



# WASTE COLLECTION RESIDENTIAL RATES + COMMERCIAL TONNAGE FEE

City Council Utility Rate Hearing  
May 18, 2022

Donnie Oliveira and Arianne Sperry



THE BUREAU OF  
**PLANNING &  
SUSTAINABILITY**

# Topics

- Waste collection systems overview
- Residential rates recommendation
- Commercial tonnage fee recommendation
- Public trash program update



# A Tale of Two Systems

## **Residential** (franchised)

- Serves single-family and small plexes
- 9 franchised haulers operate in territories
- City sets rates and service levels
- Rates include 5% franchise fee to BPS

## **Commercial** (open market)

- Serves businesses, multifamily properties, and construction debris
- 26 permitted haulers operate throughout city
- Customers negotiate with hauler for services and rates
- Haulers pay \$12.60 fee to BPS per ton of garbage



# Residential Rate Review Process



- Hauler financial reports reviewed by accountant
- Rates cover:
  - average cost of service +
  - target operating margin +
  - franchise fee
- Waste reduction policy

# Key Rate Factors



Going up...

- Metro Tip Fees
- Fuel
- Wages
- Inflation

Going down...

- Recycling processing fees
- Clean Fleet costs

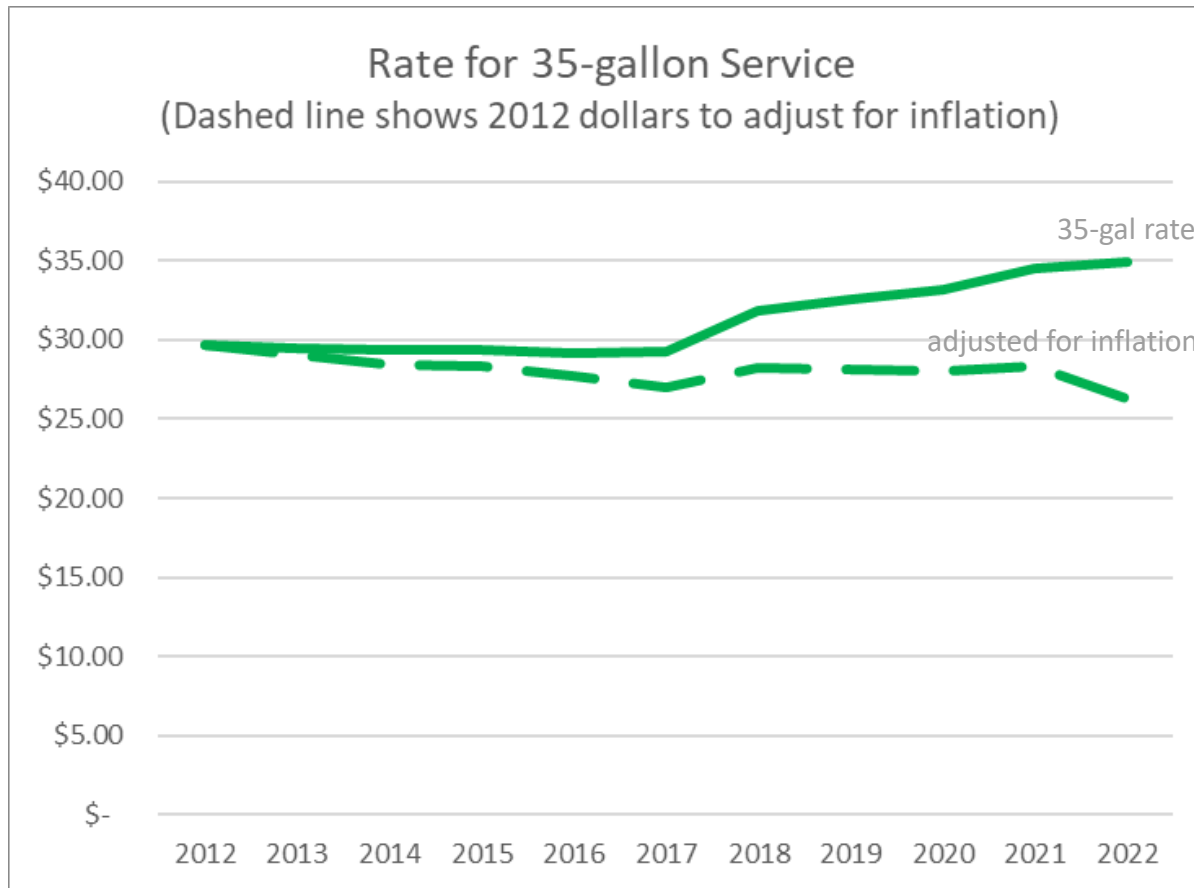
# Recommended Residential Rates

Primary Garbage Service Levels	Current Rate	Proposed Rate FY22-23	Increase	Share of Customers*
Every 4 Weeks	\$27.15	\$27.35	\$0.20	5%
20-Gallon	\$29.85	\$30.15	\$0.30	6%
35-Gallon	\$34.55	\$34.90	\$0.35	45%
60-Gallon	\$39.05	\$39.45	\$0.40	33%
90-Gallon	\$45.30	\$45.70	\$0.40	6%

