



Bureau of Planning and Sustainability
Innovation. Collaboration. Practical Solutions.

Proposed 2021-22 Residential Garbage, Recycling & Composting Collection Rates

Planning and Sustainability Commission Hearing
May 4, 2021

RATE REVIEW PROCESS

Every year, the Bureau of Planning and Sustainability sets rates for curbside residential garbage, recycling, and yard debris/food scrap collection service. The rate review process analyzes the financial records of a sample of the 10 private franchised haulers and determines the cost of providing service for the different garbage container sizes used by customers.

KEY COST FACTORS

More Material Collected

More people home during the pandemic resulted in more residential material collected curbside in 2020.

Material	2020	2019	Increase
Garbage	75,300	70,900	4,400
Recycling	50,200	46,700	3,600
Yard Debris / Food Scraps	94,900	81,500	13,400
Total Tons Curbside Material	220,400	199,100	21,300

Metro Garbage Tipping Fee Increase

Garbage Tip fees charged at Metro's transfer stations will increase 17 percent to \$115.15/ton.

Projected Fuel and Labor Cost Increase

Labor hours are adjusted using a weighted average of union contract wage increases and the general cost-of-living increase. Wages, health & welfare, and pension are projected to increase slightly.



City of Portland, Oregon | Bureau of Planning and Sustainability | www.portlandoregon.gov/bps
1900 SW 4th Avenue, Suite 7100, Portland, OR 97201 | phone: 503-823-7700 | fax: 503-823-7800 | tty: 503-823-6868

Printed on 100% post-consumer waste recycled paper.

Fuel costs for biodiesel, renewable diesel, and Compressed Natural Gas (CNG) are all anticipated to increase in the upcoming rate year.

More Efficient Collection

Although more material was collected in 2020 and wages and fuel costs are anticipated to rise, collection costs overall are anticipated to decrease slightly due to hauler efficiencies last year. Another factor is reduced depreciation on collection vehicles from previous hauler investments in newer, cleaner trucks to comply with BPS' Clean Fleet requirements.

Recyclable Materials

In the past haulers received payment for recyclable materials, helping to reduce rates. Global market conditions shifted in 2017 and now lower prices and higher sorting costs have resulted in charges to haulers for processing recycling. This year the cost in the rates for processing recycling will increase some due to more material collected and slightly higher processing charges. Looking forward, demand for recyclable materials appears to be increasing, which may reduce charges to haulers in future rate years.

Note: The Portland City Attorney has advised that the new regional Supportive Housing Services Tax is an income tax, and therefore should not be included in the residential rates. Income taxes are specifically called out in the Franchise Agreement as Unallowed Expenses.

PROPOSED RATES

Service Level	Proposed Rate	Current Rate	Increase
Every 4 Weeks Service	\$ 27.15	\$ 25.85	\$ 1.30
20 Gallon Service	\$ 29.85	\$ 28.55	\$ 1.30
35 Gallon Service	\$ 34.55	\$ 33.15	\$ 1.40
60 Gallon Service	\$ 39.05	\$ 37.35	\$ 1.70
90 Gallon Service	\$ 45.30	\$ 43.60	\$ 1.70

NEXT STEPS

Today, BPS staff is seeking a PSC vote to recommend the residential garbage, recycling, and composting rates to City Council. The rates will be considered by City Council at the Utility Rates hearing on May 19. Adopted 2021-22 rates will take effect July 1, 2021.

