

BEFORE THE BOARD OF COUNTY COMMISSIONERS

FOR TILLAMOOK COUNTY, OREGON

SITTING AS THE BOARD OF THE SOLID WASTE SERVICE DISTRICT

In the Matter of Increasing Customer Rates ) ORDER #22-029  
for Solid Waste Disposal for Solid Waste )  
Collection Franchisee, Walker Waste ) SWSD #22- 003  
Solutions, dba City Sanitary Service )

This matter came before the Tillamook County Board of Commissioners, sitting as the governing body of the Solid Waste Service District (SWSD), on May 25, 2022, at the request of David McCall, Solid Waste Program Manager.

The Board of Commissioners, being fully apprised of the representations of the above-named person, and the records and files herein, finds as follows:

1. Walker Waste Solutions, dba City Sanitary Service has requested to increase rates charged by a collection franchisee to their customers.
2. Customer rates for this collection franchisee were last adjusted in Board Order #21-021, SWSD #21-002.
3. The Tillamook County Solid Waste Advisory Committee recommended at their meeting on May 10, 2022 that the requested rate increases be approved.
4. 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:

5. The City Sanitary rates as outlined on Exhibit "A" become effective July 1, 2022.

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## EXHIBIT A



3/31/2022

Dear Tillamook County Commissioners,

City Sanitary Service would like to thank you for allowing us to serve the citizens of Tillamook County for another year. We had a profitable 2021 in part due to another busy year for construction drop box work and an increase in overall customer count. City Sanitary Service remains a financially healthy business. Looking to the future we are requesting a rate increase of 5% for residential, commercial and drop box trash rates to keep up with increased fuel and dump fee rates. This will keep us in the allowable profit margin range and help us to keep up with anticipated inflation, labor, and supply cost increases. The base rate for weekly residential service would go from \$20.00 per month to \$21.00 for one can picked up weekly at the roadside.

City Sanitary Service took over operations of Oceanside Sanitary Service at the start of 2021. Ken and Nonda Zwald along with their employees provided excellent service to the people of Oceanside. We have continued to keep up their high standards while expanding the service options for the people in that area. Customer feedback has been positive. This year we plan to make a few small changes to bring rates and service types in the Oceanside area closer in unison with all of our Tillamook County customers. We plan to purchase at least one new truck in 2022 and hopefully, after years of waiting, update the interior of our office space.

We continue to see an increase in customers choosing to pay bills online and opting to receive electronic bills. Roughly a third of our monthly revenue comes from online payments. We continue to make updates to our website, publish a quarterly newsletter called WastEd, and post to our Facebook page to communicate with the over 550 customers following us. This spring we also plan to run our Keep-it-Clean campaign to reduce contamination in our curbside commingled recycling. Thank you for allowing us to serve the citizens of central Tillamook County in 2021 and we look forward to a successful 2022.

Respectfully,

A handwritten signature in black ink, appearing to be "R. Poppe", written over a horizontal line.

Robert Poppe  
Co-owner

**Tillamook County Franchise Hauler Rate Review Report**

edited March 2022

Franchisee:

