

Republic Services of Clackamas and Washington Counties

City of Tualatin

2021 Council Packet



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Service

Services Available in Tualatin

Residential Collection Service

- Weekly and On-Call curbside garbage cart service
- Curbside recycling cart service
- Yard debris cart collection service
- Oregon E-Cycles electronics waste collection center
- Pilot Project: Number 6 polystyrene collection at our Wilsonville depot

Commercial/Industrial Collection Services:

- Weekly or as-needed waste collection service
- Drop boxes for demolition and other extra large projects
- Recycling services tailored to specific business needs
- Food Scraps/Organic waste composting service
- Multi-family recycling and trash service

Other Services available for all customers:

- Temporary container and drop box service
- Holiday collection: all holidays, except Thanksgiving, Christmas and New Year's Day
- Seasonal service stops for customers gone more than four weeks
- Convenient payment via *Republic Services mobile app*.
(formerly known as: *My Resources*)
- Christmas tree collection
- Recycling center



Republic Services 4+

Republic Services, Inc.

★★★★★ 4.4 • 2.3K Ratings

Free

2020 Tualatin Service Facts

- We have 20 full-time drivers
- Our 19 Residential trucks servicing Tualatin are fueled by **Compressed Natural Gas (CNG)**
- Drivers are at the curbs of **5,374** Tualatin homes three times each week
- There were approximately **963,366** residential containers picked up every year



Detailed Customer Counts

Residential	
20G Can	810
30-35 gallon cart	2,852
60-65 gallon cart	1,712
Monthly	29
On-call Service	44

Multifamily Customers	
30-35 gallon cart	115
60-65G gallon cart	18
90-95G gallon cart	4
Front Load	62

Commercial Customers	
30-35 gallon cart	367
60-65 gallon cart	185
90-95 gallon cart	123
Frontload: Garbage	515
Frontload: Recycling	532

Industrial Customers	
Dropbox: Garbage	130
Dropbox: Recycling	129
Compactor	30



Chart notes: This chart represents a single snapshot in time. Customer counts change monthly.

Customer Service Summary

Customer Group	Number of Lifts	Reported Complaints	% of Total	Average per month
Residential	944,142	40	0.004%	3.33
Commercial	191,386	6	0.003%	0.50
Industrial	7,668	8	0.104%	0.67

Tualatin Customer Compliments

Julie: “Your customer service agent was able to update my auto pay quickly and was very knowledgeable.”

John: “You brought some Arizona sunshine to my rainy Oregon weather. Great customer service.”

Ouida: “Working with Saysha was quick and easy.”

Nelly: “Wanted to let you know that our driver is a 10 out of 10!”

2020 Wildfires

Gave 57 team members \$100 gift cards to help with unexpected expenses

Spent just over \$10,000 in lodging for those staff members that were evacuated from/lost their homes

Procured \$4,500 in additional PPE for crews working through the situation



2021 Ice Storm

At the peak, we had **109 coworkers** without power

-Six employees and their families had to stay in hotels

Provided **\$2,700** in lodging expenses to employees forced to evacuate

Provided **\$4,200** for meal assistance

Procured **generators** for some after power had returned for most

Hauled more than **112 tons** of storm debris





Financial Review

Statement of Income

4Y Financials	2019	2020	% Δ	2021	% Δ	2022	% Δ
	2Y Actuals			2Y Forecasted			
Revenue	9,765,280	10,240,786	4.9%	10,240,786	0.0%	10,711,862	4.6%
Cost of Operations	7,958,563	8,253,877	3.7%	8,615,060	4.4%	8,974,580	4.2%
Gross Profit	1,806,717	1,986,909	10.0%	1,625,725	-18.2%	1,737,282	6.9%
Sales, General and Administrative	650,275	643,399	-1.1%	652,920	1.5%	662,655	1.5%
Operating Income	1,156,442	1,343,509	16.2%	972,806	-27.6%	1,074,628	10.5%
<i>Op Income as a % of Revenue</i>	11.8%	13.1%		9.5%		10.0%	
Income Taxes	330,742	384,244	16.2%	283,767	-26.1%	399,439	40.8%
Net Income	825,699	959,266	16.2%	689,038	-28.2%	675,189	-2.0%
<i>Net Income as a % of Revenue</i>	8.5%	9.4%		6.7%		6.3%	

