



WASTE CONNECTIONS, INC.  
*Connect with the Future®*

February 5th, 2024

Byron Smith, City Manager  
Mark Morgan, Assistant City Manager  
180 NE 2<sup>nd</sup> Street, Suite 220  
Hermiston OR, 97838

RE: Rate Adjustment Application for Solid Waste and Recycling Services

Sanitary Disposal is not immune to the cost pressure and supply chain issues that have affected most businesses and consumers over the past few years. We believe that it is appropriate for the City to provide a reasonable increase in rates to allow us to meet and improve upon the service commitments we have made to The City of Hermiston, and to bring rates in line with those charged by other solid waste service providers in surrounding areas.

The City of Hermiston last awarded Sanitary Disposal a blended increase of 12.94% effective April 1<sup>st</sup>, 2023. With the increase in April, the resulting revenue was intended to cover a small portion of the increase in costs of operations that we have been absorbing for some time. As costs continue to climb, it is time to bring the rates and revenues more in line with the increased cost of service and neighboring service areas. Currently, we are requesting a 37.5% increase. While we acknowledge that this is a large increase, it is the result of discounted rates that have been in place for some time and are simply not sustainable given the continuing increases in the costs of service including capital costs, fuel, labor, and health insurance coverage for our employees.

Waste Connections continues to make substantial capital investments to modernize the fleet and collection methods. We have introduced a new billing system and computer system to provide customers with a more efficient and convenient way to manage their accounts. We have upgraded the safety practices of the company with tools like onboard cameras and sensors that help us to coach drivers and improve safe driving behaviors that protect both the drivers and the customers we serve. In total, we have invested over \$4.3M in new equipment and training in the two years that we have owned the Company. Some of this capital investment allows us to be more efficient, some improve the customer experience, and others simply provide a safer work environment for our employees and the public.

After a thorough review of our financial performance and a comparison to comparable rates in surrounding service areas, the requested price increase will allow us to continue to invest in the future and serve the residents of Hermiston in a safe and responsible manner. In addition, we would propose linking future rate adjustments to changes in the CPI-W index to keep adjustments small and manageable.

In the meantime, Waste Connections looks forward to continuing to be an integral part of the community. We place a high value on employee engagement in the local activities, and we work hard to energize our employees so that they are ambassadors of positivity in the neighborhoods and business district we serve. I am happy to make myself available to you and members of the Council to discuss our approach to our business community.

Regards,  
Kevin Miracle  
District Manager

**Waste Connections of Oregon, Inc.**  
**dba Sanitary Disposal**  
**Proposed City of Hermiston Rates**  
**Effective April 1, 2024**

SERVICE	CURRENT RATE	TOTAL INCREASE	NEW RATE
<b>CONTAINERS</b>			
(1) 1 1/2 Yd Container			
- Once a week	\$87.87	\$32.95	\$120.82
- Twice a week	\$166.35	\$62.38	\$228.73
- Three times a week	\$244.83	\$91.81	\$336.64
- Four times a week	\$323.31	\$121.24	\$444.55
- Six times a week	\$480.27	\$180.10	\$660.37
(2) 1 1/2 Yd Containers			
- Once a week	\$175.74	\$65.90	\$241.64
- Twice a week	\$332.70	\$124.76	\$457.46
- Three times a week	\$489.66	\$183.62	\$673.28
(3) 1 1/2 Yd Containers			
- Once a week	\$263.62	\$98.86	\$362.48
- Twice a week	\$499.05	\$187.14	\$686.19
- Three times a week	\$734.49	\$275.43	\$1,009.92
(1) 2 Yd Container			
- Once a week	\$114.24	\$42.84	\$157.08
- Twice a week	\$217.19	\$81.45	\$298.64
- Three times a week	\$320.14	\$120.05	\$440.19
- Four times a week	\$423.09	\$158.66	\$581.75
- Five times a week	\$526.03	\$197.26	\$723.29
- Six times a week	\$628.98	\$235.87	\$864.85
(2) 2 Yd Containers			
- Once a week	\$228.49	\$85.68	\$314.17
- Twice a week	\$434.38	\$162.89	\$597.27
- Three times a week	\$640.28	\$240.11	\$880.39
(3) 2 Yd Containers			
- Once a week	\$342.73	\$128.52	\$471.25
- Twice a week	\$685.46	\$257.05	\$942.51
- Three times a week	\$960.42	\$360.16	\$1,320.58

