



Annual Rate Review Process Overview

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| March 10, 2022

Department of Health and Human Services

www.co.washington.or.us

→ County Authority to Set Rates

- **Authority of the Code:**
- **Section 8.04.330** provides that increases or decreases in the rates shall not be made by the board unless the board finds that the increase or decrease is based upon an increase or decrease in the cost of doing business or an increased cost of additional, better or more comprehensive service.



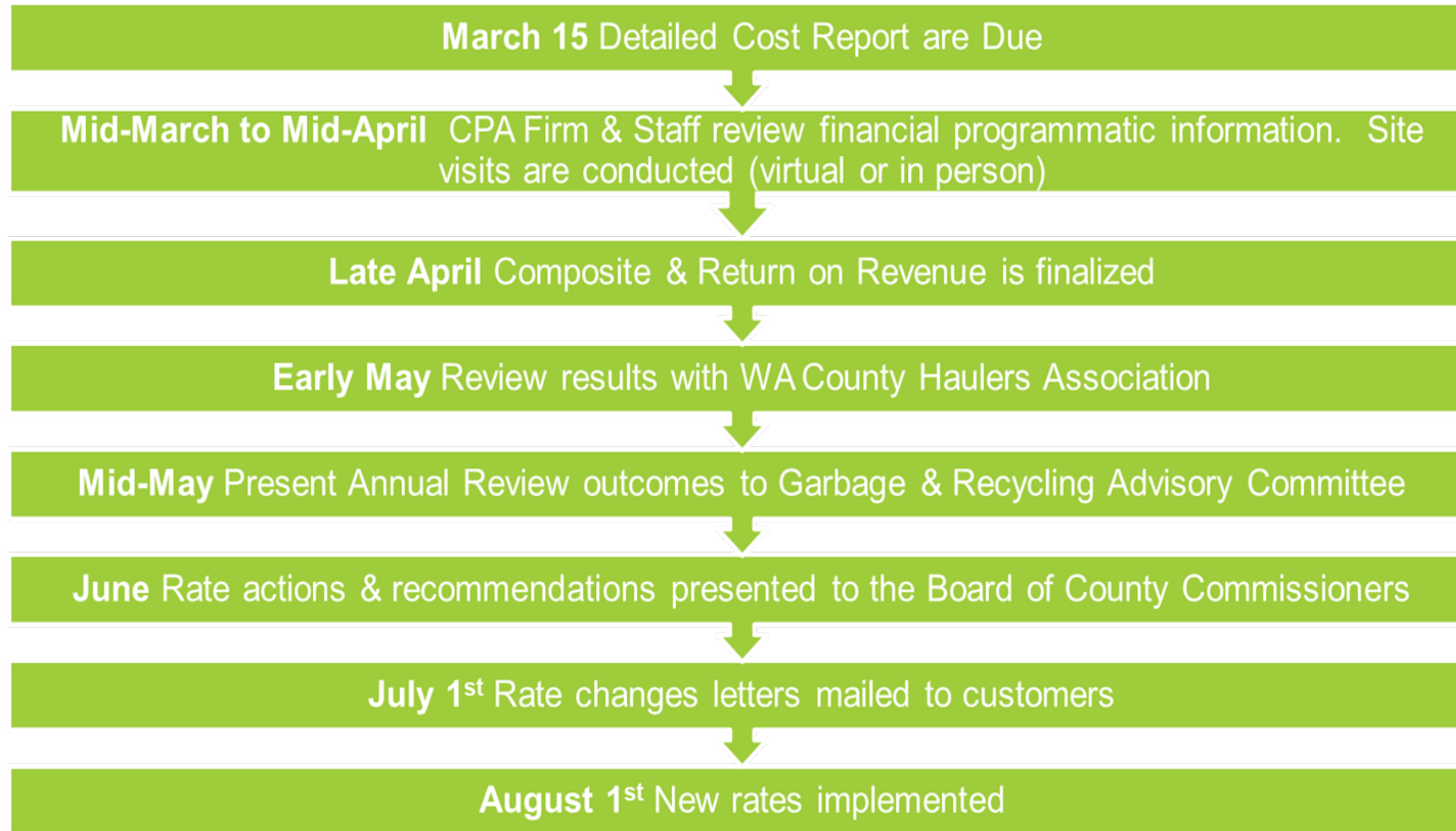
→ Rate Review Stakeholders



- **Washington County**
- **Community Members**
- **Certificated Haulers**



→ Annual Rate Review Timeline





Rates are Set from Analysis



- Existing collection services have rates established from historical studies
- Detailed Cost Reports (DCRs) are required annually from all certificate holders
- Board of County Commissioners (BCC) approves the target Return on Revenue (ROR), 10% has been the recent target
- Once a goal is established adjustments are made across the three service lines so that the aggregate revenue reaches the desired % increase/decrease needed to achieve the target ROR

