

RESOLUTION NO. 2022-44

**RESOLUTION FIXING SOLID WASTE RATES TO BE CHARGED
BY FRANCHISEE IN THE CITY OF FOREST GROVE, EFFECTIVE JULY 1, 2022,
AND REPEALING RESOLUTION NO. 2021-28**

WHEREAS, the City Council has adopted Ordinance No. 1987-2, known as the Forest Grove Solid Waste Management Ordinance; and

WHEREAS, Section 8, Paragraph 5, of Ordinance No. 1987-2 allows the Franchisee or the City to apply for a supplemental rate adjustment when there has been a change in the Franchisee's Metropolitan Service District (Metro) fee for services covered under the Ordinance; and

WHEREAS, Metro is increasing the solid waste tipping fee as of July 1, 2022, by \$8.30 per ton from \$115.15 per ton to \$123.45 per ton; and

WHEREAS, based on the Metro increase, Waste Management is requesting an average 2% increase in residential solid waste rates and an average 3% increase in commercial solid waste rate increases effective July 1, 2022; and

WHEREAS, Waste Management has furnished written proof of the increase by Metro as required by Section 8, Paragraph 5(a), of the Ordinance, and staff has verified and reported this information to the City Council as required by Section 8, Paragraph 5(b) of the Ordinance; and

WHEREAS, after verification of the fee increase by the City, Section 8, Paragraph 5(c) of the Ordinance states that the City Council shall approve a rate change for the Franchisee which passes through the changes in its fees set by Metro.

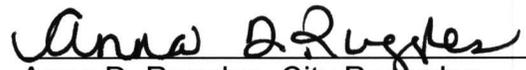
NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1. Effective July 1, 2022, solid waste service rates within the City of Forest Grove shall be uniform for the same service and shall not exceed those rates set forth in Exhibit A.

Section 2. Resolution No. 2021-28 is hereby repealed effective July 1, 2022.

Section 3. This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 27th day of June, 2022.



Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 27th day of June, 2022.



Peter B. Truax, Mayor

City of Forest Grove
Rates For Solid Waste Recycling
Effective July 1, 2022 Exhibit A

Residential Rates

	Current Rate	Proposed Rate
WEEKLY ROLL CART SERVICE		
One - 20gal cart - 1 pickup per week	\$ 22.80	\$ 23.15
One - 35gal cart - 1 pickup per week	\$ 25.70	\$ 26.15
Each additional 35gal cart	\$ 15.45	\$ 15.90
One - 60gal cart - 1 pickup per week	\$ 39.70	\$ 40.50
Each additional 60gal cart	\$ 29.25	\$ 30.05
One - 90gal cart - 1 pickup per week	\$ 55.70	\$ 56.90
Each additional 90gal cart	\$ 43.75	\$ 44.95
WILL CALL SERVICE		
Will call billed - 35gal cart	\$ 5.45	\$ 5.55
Will call container rental - 35gal cart (Includes Weekly Recycling)	\$ 10.90	\$ 10.90
EXTRAS		
Additional Recycling Roll Cart (added 2007)	\$ 5.15	\$ 5.15
Garbage - can or bag	\$ 8.65	\$ 8.75
Yard Debris - bag or 2x2 bundle	\$ 3.30	\$ 3.30
RECYCLING ONLY		
One Pickup per Week	\$ 9.40	\$ 9.40
YARD DEBRIS ONLY		
Bi-weekly pickup - 60 gal cart	\$ 4.75	\$ 4.75
Additional Yard Debris Cart	\$ 4.75	\$ 4.75
Bi-weekly pickup - 90 gal cart	\$ 5.25	\$ 5.25
Additional Yard Debris Cart	\$ 5.75	\$ 5.75
MISCELLANEOUS		
Call Back Charge	\$ 15.50	\$ 15.50
Distance Charge	\$ 2.60	\$ 2.60
Cart Delivery/Pickup Charge	\$ 14.50	\$ 14.50

City of Forest Grove
Rates For Solid Waste Recycling
Effective July 1, 2022 Exhibit A

