

IMPACT STATEMENT

Legislation title: * Revise residential solid waste and recycling collection rates and charges, effective February 1, 2020 (Ordinance; amend Code Chapter 17.102)

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Purpose of proposed legislation and background information:

This ordinance is to adopt new rates for residential garbage and recycling collection. The current 2019-20 rates are a result of the annual rate review process required by the franchise agreement with residential haulers. The adopted rates include costs associated with the surcharge for the voter-approved Portland Clean Energy Community Benefits Fund (Clean Energy Surcharge).

On December 12, 2019, City Council modified the Clean Energy Surcharge to allow a deduction for revenue received by franchisees for providing residential collection services. BPS staff recommend reducing the residential garbage and recycling rates to both remove the costs associated with the Clean Energy Surcharge and to compensate residential customers for the amount already paid toward the Clean Energy Surcharge through the rates.

This ordinance is an emergency in order that the new rates can take effect February 1, 2020.

Financial and budgetary impacts:

Monthly rates for residential garbage and recycling collection service are proposed to decrease by \$0.40 for most customers. The decrease is a result of removing costs associated with the Clean Energy Surcharge and compensating residential customers for the amount already paid toward the Clean Energy Surcharge through the rates.

This ordinance continues the 5% franchise fee that funds solid waste and recycling program administration costs. Because rate revenue will decrease, City revenues from the 5% franchise fees are anticipated to decrease by \$19,480 this fiscal year, or 0.5 percent.

Community impacts and community involvement:

Monthly rates for residential garbage and recycling collection service will decrease by \$0.40 for most customers.

100% Renewable Goal:

N/A

Budgetary Impact Worksheet**Does this action change appropriations?**

☐ **YES:** Please complete the information below.

☒ **NO:** Skip this section