→ Cost of Service Model

**Return on Revenue (ROR)
methodology is utilized**

Revenues – Expenses = Profit

Profit/Revenues = Return on Revenue

Current target 10% ROR



Data included in the DCR



- **Annual review of detailed financial information and the hauler's allocations is required**
- **Haulers must share data related to wages, labor, finances, equipment, customer accounts, and operational expenses**
 - Direct cost –are expenses the company can easily connect or trace to a specific product or service
 - Indirect cost – “shared” costs such as office space, or operational cost and equipment used for multiple lines of service and in multiple jurisdictions



Key considerations



- **In determining whether to grant a rate change the items below are considered by the BCC:**
 - investment in facilities and equipment
 - services of management
 - local wage scales
 - concentration of customers in the area served
 - methods of collection and transportation
 - length of haul to disposal facilities and the cost of disposal
 - reasonable return on revenue for the haulers
 - system impacts (foreseen and not)



Rates Provide Revenue

- Haulers remit to Washington County 3% of quarterly gross receipts
- This funding is directly allocated to the Washington County general fund
 - SWR budget is appropriated from general fund



Outcomes for the Stakeholders

- Washington County confirms that garbage and recycling rates are fair, just and reasonable for all rate payers
 - In addition, fees help fund the SWR Division and system oversight
- Community members can be confident that the garbage and recycling collection service rates are fair, reasonable and access is equal
- Private haulers earn a profit that is adequate for the essential services provided

→ Collection Service Rates - Types

- Residential collection rates
- Commercial container, cart and food scrap collection rates
- Occasional container, drop box and compactor collection rates
- Medical waste collection rates





Residential Rates

- **Residents can select standard service or will call**
 - Standard collection service includes weekly garbage, and every-other-week recycling and yard debris*
 - Will call service is available a la carte for garbage and it includes recycling and yard debris* collection service
 - All services are billed monthly

