



# Tualatin

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## Sustainability in Action

Jason Jordan  
General Manager

Cindy Rogers  
Municipal Relationship Manager



Akimi Murata-Chambers  
Finance Manager

# Tualatin Service Facts

- ❖ Republic Services has 20 drivers servicing your city
- ❖ Drivers are at the curbs of 5,996 homes 3x each week
- ❖ Approximately 980,000 carts were picked up last year



# Tualatin Service Facts

-  6,027 Single-family Customers (Includes on-call)
-  55 Multi-family Customers
-  795 Commercial Customers
-  8,122 Industrial Hauls (Drop-boxes and Compactors)

# Annual Report Details

## Residential

## Customers

## Percent

- ♻️ 20 Gallon Can
- ♻️ 35 Gallon Cart
- ♻️ 65 Gallon Cart

533

9%

3,103

52%

2,360

39%



20 Gallon



35 Gallon



65 Gallon

# 2022 Residential Material

## Residential

## Volume in tons

 Commingled

1,458

 Garbage

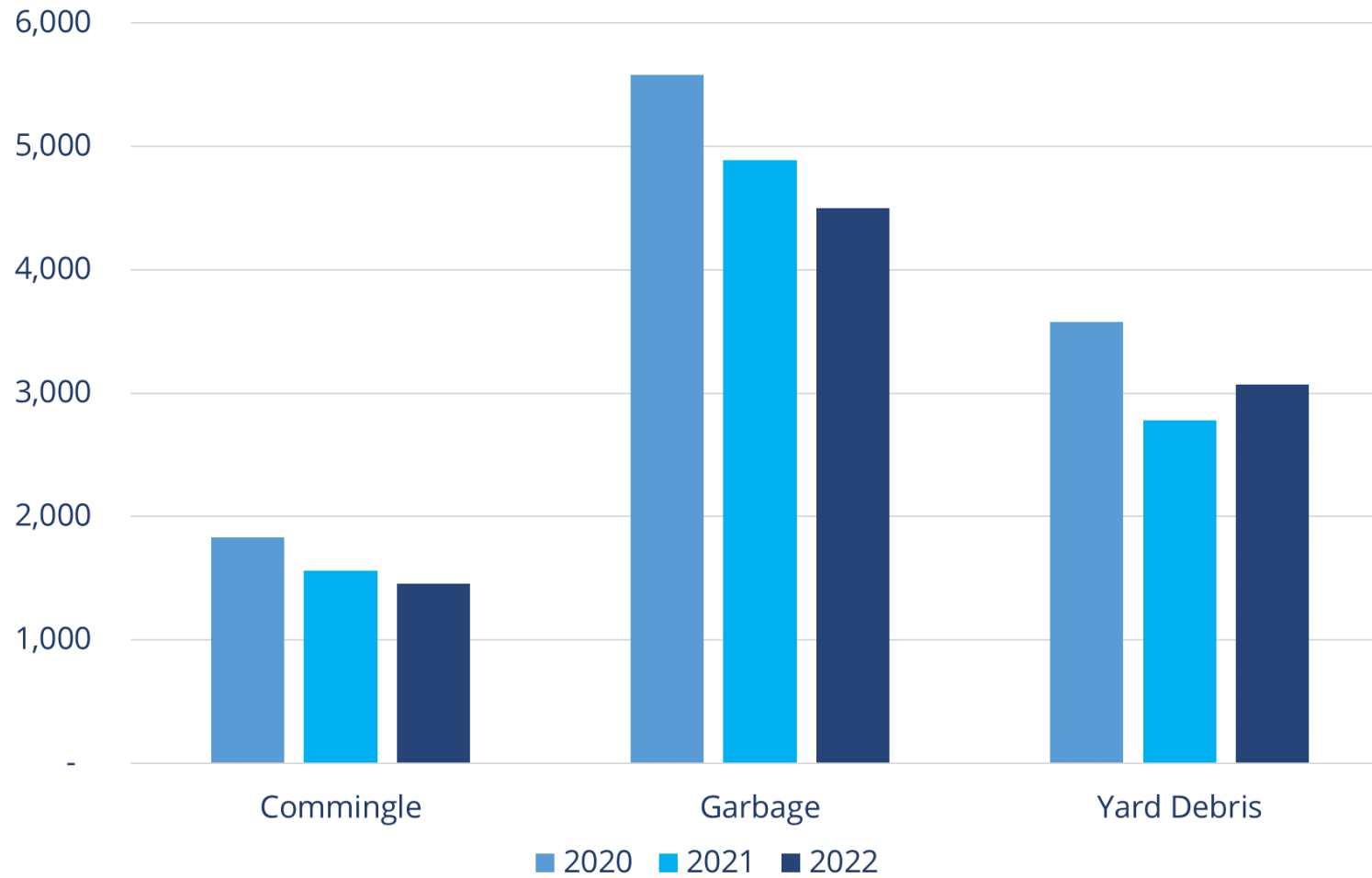
4,503

 Yard Debris

3,067