**City Sanitary Service**

Tillamook County franchise

Total

	7/1/22-6/30/23 projected w/o rate change	7/1/22-6/30/23 projected w/ 3% rate change	% change	Allocation method	2021 actual	7/1/22-6/30/23 projected w/o rate change	7/1/22-6/30/23 projected w/ 3% rate change	% change	Allocation method/comments
<b>REVENUE</b>									
Route collection Services	\$2,727,186	\$2,754,458	4%	Actual	\$1,348,890	\$1,362,379	\$1,430,498	6%	
Drop Box Services	\$103,945	\$105,000	1%	56% CC DB	\$57,170	\$58,800	\$58,800	3%	
Rental revenue	\$377,130	\$399,758	6%	56% CC DB	\$211,193	\$223,865	\$223,865	6%	
Non-franchised revenue & pass-through revenue	\$12,451	\$10,000	-20%	Actual	\$0	\$0	\$0	#DIV/0!	
Recycling revenues	\$47,917	\$48,000	3%	Actual	\$40,828	\$41,000	\$43,050	5%	
Other revenue (med waste, interest, Bay City, SCCR)	\$3,268,628	\$3,317,216	4%	Actual	\$1,658,081	\$1,686,044	\$1,756,213	6%	
<b>Total revenue</b>	3409	3409		Actual	1818	1818			
Number of regular route customers as of January 1, 2021*	3836	3836		Actual	1870	1870			
Number of regular route customers as of July 1, 2021*	3887	3887		Actual	1833	1833			
Number of regular route customers as of January 1, 2022*	6151 tons	6151 tons		52% truck weights	3198.52 tons	3198.52 tons			
Regular route tonnage for 2020:	1821	1821		56% CC DB	1020	1020			
*Regular route customers are usually cans, carts, dumpsters, based on service listings.	4454 tons	4454 tons		56% truck weights	2499.84 tons	2499.84 tons			
Number of drop box pulls in 2021:									
Drop box tonnage for 2021:									

**EXPENSES**

**Operational expenses**

Disposal expense (franchised) 10615 tons up 716	\$903,492	\$981,018	9%	52% truck weights	\$469,816	\$510,129	\$510,129	9%	#DIV/0!
Disposal expense (other) med waste	\$1,029	\$2,000	94%	all city					#DIV/0!
Recycling collection expense (all in labor)				n/a					
Recycling processing expense	\$12,765	\$17,000	33%	45%ccrCust.Count	\$5,744	\$7,650	\$7,650	33%	
Labor-related expenses	\$539,258	\$571,613	6%	55% labor hours	\$296,592	\$314,387	\$314,387	6%	
Labor expense	\$225,122	\$238,629	6%	55% labor hours	\$123,817	\$131,246	\$131,246	6%	
Taxes, insurance	\$160,465	\$170,000	6%	55% labor hours	\$88,255	\$93,500	\$93,500	6%	
Other labor-related expense	\$86,118	\$95,000	10%	55% labor hours	\$47,365	\$52,250	\$52,250	10%	
Operational-related expenses	\$27,357	\$35,000	28%	55% labor hours	\$15,046	\$19,250	\$19,250	28%	
Fuel	\$201,244	\$208,000	3%	55% labor hours	\$110,684	\$114,400	\$114,400	3%	
Repairs and Maintenance	\$40,282	\$42,400	5%	55% labor hours	\$22,155	\$23,320	\$23,320	5%	#DIV/0!
Depreciation and Amortization	\$111,424	\$130,000	17%	55% labor hours	\$61,283	\$71,500	\$71,500	17%	
Equipment and/or Rent	\$74,313	\$78,000	5%	55% labor hours	\$40,872	\$42,900	\$42,900	5%	
Property Lease and/or Rent	\$57,647	\$60,000	4%	Actual	\$2,346	\$2,350	\$2,350	0%	
Equipment expense (eg. short-term rental) Truck Repairs	\$2,440,515	\$2,628,660	8%		\$1,283,976	\$1,382,882	\$1,382,882	8%	
Insurance expense									
Other operational expense (incl. franchise fees)									
Total operational expenses	13	13			13	13			
Number of route collection trucks as of January 1, 2021	17	17			5	5			
Number of route collection trucks as of January 1, 2022	5	5			5	5			
Number of drop box collection trucks as of January 1, 2021	5	5			5	5			
Number of drop box collection trucks as of January 1, 2022	5	5			5	5			