Terrain Fee: \$0.30 (7%) increase to \$4.85



# Over time rates beat inflation



# Commercial Tonnage Fee

- Funds management of commercial waste collection
- We're doing more! Expanding services and improving systems for businesses and multifamily residents while addressing racial equity
- Recommend \$2.00 per ton increase to bring fee to \$14.60 per ton for commercial garbage



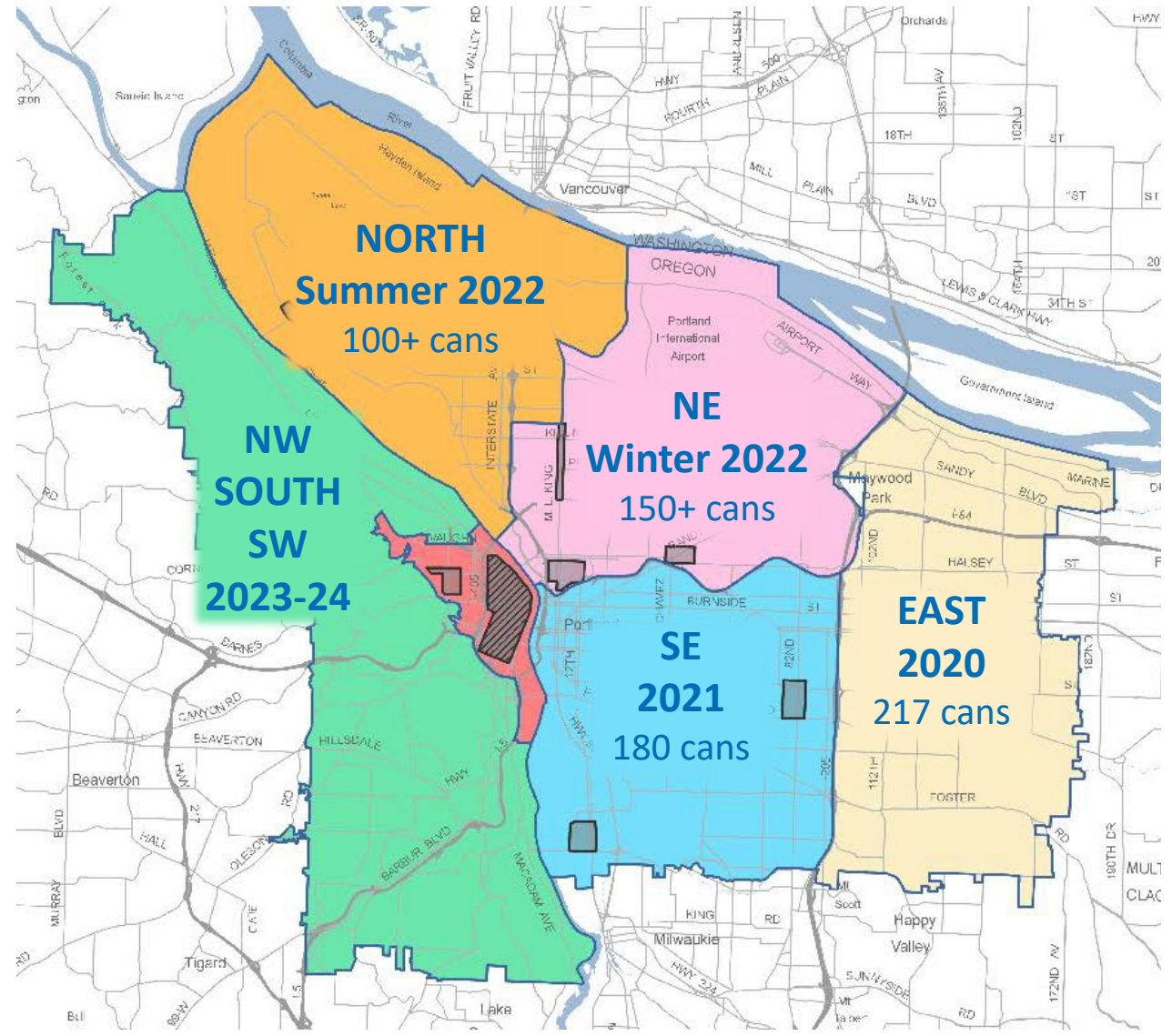


# Next Steps

- July 1, 2022: Adopted residential rates and commercial tonnage fee take effect
- 2023:
  - Midterm review of residential franchise agreement
  - Mandatory food scrap collection for businesses



# Public Trash Program Expansion



**Growth in public trash containers citywide**  
**2019 = 750 cans**  
**2024 = 1700 cans**



## THE BUREAU OF **PLANNING** & **SUSTAINABILITY**

# Questions?

**VISIT US ONLINE** [portland.gov/bps](https://portland.gov/bps)

The City of Portland is committed to providing meaningful access. To request translation, interpretation, modifications, accommodations, or other auxiliary aids or services, contact 503-823-7700, Relay: 711.

Traducción e Interpretación | Biên Dịch và Thông Dịch | अनुवादन तथा व्याख्या | 口笔译服务 |  
Устный и письменный перевод | Turjumaad iyo Fasiraad | Письмовий і усний переклад |  
Traducere și interpretariat | Chiaku me Awewen Kapas | 翻訳または通訳 | ການແປພາສາ ຫຼື ການ  
ຮາງທົ່ວ | الترجمة التحريرية أو الشفهية | [Portland.gov/bps/accommodation](https://portland.gov/bps/accommodation)