# Year Over Year Residential Tons



# Tualatin High School Career Fair

In Partnership with the Tualatin Chamber of Commerce



# Tualatin Bulky Waste Day





# Stoneridge Bulky Waste Day



# Tualatin Tour of Coffin Butte Landfill



# Tualatin Rid Patrol May 2023



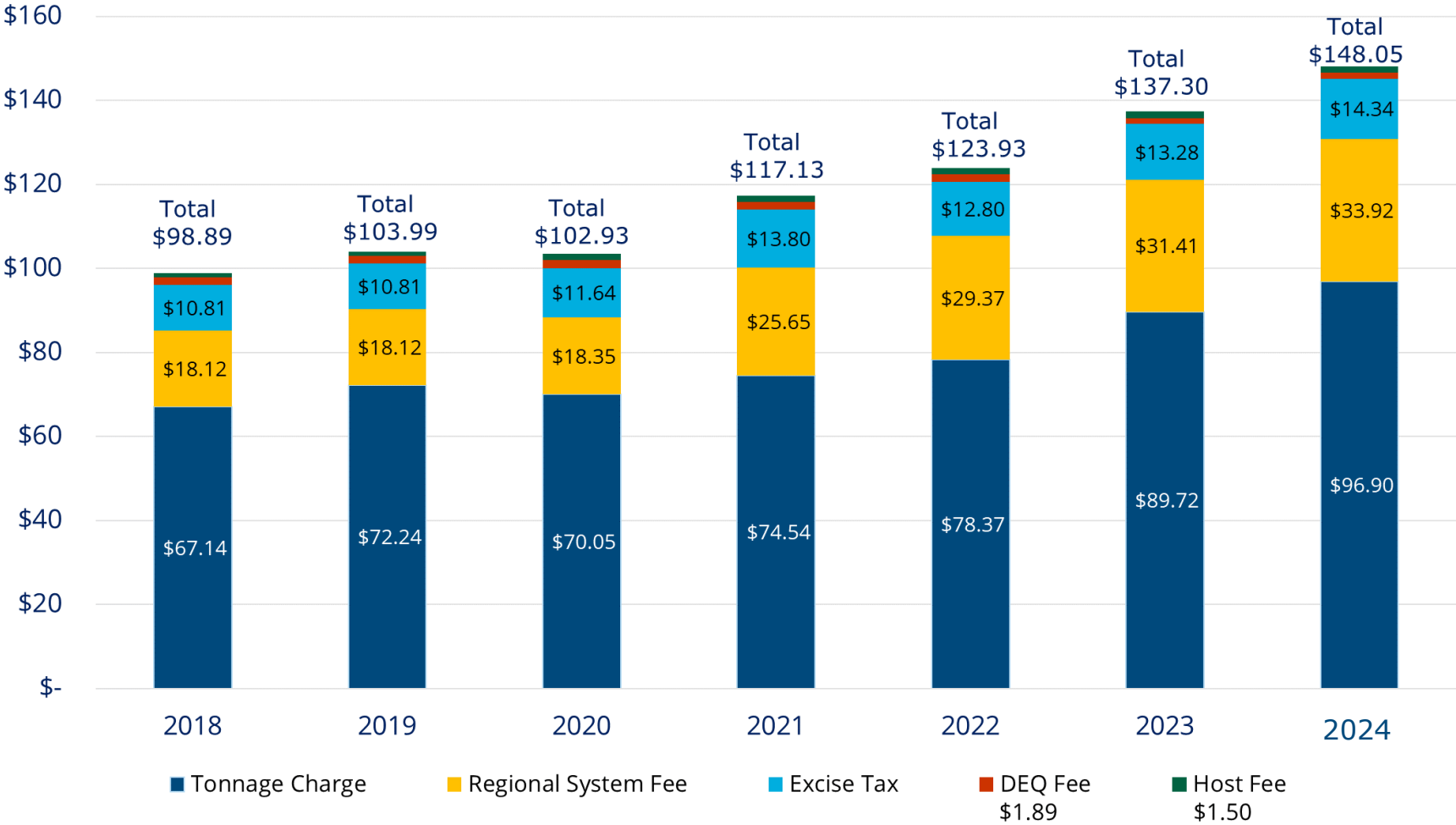
# Toys for Tots Bulky Waste Day



# Disposal Cost Components

- ✿ **Tonnage Charge** - covers the cost of facility operations, including sorting, reloading, transportation and disposal costs.
- ✿ **Metro's Regional System Fee** - This new fund is used to recover the costs for all associated regional solid waste activities related to managing, planning and administering the entire recycling, processing and disposal system.
- ✿ **Metro's Excise Tax** - Pays for Metro's general operations and services.
- ✿ **Metro's Host Fee** - Also referred to as the Community Enhancement Fee. This pays for grants to enhance the communities that host and are directly impacted by transfer stations.
- ✿ **DEQ Fee** - A fee assessed by Oregon Department of Environmental Quality to pay for a portion of its costs in regulating the state's solid waste system.

# Average per ton Disposal Rates



# 10% Industry Target

Does the hauling company really pocket the 10% margin? The answer is no. Before the profit can be returned to the owners, the following need to be paid.

Averages 3-4% of the margin is paid in local, state, and federal taxes. Most taxing authorities, tax the profits of the business while some tax the personal property. These taxes are not included in the allowable expense when calculating the operating margin by the local jurisdiction.

Another 3-4% is allocated to reserves used to run the day-to-day activities of the business. Every well-run business should have adequate cash reserves to meet payroll, daily operational expenses such as vehicle maintenance and disposal costs, and investing activities such as capital purchases.

The remaining portion is then passed back to the owners in the form of dividends and distributions, which is then again taxed as income.

