

**IMPACT STATEMENT**

**Legislation title:** Revise residential solid waste and recycling collection rates and charges, effective July 1, 2017 (Ordinance; amend Code Chapter 17.102)

**Contact name:** Arianne Sperry  
**Contact phone:** 3-5664  
**Presenter name:** Susan Anderson

**Purpose of proposed legislation and background information:**  
 This ordinance is to adopt the recommended 2017-18 rates for residential garbage, recycling and food scraps/yard debris collection. The recommended rates are a result of the annual rate review process required by the franchise agreement with residential haulers. The costs incurred by the haulers during 2016 have been independently reviewed and adjustments made to reflect anticipated inflationary pressures and rising fuel and labor costs.

**Financial and budgetary impacts:**  
 This ordinance continues the five percent franchise fee that funds solid waste and recycling program administration costs. Because hauler revenues will increase slightly, City revenues from franchise fees are anticipated to increase by an estimated 0.3%.

**Community impacts and community involvement:**  
 Monthly rates for residential garbage and recycling collection service will increase slightly for most customers. The increase is less than one percent.

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

**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





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## PROPOSED 2017-18 SOLID WASTE & RECYCLING RATES May 18, 2017

Each year, the Bureau of Planning and Sustainability conducts analysis to establish rates for residential garbage, 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, which voted unanimously in support of the proposed rate changes.

The rates for all primary service levels are proposed to increase by 10 cents per month, or 0.3 percent, due to increases in fuel and labor costs.

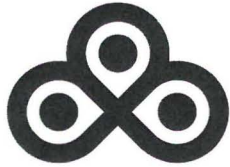
Service levels	Proposed 2017-18 rates	Current rates	Difference	Percent Change	Percent of customers*
32/35 gallons every four weeks	\$ 21.70	\$ 21.60	\$ 0.10	0.7%	7%
20-gallon service	\$ 24.60	\$ 24.50	\$ 0.10	0.4%	8%
32-gallon can	\$ 28.60	\$ 28.50	\$ 0.10	0.4%	11%
35-gallon cart	\$ 29.25	\$ 29.15	\$ 0.10	0.3%	44%
60-gallon cart	\$ 35.10	\$ 35.00	\$ 0.10	0.3%	22%
90-gallon cart	\$ 41.60	\$ 41.50	\$ 0.10	0.2%	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.

Proposed changes would also add 20 cents per month to customer bills in the westside terrain surcharge area—a total increase of one percent. The terrain surcharge covers the additional costs of servicing areas of Portland's westside with lower street connectivity, larger lots, and narrow, windy roads. Analysis shows recent hauler efficiency gains have occurred primarily outside the terrain area.

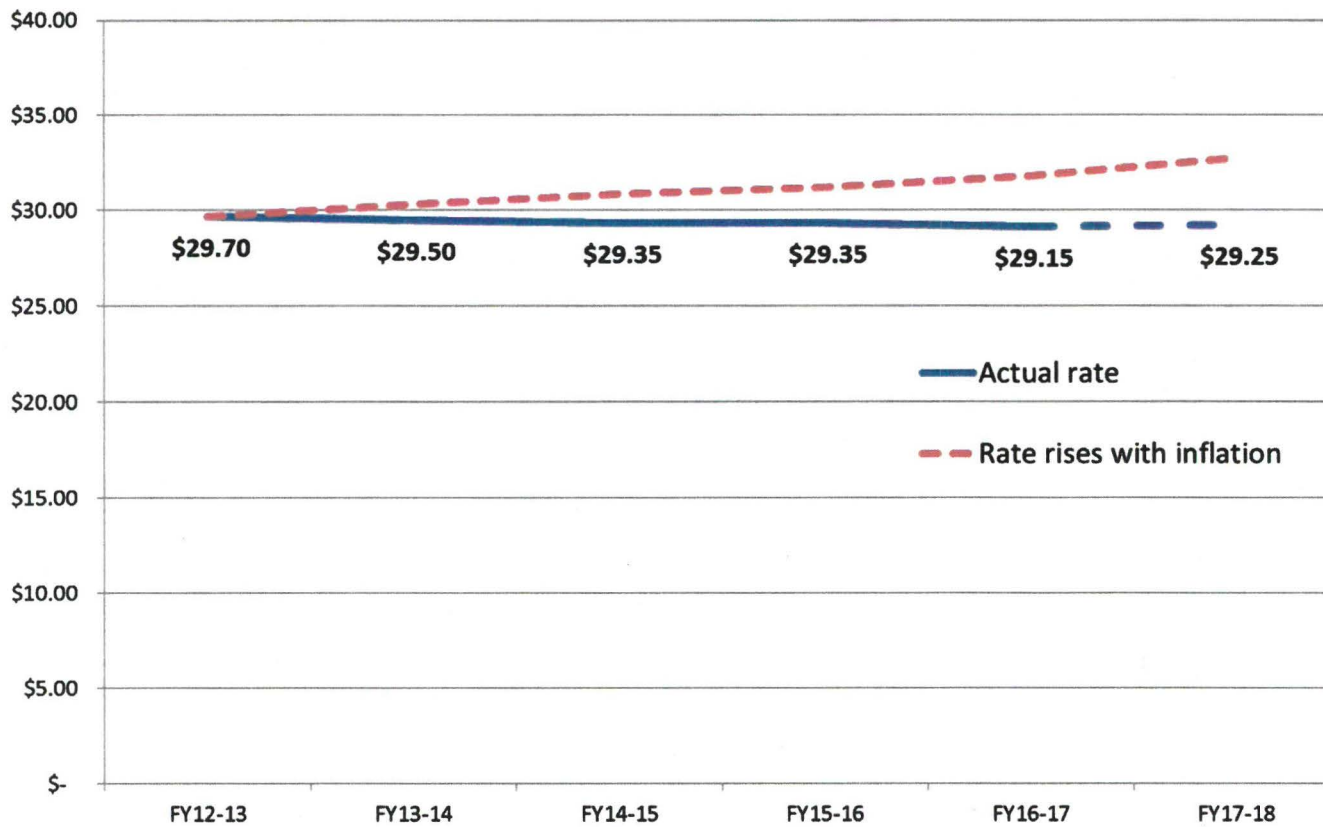


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### 35-gallon garbage roll cart five year trend Actual rate vs. scenario if rate rose with inflation



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