



January 9, 2024

City of Sandy  
Attn: Tyler Deems  
39520 Pioneer Blvd.  
Sandy, OR 97055

Tyler,

Hoodview Disposal and Recycling would like to propose a rate adjustment for solid waste and recycling services in the City of Sandy effective March 1, 2024. Section 7.3 of the franchise agreement references rates will be adjusted on an annual basis. I have included an analysis of the rate adjustment for your review that aligns with the contract language and previous requests.

In addition to the disposal and operating component per the franchise agreement, our business has continued to experience increasing cost pressures specifically for parts and materials for our equipment. We are also still awaiting delivery of new trucks ordered in 2023 due to challenging supply chain delays, which impacts our operating costs as a company.

Thank you for your time and consideration on this request. We truly appreciate the great working relationship we have with the City of Sandy. If you have any questions, please feel free to give me a call anytime.


Sincerely,

A handwritten signature in black ink that reads "Josh Brown". The signature is written in a cursive, flowing style.

Josh Brown  
District Manager



## Analysis of Proposed Rate Increase for Average Single-Family Customer Using 35-gallon Roll Cart Effective March 1, 2024

 Analysis of Proposed Rate Increases for Average Single Family Customer Using the 35 Gallon Roll Service Effective March 1, 2024			
	<u>Current Rate</u>	<u>Increase</u>	<u>New Rate</u>
Operating Component	\$ 21.03	\$ 0.86	\$ 21.89
Tipping Fee Components:			
Solid Waste Disposal	6.94	0.48	7.42
Recyclable Materials Processing	3.00	-	3.00
Yard Debris Processing	4.16	0.15	4.31
	<u>\$ 35.13</u>	<u>\$ 1.49</u>	<u>\$ 36.62</u>
<i>Calculation of Component Increase Percentages:</i>			
<b>Operating Component</b> - Section 7.3.2; Adjustment of the Operating Component; based on 80% of the annual change in the CPI-U or 5.00%, whichever is less			
CPI U 2023 1st Half	330.502		
CPI U 2022 1st Half	314.466		
80% of annual change in CPI U		4.08%	
Eligible Increase - CPI-U or 5% whichever is less		4.08%	
<b>Solid Waste Disposal</b> - Section 7.3.3; Adjustment of the Tipping Fee Component; pass through of actual tipping fee increases from regulatory agencies			
January 1, 2024 tip fee at Approved Transfer Station (\$/ton)	129.230		
Current Approved Transfer Station tip fee in contract (\$/ton)	120.900		
Percent increase in net tip fee at Approved Transfer Station		6.89%	
<b>Recyclable Materials Processing</b> - Section 7.3.3; There shall be no adjustment to the Recyclables Materials Processing tipping Fee Component of each rate over the Term of the Agreement.			
<b>Yard Debris Processing</b> - Section 7.3.3; Adjustment of the Tipping Fee Component; pass through of actual tipping fee increases from regulatory agencies			
January 1, 2024 tipping fee (\$/CY)	14.500		
Current tipping fee in contract (\$/CY)	14.000		
Percent increase in yard debris tipping fee		3.57%	