

Garbage and recycling collection rates FAQs

Collection rates

Who provides garbage and recycling collection services in unincorporated Washington County?

Nine certificated garbage and recycling companies provide garbage and recycling collection services in the unincorporated areas of Washington County.

What causes a rates increase or decrease?

- The primary reason for most rate adjustments is a change in costs.
- Increased disposal costs, fuel or labor will increase the expense of providing garbage and recycling collection services. When costs increase, and revenue stays the same, the return on revenue will decrease.
- A higher customer base or more profitable recycling markets may increase revenue or lower costs, and rates may need to decrease to maintain an appropriate return on revenue.

What does my garbage and recycling collection rate pay for?

- Garbage and recycling collection rates pay for the costs associated with providing garbage, recycling and, in urban unincorporated Washington County, yard debris collection service.
- There are seven significant components of the residential collection service rate, including:
 - o Salaries and benefits of collection company employees, including insurance, payroll and medical expenses
 - o Disposal and processing costs for materials collected
 - o General and administrative collection company costs, including utilities and allocation of support staff salaries
 - o Vehicle, equipment and yard costs to cover maintenance, purchases and building leases
 - o Certificated garbage and recycling company profit margin
 - o Certificate fees paid to the County
 - o Fuel for operating trucks and equipment

Who reviews garbage and recycling rate adjustments?

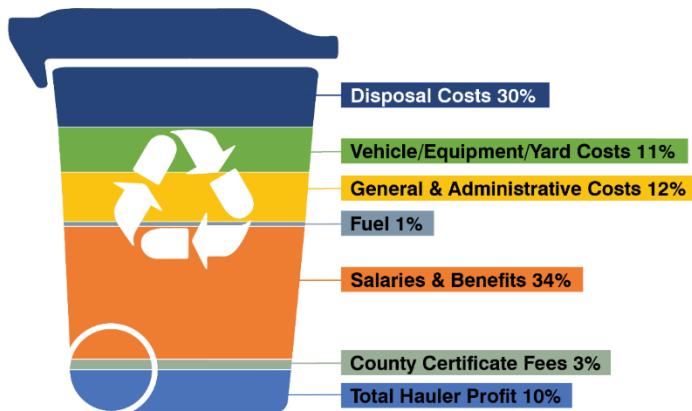
- The Garbage and Recycling Advisory Committee reviews proposed rate adjustments.
- The Board of County Commissioners will review and approve proposed rate adjustments if the advisory committee recommends a rate adjustment.

- Community members and businesses can provide information or testimony to the Garbage and Recycling Advisory Committee or the Board of County Commissioners.

Who approves garbage and recycling proposed rate adjustments?

The Board of County Commissioners approves any rate adjustments.

What makes up my collection rate?



The roll cart image shows the percent and dollar amount for each cost category for the standard residential **32-gallon** per week garbage, recycling and yard debris bundled service.

What are bundled services?

Bundled services provide services as a package, and costs for each service line are calculated together and not separately.

What are the service lines included in bundled services?

- The service lines are garbage, mixed recycling, battery recycling, glass recycling and yard debris.
- The bundled service packages vary depending on whether you live in urban or rural areas in unincorporated Washington County.
- Refer to approved rates for more details.

What are the benefits of bundled services?

Providing bundled services supports everyone in the County with equal access to essential waste collection services at fair and reasonable rates.

What is the cost associated with recycling?

- Recycling collection service costs are often higher than revenue from selling recyclable materials.

- Higher delivery cost of recyclable materials to a recycling facility may be associated when recycling markets are weak.
- Recycling markets are also volatile and unpredictable.
- Revenue is generated from selling recyclable materials when recycling markets are strong.
- Revenue generated from the sale of recyclable materials helps determine a fair, just and reasonable service rates.

How can I manage my waste differently to save money?

- Garbage and recycling collection service rates in unincorporated Washington County are set using a pay-as-you-throw approach.
 - o The pay-as-you through approach links total garbage service volume with service cost.
 - o A **20-gallon** garbage collection service costs less than a **95-gallon** collection service.
- Community members and businesses can optimize their service cost by:
 - o Signing up for volumes that regularly meet their household or business needs.
 - o Setting out extra materials for a one-time charge for occasional events or gatherings that generate more garbage than average.
 - o Separating recycling and yard debris from the garbage.

Franchise system

What is a franchise system?

- The franchise system grants certificated garbage and recycling companies exclusive rights to serve certain geographical areas.

Why does Washington County use a franchise system to regulate garbage and recycling collection?

- The County manages a comprehensive waste collection system through a franchise model under authority granted to local governments by [ORS 459A.085](#).
- Washington County employs a franchise system to regulate garbage and recycling collection within the unincorporated area of Washington County.
- The practice of requiring a sanitary certificate to provide solid waste collection services has existed in Oregon and Washington County for decades.

What are the benefits of the franchise system?

The franchise model allows Washington County to ensure that:

- Community members have equal access to waste collection services regardless of location.
- Regulatory safeguards are in place to protect the health and welfare of our community.
- Rates are set through a public process to ensure they are fair and just.
- Garbage and recycling collection rates are based on overall system data, not the financial performance of individual service providers.
- Services align with the goals set by the [2030 Regional Waste Plan](#).

Who is served by the established franchise system?

Nine certificated garbage and recycling collection companies serve areas in unincorporated Washington County:

- Over **66,000** residential households
- **1,200** commercial establishments and multifamily communities

Washington County's role

What role does Washington County play in setting garbage and recycling collection rates?

Washington County is responsible for protecting ratepayers from high costs by setting service fees and rates since the franchise system displaces competition within the market.

What is the timeline for the annual rate review process?

- The County conducts an annual rate review of all certificated garbage and recycling companies' financial and program data (# of customers, tons collected, etc.) for the prior calendar year.
- The County requires that all certificated garbage and recycling collection companies submit annual financial reports by March 15 of each year.
- The annual financial reports submitted are called detailed cost reports. The reports include the costs associated with providing garbage and recycling services and the revenue received from rate-paying customers.
- County staff and an independent certified public accounting firm review detailed cost reports (financial and program data) from each certificated garbage and recycling collection company to ensure accuracy. This process occurs March-May.

- The County contracts a certified accounting firm to support the review process, including:
 - Site visits
 - Accounting reviews
 - Adjustment recommendations
- County staff present the rate review outcomes to the May Garbage and Recycling Advisory Committee meeting.
- In June, the Board of County Commissioners will review and approve proposed rate adjustments if the advisory committee recommends a rate adjustment.
- In July, collection companies provide written notice to their customers before implementing any rate adjustments.

How is the return on revenue calculated?

- The rate of return for the garbage and recycling collection system is calculated by subtracting total costs or expenses from total revenue to determine the overall profit earned.
- The profit earned is then divided by the total revenue to determine the return on revenue.

Return on Revenue methodology

$$\text{Revenues} - \text{Expenses} = \text{Profit}$$

$$\text{Profit/Revenues} = \text{Return on Revenue}$$

Current target 10% Return on Revenue

What is the current target return on revenue?

- The solid waste collection system's current target return on revenue is **10%**.
- The County may propose a rate increase if the return on revenue is **below 10%**.
- The County may propose a rate decrease if the return on revenue is **above 10%**.

Stay informed

For rate review process updates, please subscribe to the email list "[For interest in the garbage and recycling regulatory topics or Garbage and Recycling Advisory Committee \(GRAC\).](#)"