Commercial and Multi-Family Rates

Rate Category	Serviced per Week	Monthly Adopted Rates	
<u>Commercial Rollcart Service (Loose)</u>		Current Rate	Proposed Rate
20 Gallon		\$ 20.93	\$ 21.28
35 Gallon		\$ 24.00	\$ 24.45
60 Gallon		\$ 38.82	\$ 39.62
90 Gallon		\$ 55.76	\$ 56.96
<u>Commercial Container Service (Loose)</u>			
<u>Container Size</u>			
Commercial Front Load Containers			
One yard		\$ 107.80	\$ 109.98
Each Additional		\$ 95.27	\$ 97.45
One yard		\$ 197.43	\$ 201.80
Each Additional		\$ 179.06	\$ 183.42
One yard		\$ 290.89	\$ 297.44
Each Additional		\$ 264.56	\$ 271.10
One yard		\$ 384.46	\$ 393.18
Each Additional		\$ 348.88	\$ 357.61
One yard		\$ 478.03	\$ 488.93
Each Additional		\$ 433.21	\$ 444.11
One and 1/2		\$ 144.81	\$ 148.08
Each Additional		\$ 133.34	\$ 136.61
One and 1/2		\$ 279.42	\$ 285.97
Each Additional		\$ 254.15	\$ 260.69
One and 1/2		\$ 412.87	\$ 422.68
Each Additional		\$ 374.85	\$ 384.66
One and 1/2		\$ 546.21	\$ 559.29
Each Additional		\$ 496.83	\$ 509.91
One and 1/2		\$ 679.55	\$ 695.91
Each Additional		\$ 618.70	\$ 635.05

City of Forest Grove
Rates For Solid Waste Recycling
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Commercial and Multi-Family Rates

Two yards	\$	182.46	\$	186.82
Each Additional	\$	167.59	\$	171.95
Two yards	\$	351.11	\$	359.84
Each Additional	\$	321.27	\$	329.99
Two yards	\$	523.27	\$	536.36
Each Additional	\$	474.95	\$	488.03
Two yards	\$	649.44	\$	666.89
Each Additional	\$	629.90	\$	647.35
Two yards	\$	783.69	\$	805.50
Each Additional	\$	745.78	\$	767.58
Three yards	\$	262.22	\$	268.76
Each Additional	\$	243.85	\$	250.39
Three yards	\$	507.13	\$	520.21
Each Additional	\$	471.55	\$	484.64
Three yards	\$	753.31	\$	772.94
Each Additional	\$	699.26	\$	718.88
Three yards	\$	998.22	\$	1,024.39
Each Additional	\$	927.07	\$	953.24
Three yards	\$	1,244.40	\$	1,277.12
Each Additional	\$	1,154.88	\$	1,187.59

City of Forest Grove
Rates For Solid Waste Recycling
Effective July 1, 2022 Exhibit A

Commercial and Multi-Family Rates

<u>Container Size</u>			
Commercial Front Load Containers			
Four yards	\$ 333.91		\$ 342.63
Each Additional	\$ 315.54		\$ 324.26
Four yards	\$ 649.44		\$ 666.89
Each Additional	\$ 612.59		\$ 630.04
Four yards	\$ 964.98		\$ 991.15
Each Additional	\$ 911.03		\$ 937.20
Four yards	\$ 1,217.58		\$ 1,217.58
Each Additional	\$ 1,145.26		\$ 1,145.26
Four yards	\$ 1,596.05		\$ 1,639.67
Each Additional	\$ 1,506.42		\$ 1,550.03
Six yards	\$ 442.88		\$ 455.96
Each Additional	\$ 419.94		\$ 433.02
Six yards	\$ 863.88		\$ 890.05
Each Additional	\$ 819.17		\$ 845.34
Six yards	\$ 1,286.05		\$ 1,325.30
Each Additional	\$ 1,218.40		\$ 1,257.65
Six yards	\$ 1,707.15		\$ 1,759.49
Each Additional	\$ 1,616.35		\$ 1,668.69
Six yards	\$ 2,129.22		\$ 2,194.64
Each Additional	\$ 2,014.41		\$ 2,079.83
Eight yards	\$ 574.79		\$ 592.23
Each Additional	\$ 534.54		\$ 551.98
Eight yards	\$ 1,103.59		\$ 1,138.48
Each Additional	\$ 1,023.19		\$ 1,058.09
Eight yards	\$ 1,631.33		\$ 1,683.66
Each Additional	\$ 1,510.68		\$ 1,563.02
Eight yards	\$ 2,160.13		\$ 2,229.91
Each Additional	\$ 1,999.24		\$ 2,069.02
Eight yards	\$ 2,687.76		\$ 2,774.99
Each Additional	\$ 2,486.83		\$ 2,574.06

