- Political contributions
- Excessive officers' salaries as determined by the County
- Certain membership dues
- Excessive legal expenses
- And other costs not directly related to the hauling activities

Enclosed please find the following information that will be useful in reviewing the Oregon City Garbage Company, Inc.'s request for rate adjustment:

- Summary of Proposed Rate Adjustments
- Summary of Franchise Fee Adjustment
- Summary of Comparative Rates, Tri-County Portland Metro Area
- Clackamas County's Solid Waste Management Fee Schedule for Waste and Recycling Collection Services Effective: August 1, 2011.

Should you have any questions about the schedules, we would be pleased to answer them.

Very truly yours,

Michael E. McCoy, CPA, CBA, CVA, CFF

Section B

Oregon City Garbage Company, Inc.
Summary of Proposed Rate Adjustments
Effective February 1, 2012

The purpose of this analysis is to illustrate the proposed adjustment and percentage change to regular services. The rate structure is based upon a comparative market study of rates and a cost of service adjustment.

Service	Current Monthly Rate	Proposed Adjustment	Proposed Monthly Rate	Proposed Adjustment %
Residential Weekly				
<u>Pickup</u>				
20 Gal. Cart	\$19.85	\$0.78	\$20.63	4%
35 Gal. Cart	\$24.85	\$0.98	\$25.83	4%
60 Gal. Cart	\$34.20	\$1.35	\$35.55	4%
90 Gal. Cart	\$36.90	\$1.65	\$38.55	4%
35 Gal. Cart - Will Call	\$10.55	\$0.41	\$10.96	4%
Residential Multifamily				
<u>Weekly Pickup</u>				
35 Gal. Cart	\$22.35	\$0.88	\$23.23	4%
Residential Monthly				
<u>Pickup</u>				
35 Gal. Cart	\$11.75	\$0.46	\$12.21	4%

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Summary of Proposed Rate Adjustments
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Service	Current Monthly Rate	Proposed Adjustment	Proposed Monthly Rate	Proposed Adjustment %
Commercial Weekly Pickup				
35 Gal. Cart	\$25.83	\$1.02	\$26.85	4%
60 Gal. Cart	\$35.55	\$1.40	\$36.95	4%
90 Gal. Cart	\$36.90	\$1.65	\$38.55	4%
Containers				
1-1/2 Yard	\$147.15	\$5.88	\$153.03	4%
2 Yard	\$195.70	\$7.85	\$203.55	4%
3 Yard	\$268.40	\$10.72	\$279.12	4%
4 Yard	\$351.00	\$14.04	\$365.04	4%
5 Yard	\$433.60	\$17.36	\$450.96	4%
6 Yard	\$516.15	\$20.65	\$536.80	4%
8 Yard	\$659.80	\$26.41	\$686.21	4%

Section C

Oregon City Garbage Company, Inc.
Summary of Franchise Fee Adjustment
Effective February 1, 2012

The purpose of this analysis is to illustrate the franchise fee adjustment.

	Proposed Rate	Franchise Fee Adjustment	Adjusted Proposed Rate
<u>Residential Weekly Pickup</u>			
20 Gal. Cart	\$ 20.63	96%	\$ 19.81
35 Gal. Can	25.83	96%	24.80
60 Gal. Cart	35.55	96%	34.13
90 Gal. Cart	38.55	96%	37.01
35 Gal. Cart - Will Call	10.96	96%	10.52
<u>Residential Multifamily Weekly Pickup</u>			
35 Gal. Cart	\$ 23.23	96%	\$ 22.30
<u>Residential Monthly Pickup</u>			
35 Gal. Cart	\$ 12.21	96%	\$ 11.72
<u>Commercial Weekly Pickup</u>			
35 Gal. Cart	\$ 26.85	96%	\$ 25.78
60 Gal. Cart	36.95	96%	35.47
90 Gal. Cart	38.55	96%	37.01
<u>Containers</u>			
1-1/2 Yard	\$ 153.03	96%	\$ 146.90
2 Yard	203.55	96%	195.41
3 Yard	279.12	96%	267.95
4 Yard	365.04	96%	350.44
5 Yard	450.96	96%	432.93
6 Yard	536.80	96%	515.32
8 Yard	686.21	96%	658.76

Section D

**SUMMARY OF COMPARATIVE RATES
TRI-COUNTY PORTLAND METRO AREA
Fiscal Year 2011- 2012**

Service	Proposed Oregon City 4% Increase	Clackamas County	Proposed Gladstone	Gresham	Lake Oswego	Milwaukie	Portland	West Linn
Residential								
<u>Weekly Pickup</u>								
20 Gal. Can/Cart	20.63	24.55	23.32	23.95	18.27	23.90	27.80	18.95
32-35 Gal. Cart	25.83	29.68	28.20	28.90	24.17	27.45	32.60	22.59
60-65 Gal. Cart	35.55	39.05	37.10	36.40	38.56	36.10	41.55	36.15
90-95 Gal. Cart	38.55	45.68	43.40	40.80	40.67	42.20	47.50	39.77
Franchise Fee	4%	5%	\$360	5%	5%	5%	5%	5%

Section E

