

FILED

JUL 26 2017

TASSI O'NEIL  
COUNTY CLERK

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BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR TILLAMOOK COUNTY, OREGON

In the Matter of Approving Customer Rates for Cardboard Collection in Pocket Service Areas for Solid Waste Collection Franchisee, Nestucca Valley Sanitary Service	)	ORDER #17- <u>064</u>
	)	SWSD #17- <u>011</u>

This matter came before the Tillamook County Board of Commissioners, sitting as the governing body of the Solid Waste Service District (SWSD), on July 26, 2017. A request to approve rates charged by a collection franchisee to their customers has been requested by Nestucca Valley Sanitary Service.

The SWSD Board, being fully apprised of the records and files, herein finds as follows:

1. In accordance with Ordinance #4, Section 5.01 B. b., the Board may by ordinance or order establish rates that are uniform within zones based upon the length of haul to disposal sites, concentration of customers and other factors which may, in the opinion of the Board, justify establishment of rate differentials;
2. Rates for trash collection and disposal by solid waste collection franchisees are established by this governing body, and were last changed for Nestucca Valley Sanitary Service on May 10, 2017 by Order #17-043, SWSD Order #17-007. A separate rate for a cardboard collection route was not approved at that time;
3. The Tillamook County Solid Waste Advisory Committee (SWAC) at its July 18, 2017 meeting voted to recommend the approval of the proposed rate for a cardboard collection service within pocket service areas of Nestucca Valley Sanitary Service's franchise area;
4. The cardboard collection route will be implemented if Nestucca Valley Sanitary Service is able to secure at least ten (10) year-round customers for this service by September 1, 2017;
5. Nestucca Valley Sanitary Service will review the actual costs and number of participating customers during the first twelve (12) months of this service, reevaluate the approved rate based on that data, and request a rate adjustment at that time;
6. The Tillamook County Board of Commissioners finds that the proposed rates will be just, fair, reasonable, and sufficient to provide the proper service to the public.

NOW, THEREFORE, IT IS HEREBY ORDERED that:

7. The Nestucca Valley Sanitary Service rates for the pocket service areas outlined on Exhibit "A" and rates as outlined on Exhibit "B" are approved and become effective September 1, 2017.

DATED this 26<sup>th</sup> day of July, 2017.

THE BOARD OF COMMISSIONERS  
FOR TILLAMOOK COUNTY, OREGON

Bill Baertlein  
Bill Baertlein, Chair

Tim Josi  
Tim Josi, Vice-Chair

David Yamamoto  
David Yamamoto, Commissioner

Aye    Nay    Abstain/Absent

✓    \_\_\_\_\_    \_\_\_\_\_/\_\_\_\_\_

✓    \_\_\_\_\_    \_\_\_\_\_/\_\_\_\_\_

\_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_/\_\_\_\_\_

ATTEST: Tassi O'Neil  
County Clerk

By: Tassi O'Neil  
Special Deputy

APPROVED AS TO FORM:

William K. Sargent  
William K. Sargent, County Counsel

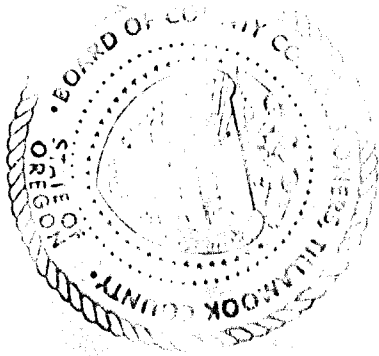


EXHIBIT "A"  
POCKET AREAS

- Area #1 Hemlock – Hwy. 101 from Blanchard Road to Camper Cove RV Park
- Area #2 Beaver – Hwy. 101 from Beaver Creek Bridge to Nestucca Bend Housing Development (no Blaine Rd. collection)
- Area #3 Hebo – Hwy 101 from Nestucca Fire Dept. to Hartley Creek. Hwy 22 from the intersection with Hwy. 101 to the US Ranger Station.
- Area #4 Cloverdale – Hwy. 101 from Dawson Creek to Nestucca Valley Elementary School.
- Area #5 Pacific City – All of zip code 97135
- Area #6 Oretown – Riverhouse Salad Dressing
- Area #7 Winema – Camp Winema
- Area #8 Neskowin – Hwy. 101 from Terrace Dr. to Neskowin Creek RV Resort (south Slab Creek Rd.).

EXHIBIT "B"  
SERVICE COSTS AND BILLING RATE

**Service Assumptions:**

Truck and driver cost per hour \$109 x 1-1/2 hrs per route day	\$163.50
Monthly cardboard container fee per customer (\$700 container/60 mo)	\$ 11.60

**Customer Participation Assumptions:**

On a year-around average, ten customers will participate  
(Participation will likely have seasonal fluctuations, but the assumption is based on a year-around average of participants.)

**Cost Assumptions per Month:**

4.33 route days per month x \$163.50 per route day	= \$707.95
10 customers x \$11.60 container fee	<u>116.00</u>
	\$824.45
15% NVSS administrative fee	<u>123.65</u>
<b>TOTAL PROGRAM COSTS</b>	<b>\$948.10</b>
(less 15% NVSS spread to total operations rather than just to this program)	<u>(\$123.65)</u>
<b>Net Monthly Cost (based on above assumptions)</b>	<b>\$824.45</b>

**Rate Assumptions for Setting Monthly Customer Billing – once per week collection**

Total Monthly Cost	\$824.45
Ten participating customers (year-around average)	10
Monthly rate per customer (\$824.45/10)	\$82.40
<b>Each additional container on same route date</b>	<b>\$11.60</b>
<b>Extra pickup on different collection day, per pickup</b>	<b>\$109.00</b>

**Program Assumptions**

- Because participation is expected to fluctuate, costs are set on an average annual participation rate, with the first year having a baseline of ten average participants.
- The new program will be implemented when a minimum of ten participants have subscribed to the program at the rate of \$82.40 per month for weekly collection of a 2-yard cardboard container. (This is well below the rate for collection of the material as solid waste [\$43 per weekly collection x 4.33 weeks per month = \$186.19 per month], which could allow customers to downsize their solid waste collection service and costs.)
- Program participation will be reviewed on an annual basis, with costs and rates to be adjusted pursuant to the annual average participation rate at the time of each year's review. If participation is increased, there will be some incremental cost increases for time and container fees, but if that is shared by a larger participant pool, the monthly rate would likely decrease.