City of Forest Grove
Rates For Solid Waste Recycling
Effective July 1, 2022 Exhibit A

Commercial and Multi-Family Rates			
<u>Commercial Container Services - Recycling</u>			
35 Gallon Rollcart	\$	6.48	\$ 6.48
60 Gallon Rollcart	\$	8.92	\$ 8.92
90 Gallon Rollcart	\$	10.30	\$ 10.30
1 Yard Container	\$	16.25	\$ 16.25
1.5 Yard Container	\$	20.82	\$ 20.82
2 Yard Container	\$	24.11	\$ 24.11
3 Yard Container	\$	33.56	\$ 33.56
4 Yard Container	\$	43.33	\$ 43.33
6 Yard Container	\$	53.95	\$ 53.95
8 Yard Container	\$	68.61	\$ 68.61
<u>Commercial Container Services - Will Call</u>			
1 Yard Container - Rental	\$	17.52	\$ 17.52
1 Yard Container - Dump Fee Per Pull	\$	25.65	\$ 26.21
2 Yard Container - Rental	\$	25.28	\$ 25.28
2 Yard Container - Dump Fee Per Pull	\$	51.09	\$ 52.22
3 Yard Container - Rental	\$	34.73	\$ 34.73
3 Yard Container - Dump Fee Per Pull	\$	76.74	\$ 78.43
<u>Commercial Container Services - Temporary</u>			
2 Yard Container - Delivery Fee	\$	43.54	\$ 43.54
2 Yard Container - Dump Fee Per Pull	\$	51.09	\$ 52.22
3 Yard Container - Delivery Fee	\$	43.54	\$ 43.54
3 Yard Container - Dump Fee Per Pull	\$	76.39	\$ 78.08
4 Yard Container - Delivery Fee	\$	43.54	\$ 43.54
4 Yard Container - Dump Fee Per Pull	\$	102.29	\$ 104.54

City of Forest Grove
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Roll-off Drop Box Service - Rates

	Rate	No Change in Rate
Non-Compacted		
Dry Waste		
10 Yard	\$ 176.72	\$ 176.72
20 Yard	\$ 176.72	\$ 176.72
30 Yard	\$ 206.56	\$ 206.56
40 Yard	\$ 235.23	\$ 235.23
Wet Waste		
10 Yard	\$ 199.87	\$ 199.87
20 Yard	\$ 212.08	\$ 212.08
30 Yard	\$ 261.78	\$ 261.78
40 Yard	\$ 298.21	\$ 298.21
Compacted		
Dry Waste		
10 Yard	\$ 235.23	\$ 235.23
20 Yard	\$ 235.23	\$ 235.23
30 Yard	\$ 251.80	\$ 251.80
40 Yard	\$ 289.40	\$ 289.40
Wet Waste		
10 Yard	\$ 289.40	\$ 289.40
20 Yard	\$ 289.40	\$ 289.40
30 Yard	\$ 361.19	\$ 361.19
40 Yard	\$ 431.81	\$ 431.81
Exchange Service		
Dry Waste		
20 Yard	\$ 156.86	\$ 156.86
30 Yard	\$ 187.76	\$ 187.76
40 Yard	\$ 247.45	\$ 247.45
Wet Waste		
20 Yard	\$ 192.22	\$ 192.22
30 Yard	\$ 242.99	\$ 242.99
40 Yard	\$ 310.32	\$ 310.32
Demmorage		
Dry Waste		
10-20 Yard	\$ 8.92	\$ 8.92
30 Yard	\$ 11.36	\$ 11.36
40 Yard	\$ 15.82	\$ 15.82



A place where families and businesses thrive.

<i>CITY RECORDER USE ONLY:</i>	
AGENDA ITEM #:	<u>F. 13.</u>
MEETING DATE:	<u>06/27/2022</u>
FINAL ACTION:	<u>RESO 2022-44</u>

CITY COUNCIL STAFF REPORT

TO: *City Council*

FROM: *Jesse VanderZanden, City Manager*

MEETING DATE: *June 27, 2022*

PROJECT TEAM: *Paul Downey, Director of Administrative Services*

SUBJECT TITLE: *Report on Waste Management’s Request for a Rate Increase Due to Increased Metro Solid Waste Tip Fees*