January 1, 2022, Requested Adjustment of 4.6%
 Profit Compared to Acceptable Profitability Range (8%-12%)

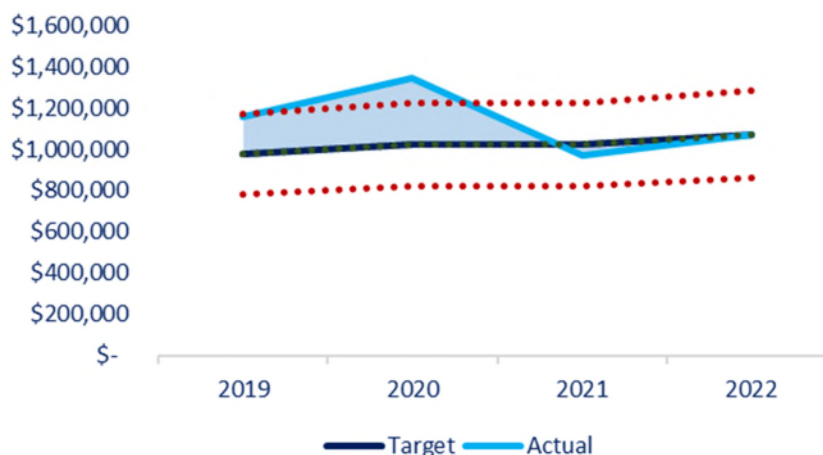


Chart notes: This chart does not take into account the new wet tonnage allocation and fees coming from Metro. The light blue shaded area above represents the lost opportunity cost of not earning a 10% margin (10% is widely considered the mid-point of acceptable margins of 8% to 12%). The chart specifically shows profit for the three years prior and for the next two years projected assuming a rate adjustment is not implemented.

Schedule of Expenses

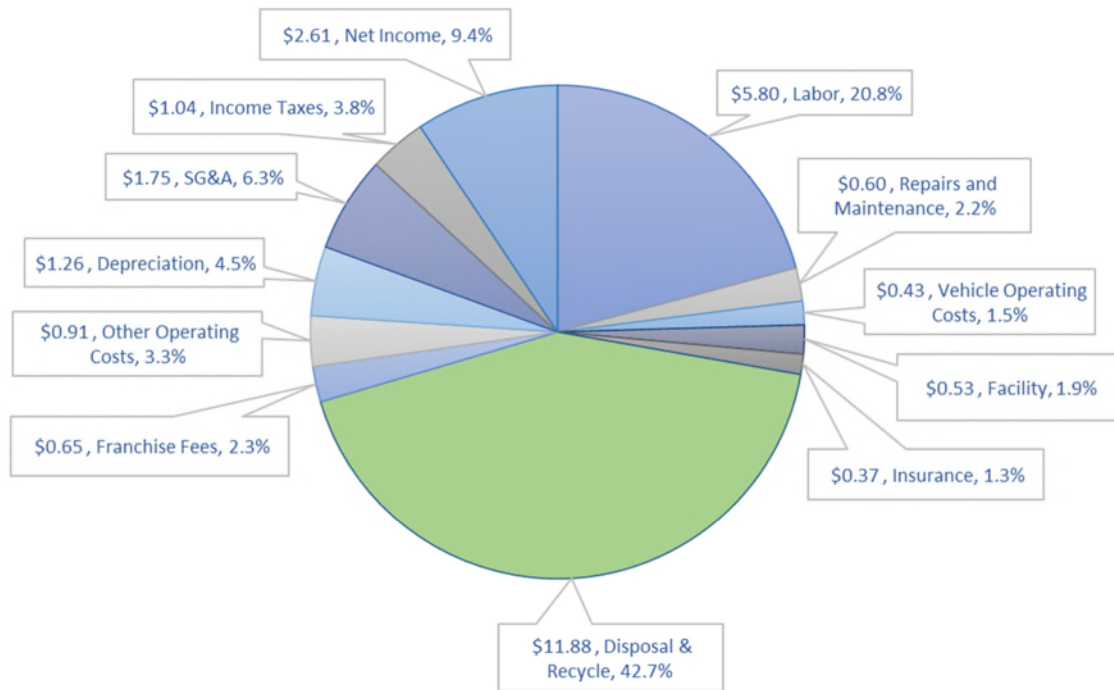
4Y Financials	2019	2020	% Δ	2021	% Δ	2022	% Δ
	2Y Actuals			2Y Forecasted			
<i>Cost of Operations</i>							
Labor	1,932,984	2,133,906	10.4%	2,181,919	2.3%	2,231,012	2.3%
Repairs and Maintenance	240,969	221,344	-8.1%	221,344	0.0%	221,344	0.0%
Vehicle Operating Costs	204,437	158,172	-22.6%	197,716	25.0%	197,716	0.0%
Facility	187,208	194,265	3.8%	194,265	0.0%	194,265	0.0%
Insurance	125,292	134,858	7.6%	134,858	0.0%	134,858	0.0%
Disposal & Recycle	4,314,649	4,370,713	1.3%	4,649,255	6.4%	4,945,549	6.4%
Franchise Fees	227,434	238,967	5.1%	238,967	0.0%	238,967	0.0%
Other Operating Costs	294,667	336,513	14.2%	336,513	0.0%	336,513	0.0%
Depreciation	430,923	465,140	7.9%	465,140	0.0%	465,140	0.0%
Cost of Operations	7,958,563	8,253,877	3.7%	8,619,976	4.4%	8,965,363	4.0%
<i>Sales, General and Administrative</i>							
Salaries and Coporate Overhead	431,391	423,138	-1.9%	432,658	2.3%	442,393	2.3%
Other SG&A Expenses	211,674	214,500	1.3%	214,500	0.0%	214,500	0.0%
Bad Debt Expense	7,210	5,761	-20.1%	5,761	0.0%	5,761	0.0%
Sales, General, and Administrative	650,275	643,399	-1.1%	652,920	1.5%	662,655	1.5%

