



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: June 26, 2024

SUBJECT: Public Hearing and consideration of Order No. 2024-026 adjusting rates for Wilderness Garbage and Recycling, Cascade Disposal, Bend Garbage and Recycling, High Country Disposal and Deschutes Transfer Company

RECOMMENDED MOTION:

First, hold a public hearing; thereafter, consider approval of Board Order No. 2024-026 to provide for rate adjustments for residential, curbside waste and recyclables collection; and for commercial services, waste and recyclables transfer services, and backyard and walkup services.

Specifically, the Order will provide for: a 3% rate adjustment for residential, curbside waste and recyclables collection services provided to residents in unincorporated Deschutes County by Wilderness Garbage and Recycling, Cascade Disposal, Bend Garbage and Recycling, High Country Disposal, for Republic Services commercial customers, and for waste and recyclables transfer services provided to Deschutes County by Deschutes Transfer Company; a 5% increase for Cascade Disposal Commercial services; a 28% increase in Cascade Disposal backyard and walkup services; and a \$20 per month service fee for Republic Services backyard and walkup services.

BACKGROUND AND POLICY IMPLICATIONS:

Franchise Waste and Recyclables Collection Services & Deschutes Transfer

By Board Order, Deschutes County contracts for the collection of waste and recyclables in unincorporated Deschutes County through franchises granted to Cascade Disposal (a subsidiary of Waste Connections) and three other franchises granted to Wilderness Garbage and Recycling, Bend Garbage and Recycling and High Country Disposal (operated by Republic Services). All four franchises approached the Solid Waste Department with rate increase requests for FY24. Three percent (3%) of the rate increases are driven primarily by the pass-through cost increase in the per ton disposal fee increases charged at Knott Landfill beginning July 1, 2024. After several negotiation/discussion sessions with Republic Services and Waste Connections, it was determined that a 3% and 5% rate increases were appropriate and reasonable for waste and recyclables collection services in unincorporated Deschutes County.

Backyard and Walkup Service

Both Franchise Haulers approached the Solid Waste Department staff with requests for increases charges above the 3% pass-through costs of the disposal costs increases for the special service requested and/or required by customers for backyard and walkup services for the collection of waste and recyclables. There are HOA's that have this requirement or are looking at them, and the costs to provide those services are significantly higher than fully-automated collections that can be provided curbside. Walkup services require additional costs due to time, as well as increased risks of injury, impacting workers compensation insurance rates.

Cascade Disposal's requested increase of 28% is due to the actual costs to provide side-yard service universally throughout the Sunriver community, where recycling service was begun the previous year and the costs were estimated. Outside of the Sunriver community, Cascade Disposal has additional but limited numbers of customers that subscribe to this additional service. With a full year of collections experience and cost tracking, staff felt the request is appropriate.

Republic Services has approximately 1,225 customers that are currently being provided this service. The service that they provide is more diverse than that provided at Sunriver where there is a relatively consistent distance to walk up. Republic has walk-ups that range from 25 feet to 150 feet. This has greatly impacted costs and driver retention on those routes with significant numbers of walkup service households. Upon review of this request, staff felt the request is appropriate due to the cost impacts as well as to encourage customers to bring the containers to the street themselves for automated service.

Both Cascade Disposal and Republic Services will waive the back-yard and walk-up services fees to those households that have special needs and this service is not discretionary, whether for a short-term or long-term duration.

BUDGET IMPACTS:

There are no budget impacts for the franchise collection service rate adjustments. Funds have been budgeted in the FY25 Solid Waste Operating Budget for the Deschutes Transfer rate increase.

ATTENDANCE:

Tim Brownell, Director of Solid Waste