ACTION REQUESTED:	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Order	<input checked="" type="checkbox"/> X	<input type="checkbox"/> Resolution	<input type="checkbox"/> Motion	<input type="checkbox"/> Informational
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X all that apply

ISSUE STATEMENT: Metro is increasing its Solid Waste Tip Fees on July 1, 2022. City Ordinance No. 87-2 and subsequent amendments to the City’s solid waste franchise agreement for Waste Management, allows the Franchisee (Waste Management or WM) or the City to apply for a supplemental rate adjustment. After the procedures in the rate increase have been followed and verified by City staff, the Ordinance states “the City Council shall approve a rate change for the Franchisee which passes through the changes in its fees set by the Metropolitan Service District (Metro).” Staff has prepared a resolution increasing WM’s residential and commercial rates as of July 1, 2022, for Council approval.

BACKGROUND: Waste Management requested an increase on July 1, 2022, for the increase in the Metro tipping costs and increased costs that Waste Management is incurring for fuel and having fewer tons allowed to be disposed of at the transfer station which increases the per ton burden on covering general and administrative costs. Staff reviewed the request and is recommending only the increase based on the Metro tipping fee increase be submitted for Council approval. Waste Management had an 11.1% rate of return in 2021 which is on the high end of the allowed rate of return allowed by the City. Based on that rate of return, staff is recommending that the Waste Management portion of the increase request be denied at this time.

Section 8, Paragraph 4, of the Ordinance describes the procedures for a regular rate review process. Section 8, paragraph 5, of the Ordinance establishes a procedure for a supplemental rate review when there has been a change in the fees imposed by Metro for services under this Ordinance. That section states:

(5) As an exception to the rate change procedure provided in subsection (4) above, when there has been a change in the Franchisee's Metropolitan Service District fee for services covered under this Ordinance, the Franchisee or the City may apply for a supplemental rate

adjustment based upon the following procedures:

- (a) Franchisee shall furnish to the City Manager written proof that the Franchisee's Metropolitan Service District fees have been changed for services that are covered by this Ordinance.
- (b) The City Manager shall verify and report this information to the City Council.
- (c) The City Council shall approve a rate change for the Franchisee which passes through the changes in its fees set by the Metropolitan Service District. Such a rate change shall be retroactive to the date that the Metropolitan Service District rate change is effective.

Metro's Tip Fee is increasing by \$8.30 per ton on July 1, 2022, from \$115.15 per ton to \$123.45 per ton. The breakdown of that fee is as follows:

Metro Solid Waste Tip Fee				
	Effective			Change
	7/1/2020	7/1/2021	7/1/2022	2021 to 2022
Total Tip Fee	98.35	115.15	123.45	
Increase in Tip Fee		16.80	8.30	7.2%
Change in Components:				
Tonnage	64.41	72.81	78.39	5.58
Regional System Fee	18.58	25.65	29.37	3.72
Excise Tax	12.47	13.80	12.80	(1.00)
DEQ Fees	1.89	1.89	1.89	-
Comm. Enhancement	1.00	1.00	1.00	-
	98.35	115.15	123.45	8.30

The components of the Tip Fee that are changing are:

- An increase in the Tonnage Fee which covers the cost of Metro's disposal and recovery operations
- An increase in the Regional System fee which covers the costs of Metro's solid waste programs and services
- A decrease in the Metro Excise Tax which contributes toward Metro's general government revenue

WM has furnished written proof to City staff that Metro's fees are changing for services that are covered by this Ordinance and staff has verified this information and is reporting it to the City Council tonight.

The Tip Fee is one cost element in the rates charged by WM. Another cost element is the 5% franchise fee the City charges based on WM's gross revenue for collection services in Forest Grove. As revenue increases, the franchise fee increases. Waste Management has determined that this increase in the Tip Fee and the resulting increase in franchise fees results in the need for residential rates to increase by an average of 2.0% and commercial rates to increase by an average of 3.0% as of July 1, 2022. Staff has reviewed the percentage increases and determined that they are accurate. Since collection rates are billed as bundled service, the rate increase will be included in the total monthly rate on the invoice.

STAFF RECOMMENDATION: After reviewing the rate increase proposal and the requirements of Section 8(5) of the Ordinance, staff is recommending that the rate increases requested by WM for residential and commercial services be approved as of July 1, 2022, as is required by the Ordinance.

ATTACHMENTS: Resolution Fixing Solid Waste Rates and Exhibit A to the Resolution