

## IMPACT STATEMENT

**Legislation title:** Revise solid waste and recycling rates and fees for franchised residential collection and commercial permit tonnage fees, effective July 1, 2016 (Ordinance; amend Code Chapter 17.102)

**Contact name:** Kevin Veaudry Casaus

**Contact phone:** 503-823-5545

**Presenter name:** Susan Anderson

**Purpose of proposed legislation and background information:**

This ordinance is to adopt the recommended 2016-17 rates for residential garbage, recycling and compostables collection. The recommended rates are a result of the annual rate review process required by the franchise agreement with residential haulers. The costs the franchised haulers incurred during 2015 have been independently reviewed and adjustments made to reflect efficiencies gained by the franchised haulers, as well as anticipated lower fuel costs.

This ordinance also amends City Code Chapter 17.102.250, Commercial Tonnage Fee, to raise additional revenues in order to expand the public place garbage collection program city-wide.

**Financial and budgetary impacts:**

This ordinance continues the five percent franchise fee that funds solid waste and recycling program administration costs. While hauler revenues per customer will decrease slightly, this decrease is almost entirely offset by projected increases in customer counts. As a result, City revenues from franchise fees are anticipated to remain the same as in FY 2015-2016.

This ordinance also raises the commercial tonnage fee by \$1.30 per ton from \$8.30 to \$9.60 in FY 2016-2017 to fund the expansion of the public place garbage collection program. While not included in this Ordinance, it is expected that the tonnage fee will require an additional \$1.30 per ton increase in FY 2019-2020 to complete full implementation of the program expansion.

**Community impacts and community involvement:**

Monthly rates for residential garbage and recycling collection service will decrease slightly for most customers.

The residential rates were developed in accordance with the methodology laid out in the 2012 franchise agreement with residential garbage and recycling haulers.

Public garbage collection is currently provided by the Bureau of Planning and Sustainability in seven business districts throughout the City. The Mayor's Office has approved a proposal that will expand provision of this service to all regional, town and neighborhood centers throughout Portland. The impact of the tonnage fee increase paid by permitted haulers should be minimal.

The residential rates and the commercial tonnage fee increases, both for FY 2016-2017 and FY 2019-2020, were reviewed by the Planning and Sustainability Commission on May 10, 2016.

### Budgetary Impact Worksheet

Does this action change appropriations?

YES: Please complete the information below.

NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount



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

## PROPOSED 2016-17 SOLID WASTE AND RECYCLING RATES May 19, 2016

Each year, the Bureau of Planning and Sustainability conducts an analysis to establish proposed rates for residential solid waste, recycling and composting collection services. The process involves a CPA review of hauler financial records for the previous calendar year and discussion by the Portland Planning and Sustainability Commission.

For the fourth year in a row, rates for 2016-17 are proposed to stay flat or decrease. The primary factors keeping rates low are hauler operating efficiencies and lower fuel costs.

The table below shows the rates proposed to take effect July 1, 2016. At its May 10 meeting, the Portland Planning and Sustainability Commission voted to support the proposed rates.

Service levels	Proposed 2016-17 rates	Current rates	Difference	Percent Change	Percent of customers*
32/35 gallons every four weeks	\$ 21.60	\$ 21.75	\$ (0.15)	-0.7%	8%
20 gallon service	\$ 24.50	\$ 24.75	\$ (0.25)	-1.0%	9%
32 gallon can	\$ 28.50	\$ 28.55	\$ (0.05)	-0.2%	12%
35 gallon cart	\$ 29.15	\$ 29.35	\$ (0.20)	-0.7%	43%
60 gallon cart	\$ 35.00	\$ 35.65	\$ (0.65)	-1.8%	20%
90 gallon cart	\$ 41.50	\$ 42.05	\$ (0.55)	-1.3%	4%

\*Total does not equal 100% due to the small number of customers who subscribe to other service levels, including multiple garbage containers and services that do not include regular garbage collection.

The City does not set rates for the commercial sector; however, it does assess a tonnage fee on garbage collected by commercial haulers in Portland. In 2016-17, this fee is proposed to increase \$1.30 per ton to \$9.60 per ton of garbage disposed. The proposed fee increase is to provide funding for an expansion of the public trash can program to districts throughout the city.



City of Portland, Oregon | Bureau of Planning and Sustainability | [www.portlandoregon.gov/bps](http://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

### MONTHLY RATES FOR SOLID WASTE, RECYCLING AND COMPOSTING COMPARED TO INFLATION 1993 - 2016 35 GALLON ROLL CART