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SERVICE	CURRENT RATE	TOTAL INCREASE	NEW RATE
<b>RESIDENTIAL</b>			
<b>ROLLCARTS</b>			
Weekly- 35 Gal Cart			
- (1) cart	\$12.70	\$4.76	\$17.46
- (1) cart Senior Rate	\$10.46	\$3.92	\$14.38
- (2) carts	\$25.41	\$9.53	\$34.94
- (3) carts	\$38.11	\$14.29	\$52.40
- Walk-In Charge	\$6.68	\$2.51	\$9.19
- Extras (Per 35 Gal Equivalent)	\$2.96	\$1.11	\$4.07
Weekly- 90 Gal Cart			
- (1) cart	\$21.13	\$7.92	\$29.05
- (2) carts	\$42.27	\$15.85	\$58.12
- (3) carts	\$63.40	\$23.78	\$87.18
- (4) carts	\$84.53	\$31.70	\$116.23
- Walk-In Charge	\$6.68	\$2.51	\$9.19
<b>COMMERCIAL</b>			
<b>ROLLCARTS</b>			
Weekly- 35 Gal Cart			
- (1) cart	\$12.70	\$4.76	\$17.46
- (2) carts	\$25.41	\$9.53	\$34.94
- (3) carts	\$38.11	\$14.29	\$52.40
- Walk-In Charge	\$6.68	\$2.51	\$9.19
- Extras (Per 35 Gal Equivalent)	\$2.96	\$1.11	\$4.07
Weekly- 90 Gal Cart			
- (1) cart	\$25.97	\$9.74	\$35.71
- (2) carts	\$51.95	\$19.48	\$71.43
- (3) carts	\$77.92	\$29.22	\$107.14
- (4) carts	\$103.89	\$38.96	\$142.85

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SERVICE	CURRENT RATE	TOTAL INCREASE	NEW RATE
<b>RECYCLING CONTAINERS</b>			
- (1) 2 Yd Recycling Container			
- Once a week	\$12.45	\$41.46	\$53.91
- Twice a week	\$12.45	\$95.37	\$107.82
- Three times a week	\$12.45	\$149.28	\$161.73
- Four times a week	\$12.45	\$203.18	\$215.63
- Five times a week	\$12.45	\$257.09	\$269.54
- Recycling Compactor Haul	\$207.86	\$77.95	\$285.81
<b>DROP BOXES</b>			
- Delivery Fee	\$46.10	\$17.29	\$63.39
- Haul Fee (Up to 5 Tons)	\$65.12	\$24.42	\$89.54
- Disposal Fee (Whichever is Greater)			
- Per Cubic Yard	\$6.52	\$2.45	\$8.97
- Per Ton	\$73.34	\$27.50	\$100.84
- Haul Fee (Greater Than 5 Tons)	\$235.11	\$88.17	\$323.28
- Disposal Fee (Per Ton)	\$39.27	\$14.73	\$54.00
- Demurrage per day after 7 days	\$5.01	\$1.88	\$6.89
<b>COMPACTORS</b>			
Compacted dropboxes			
- Haul Fee (Up to 5 Tons, Per Hour)	\$85.57	\$32.09	\$117.66
- Disposal Fee (Whichever is Greater)			
- Per Cubic Yard	\$6.52	\$2.45	\$8.97
- Per Ton	\$73.34	\$27.50	\$100.84
- Haul Fee (Greater Than 5 Tons)	\$255.57	\$95.84	\$351.41
- Disposal Fee (Per Ton)	\$39.27	\$14.73	\$54.00

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SERVICE	CURRENT SDI RATE	TOTAL INCREASE	NEW SDI RATE	COMPARABLE AREA RATES		
				Pendleton Sanitary	Pilot Rock	West Richland
<b>RESIDENTIAL</b>						
<b>ROLLCARTS</b>						
Weekly- 35 Gal Cart						
- (1) cart	\$12.70	\$4.76	\$17.46	16.75	23.25	N/A
Weekly- 90 Gal Cart						
- (1) cart	\$21.13	\$7.92	\$29.05	33.60	43.25	30.67
<b>COMMERCIAL</b>						
<b>CONTAINERS</b>						
(1) 1 1/2 Yd Container						
- Once a week	\$87.87	\$32.95	\$120.82	124.92	127.75	136.52
(1) 2 Yd Container						
- Once a week	\$114.24	\$42.84	\$157.08	141.40	186.25	165.16