Chart notes: This expense schedule is based on NO rate adjustment taking effect for 2021-2022. The only two line items that we would expect to see changed with a rate adjustment are Franchise Fees and Bad Debt.

* Some Detailed Cost Report expense classifications have changed in our 2020 reporting, consequently some 2020 expense line items may not align precisely with how expenses were previously reported.

What does my monthly payment go towards?

(based on 35 gallon customer rate)



Category	Percent	Amounts
Disposal & Recycle	42.7%	\$ 11.88
Labor	20.8%	\$ 5.80
Net Income	9.4%	\$ 2.61
SG&A	6.3%	\$ 1.75
Depreciation	4.5%	\$ 1.26
Income Taxes	3.8%	\$ 1.04
Other Operating Costs	3.3%	\$ 0.91
Franchise Fees	2.3%	\$ 0.65
Repairs and Maintenance	2.2%	\$ 0.60
Facility	1.9%	\$ 0.53
Vehicle Operating Costs	1.5%	\$ 0.43
Insurance	1.3%	\$ 0.37
Total	100%	\$27.84

Additional Information

2030 Sustainability Goals



Safety Amplified

0

Employee Fatalities

<2.0

Reduce our OSHA Total Recordable Incident Rate (TRIR) to 2.0 or less by 2030



Engaged Workforce

88%

Achieve and maintain employee engagement scores at or above 88% by 2030

Sustainability Innovation Focus



Climate Leadership

35%

Reduce absolute Scope 1 and 2 greenhouse gas emissions 35% by 2030 (2017 baseline year)
APPROVED BY SBTI

40%

Increase recovery of key materials by 40% on a combined basis by 2030 (2017 baseline year)

50%

Increase biogas sent to beneficial reuse by 50% by 2030 (2017 baseline year)



Charitable Giving

20M

Positively impact **20 million people** by 2030

Continue to Modernize Programs



Ensure collection assumptions reflect current reality across residential and commercial lines of business



Evaluate program recyclables that offer the best benefit to the planet



Consider better metrics to track recycling success



Increase public education, leading to lower contamination and better commodity values

Priority on Safety and Business Continuity



Proper PPE, in greater frequency



Plexiglass partitions



Leverage outdoor locations where possible



Create additional breakrooms, bathrooms and meeting rooms



Additional and more frequent cleaning and sanitation procedures



Glossary

Allocated Weights **Allocated weights** refers to the proportional amount of material based upon a city's percentage of the total division's hauls.

Bin **Bin** means container provided by Franchisee, used by customers for the containment and disposal of recyclable material.

Can **Can** means container owned by a customer, used for the containment and disposal of solid waste. The customer's use of a can requires manual collection.