**Administrative expense**

Management services	\$174,000	\$174,000	0%	53% cust. Count	\$92,220	\$92,220	\$92,220	0%	
Administrative services	\$8,090	\$10,000	24%	53% cust. Count	\$4,288	\$5,300	\$5,300	24%	
Postage, phones, office supplies, utilities, etc.	\$85,274	\$90,000	6%	53% cust. Count	\$45,195	\$47,700	\$47,700	6%	
Advertising and outreach expenses	\$11,891	\$13,000	9%	53% cust. Count	\$6,302	\$6,890	\$6,890	9%	
Education, Training, Publications, dues	\$4,667	\$6,000	29%	53% cust. Count	\$2,473	\$3,180	\$3,180	29%	
Bad debts	\$11,655	\$11,000	-6%	Actual	\$8,915	\$9,000	\$9,000	1%	
Other admin. Expenses	\$70,662	\$75,000	6%	53% cust. Count	\$37,451	\$39,750	\$39,750	6%	
Total administrative expenses	\$366,739	\$379,000	3%		\$196,844	\$204,040	\$204,040	4%	
Return on income before taxes (revenue - allowable costs)	\$461,875	\$309,556	-15%		\$177,261	\$99,121	\$169,290	-4%	
<b>Operating margin</b>	14.1%	9.3%	-18%		10.7%	5.9%	9.6%	-10%	

**Tillamook County franchise data only!**

**Current and Proposed Rates**

**Trash Cans/Rollcarts**

	Current	Proposed
Curbside weekly pickup	\$20.00	\$21.00
Curbside twice weekly pickup	\$40.00	\$42.00
Curbside every Other Week pickup	\$18.50	\$19.50
Curbside Once a Month pickup	\$9.25	\$9.75
Each Extra Can set out	\$6.20	\$6.50
In Yard weekly pickup	\$25.00	\$26.25
In Yard twice weekly pickup	\$50.00	\$52.50
In Yard every Other Week pickup	N/A	N/A
In Yard Once a Month pickup	N/A	N/A
Each Extra Can set out	\$6.20	\$6.50

**Current**

(60-65 gallon cans/rollcarts)

	\$37.10	\$38.95
	\$74.20	\$77.90
	N/A	N/A
	N/A	N/A
	N/A	N/A
	\$45.60	\$47.85
	\$91.20	\$95.70
	N/A	N/A
	N/A	N/A
	N/A	N/A

**Current**

(90-95 gallon cans/rollcarts)

	\$54.20	\$56.90
	\$108.40	\$113.80
	N/A	N/A
	N/A	N/A
	N/A	N/A
	\$66.20	\$69.45
	\$132.40	\$138.90
	N/A	N/A
	N/A	N/A
	N/A	N/A

**Rental Fees**

Trash Cans/Rollcarts (per month)

	\$3.00	\$3.00
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	\$3.00	\$3.00
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**95 Gallon CCR & Office Paper Cart 2xMonth**

**Containers**

	Current	Proposed
Weekly pickup	\$96.20	\$101.00
Each additional stop per week	\$96.20	\$101.00
Rental Fees	\$18.60	\$18.60
Weekly pickup	N/A	
Each additional stop per week		
Rental Fees		
Weekly pickup	N/A	
Each additional stop per week		
Rental Fees		

**Current**

1 cubic yard container

	\$139.20	\$146.15
	\$139.20	\$146.15
	\$18.60	\$18.60

**Current**

2 cubic yard container

	\$177.68	\$186.55
	\$177.68	\$186.55
	\$18.60	\$18.60


4 cubic yard container


5 cubic yard container



8 cubic yard container


2 yard cont: Cardboard Recycle

	\$3.40	\$3.55
	\$22.00	\$22.15
	\$18.60	\$18.60

**Roll-off/Drop Box containers (please list charges)**

10-15 yd drop boxes

20-30 yd drop boxes

Current \$113.55 per hour proposed \$119.25 Drop Box Rent \$13 per day \$200 per month

Current \$120.00 per hour proposed \$126.00

**Extra/Additional charges (eg. Go Back, On Call, Extra Stop, NSF check, replacement, etc.): Please list!**

- 1 Medical Waste \$15 minimum charge \$15/gallon Large bins \$90 max weight 60 lbs
- 2 On call service current \$9.25 per can up to \$9.75/current \$26.00 per yard up to \$27.30
- 3 \$10 NSF fee, \$15 OTP restart fee, \$25 cart return fee, \$5 refund processing fee, Minimum two weeks of no service before crediting account.
- 4 Lost roll cart replacement fee \$65
- 5 Distance charge of \$126.00 per hour for truck time if less than 3 customers per road mile or for unscheduled or extra pick ups