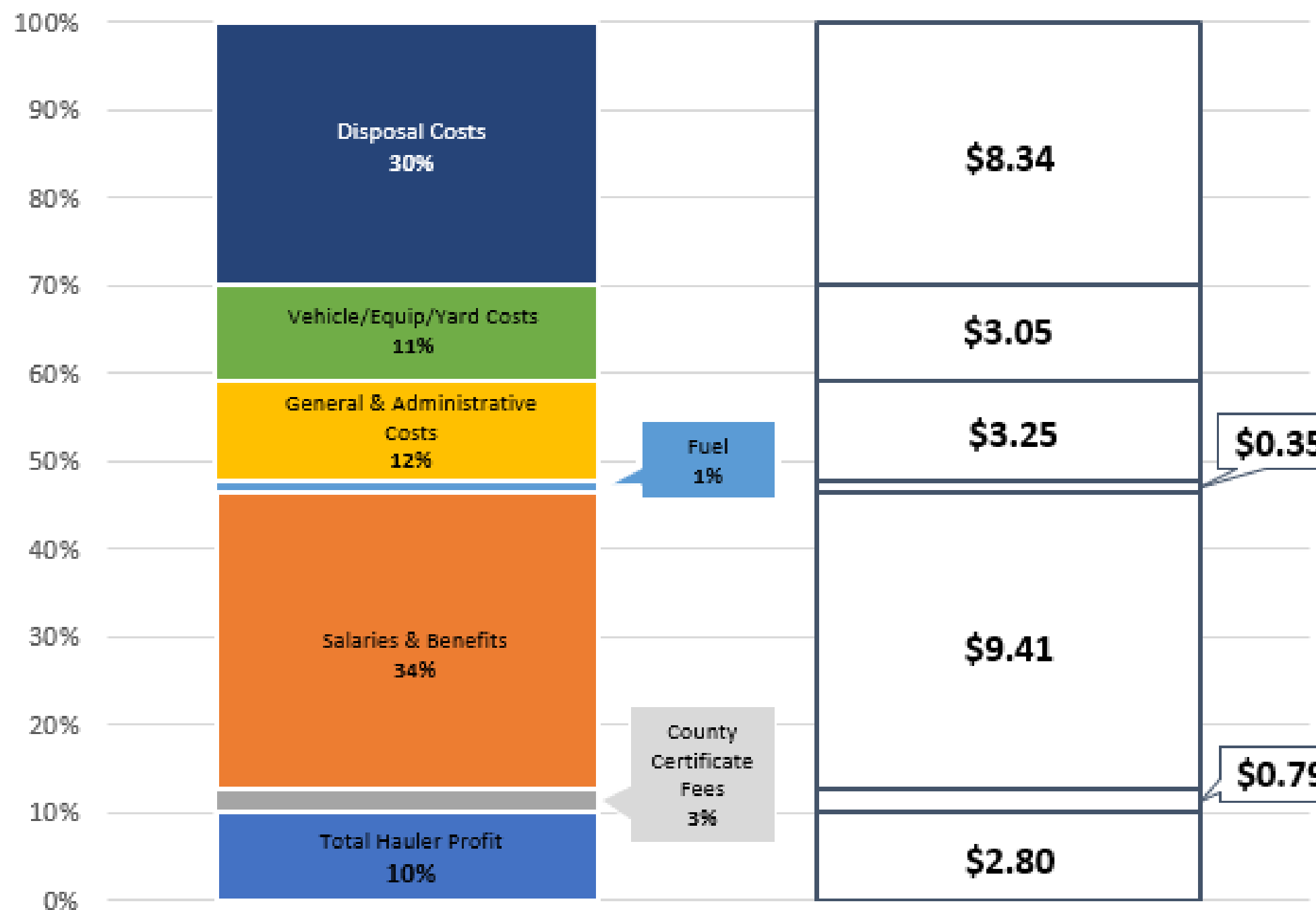
* Rural customers do not receive yard debris collection

→ Example Cost Breakdown

32-Gallon Urban Residential Collection



System Level 2020 Profit/Cost Breakdown





Commercial Rates



Commercial container and can/cart garbage collection service includes recycling collection

- Fees for container service are based on the number of stops per container/per week and are charged monthly
- Fees for can/cart service are charged monthly

Commercial food scraps* collection service is only available to urban customers

- Beginning April 1, 2022, food scraps becomes part of the commercial collection service bundle for no additional fee

→ Drop Box & Compactor Rates



Drop box, occasional container or compactor service

- Transportation and disposal have separate fees that apply – drop box/compactor customers pay *actual* cost of disposal
- Additional fees include mileage, profit margin, rental, and set up fees
- A la carte glass & mixed recycling is available for an additional fee



Medical Waste Rates



- **Rates are determined by the number and size of containers picked up**
 - Medical waste must be placed in approved medical and sharps containers
 - Service is often subcontracted out to specialty collection service providers

→ Where to find established rates

<https://www.co.washington.or.us/HHS/SWR/rates.cfm>

The screenshot shows the Washington County website's 'Collection Service Rates' page. The header includes the Washington County logo, navigation links (HOME, NEWS, CALENDAR, CONTACT US, SERVICES), and a language selection dropdown. The main content area features a 'HEALTH & HUMAN SERVICES' banner, a breadcrumb trail (County Home / Health and Human Services / Garbage & Recycling / Collection Service Rates), and a section titled 'Collection Service Rates'. This section contains a paragraph explaining that Washington County regulates garbage and recycling collection services in unincorporated areas and provides contact information for rates and rules. Below this is a list of links for various rates: All rates, Commercial container and cart rates, Commercial food scraps collection rates, Residential rates, Medical waste collection rates, Occasional container, drop box and compactor service rates, and Additional services and fees. The left sidebar contains a 'DEPARTMENTS' dropdown menu with options like Garbage and Recycling Services, Reduce, Reuse, Recycle, Business Services, Community Resource Library, Report a Problem, and About Us. It also includes a calendar icon, a 'HOT TOPICS' icon, and a 'Find us on Facebook' button.



Thank you

Any Questions?
Thank you!

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