Cart **Cart** means container provided by Franchisee, used by a customer for the containment and disposal of solid waste or recyclable material. The customer's use of a cart requires automated collection service.

Contract Group **Contract group** is a reference to a specific franchise.

Commingle & Mixed Recycling **Commingle and Mixed Recycling** means the process where two or more types of recyclable materials are collected together (i.e., not separated) in a combination allowed by the City Administrator, and as approved by the Oregon Department of Environmental Quality.

Compact & Compaction **Compact and Compaction** means the process of, or to engage in the shredding of material, or the manual or mechanical compression of material.

Container **Container** means can, cart, bin, drop box, receptacle, or other vessel used for the disposal of solid waste, recyclable material or yard waste that has been approved by the City Administrator and into which solid waste, recyclable material or yard debris may be placed for collection.

Dispose or Disposal **Dispose or Disposal** means the accumulation, storage, discarding, collection, removal, transportation, recycling or resource recovery of solid waste.

Division **Division** refers to Republic Services of Marion County as a whole hauling company.

Drop Box **Drop Box** means a single container designed for storage and collection of large volumes of solid waste or wastes or recyclable materials, which is usually ten cubic yards or larger in size, and provides for transportation of large volumes of solid waste or recyclable materials and is transported to a disposal or processing site for transfer, landfilling, recycling, materials recovery or utilization and then emptied and returned to either its original location or to some other location.

Hazardous Waste	Hazardous Waste means, but is not limited to, any amount of waste listed or characterized as hazardous by the United States Environmental Protection Agency or any state agency pursuant to the Resource Conservation and Recovery Act, and including future amendments thereto, and any other Applicable Law including, but not limited to, any hazardous wastes as defined by ORS 466.005
Household Hazardous Waste	Household Hazardous Waste means any discarded or unwanted chemical, material, substance or product that is or may be hazardous or toxic to the public or the environment, is commonly used around households and is generated by the household.
Infectious Waste	Infectious Waste means biological waste, cultures and stocks, pathological waste, and sharps, or as infectious waste is defined in ORS 459.386.
Pilot Program	Pilot Program means a program which allows Franchisee to offer services on a trial basis for six months or less and to determine rates for such services outside the approved rate structure. City Council approval is required prior to implementation of a pilot program.
Putrescible Material	Putrescible Material means organic materials that can decompose, which may create foul-smelling, offensive odors or products.
Recyclable Material	Recyclable Material means any material or group of materials that can be collected and sold for recycling at a net cost equal to or less than the cost of collection and disposal of the same material and excludes excluded waste.
Recycling	Recycling means any process by which solid waste is transformed into new or different products in such a manner that the original products may lose their original identity. As used in this Ordinance, recycling includes the collection, transportation and storage of solid waste, done in order to place the solid waste in the stream of commerce for recycling; or for resource recovery.
Resource Recovery	Resource Recovery means the process of obtaining useful material or energy resources from solid waste, including reuse, recycling, and other material recovery or energy recovery of or from solid wastes.

Solid Waste

Solid waste means all useless or discarded putrescible and non-putrescible materials, including but not limited to garbage, rubbish, refuse, ashes, paper, cardboard, sewage sludge, septic tank and cesspool pumpings, or other sludge, useless or discarded commercial, industrial, demolition, and construction materials, discarded or abandoned vehicles or parts thereof, discarded home and industrial appliances, manure, vegetable or animal solid and semi-solid wastes, and dead animals as defined in ORS 459.386. Solid waste does not include excluded waste.

Source Separation

Source Separation means the separation of waste materials by the generator in preparation for recovery by recycling or reuse.

Special Service

Special Service means collection of bulky waste, including furniture, appliances and large quantities of waste.

Total Source Separation

Total Source Separation means the complete separation by the source generator or producer of the waste by type or kind of waste from all other types or kinds of waste.

Waste

Waste means any material that is no longer wanted by or is no longer usable by the generator, producer or source of the material, which material is to be disposed of or to be resource-recovered by another person. Even though materials which would otherwise come within the definition of "waste" may from time to time have value and thus be resource-recovered does not remove them from this definition. Source-separated wastes are "wastes" within this definition.

Yard Debris

Yard Debris means grass clippings, leaves, tree and shrub prunings of no greater than four inches in diameter, or similar yard and garden vegetation. Yard Debris does not include dirt, sod, stumps, logs or tree/shrub prunings larger than four inches in diameter.



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