# 2023 Request

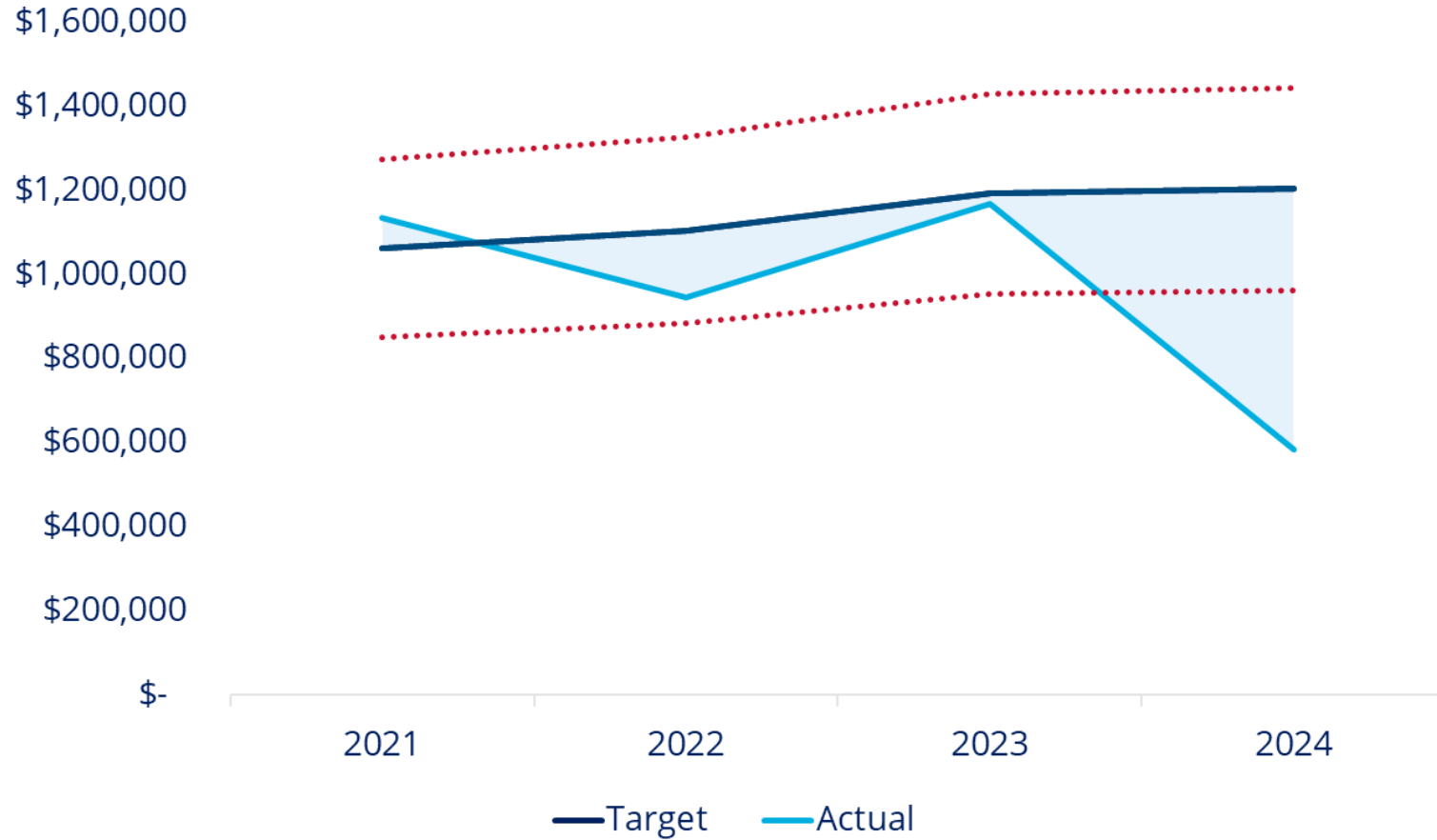
Due to three key factors: increases in the cost of disposal and recycling, unprecedented inflation, and labor Republic Services is asking for a **6%** rate adjustment on all services to take effect

January 1, 2024



# Tualatin Financials

Return Compared to Acceptable Range (8% - 12%)



# Statement of Income

(without requested adjustment included)

4 Year Financials	Actuals			Forecasted			
	2021	2022	% Δ	2023	% Δ	2024	% Δ
Revenue	\$10,634,491	\$11,060,008	4.0%	\$11,930,431	7.9%	\$12,049,735	1.0%
Franchise Fees	\$273,460	\$305,768	11.8%	\$357,913	17.1%	\$361,492	1.0%
Cost of Operations	\$8,385,464	\$8,969,550	7.0%	\$9,602,397	7.1%	\$10,305,413	7.3%
Gross Profit	\$1,975,567	\$1,784,690	-9.7%	\$1,970,121	10.4%	\$1,382,830	-29.8%
Sales, General and Administrative	\$838,975	\$790,508	-5.8%	\$808,195	2.2%	\$826,292	2.2%
Operating Income	\$1,136,592	\$994,182	-12.5%	\$1,161,925	16.9%	\$556,537	-52.1%
Income Taxes	\$331,544	\$371,029	11.9%	\$433,631	16.9%	\$207,700	-52.1%
Net Income	\$805,048	\$623,153	-22.6%	\$728,295	16.9%	\$348,838	-52.1%

# Statement of Income

(with requested adjustment included)

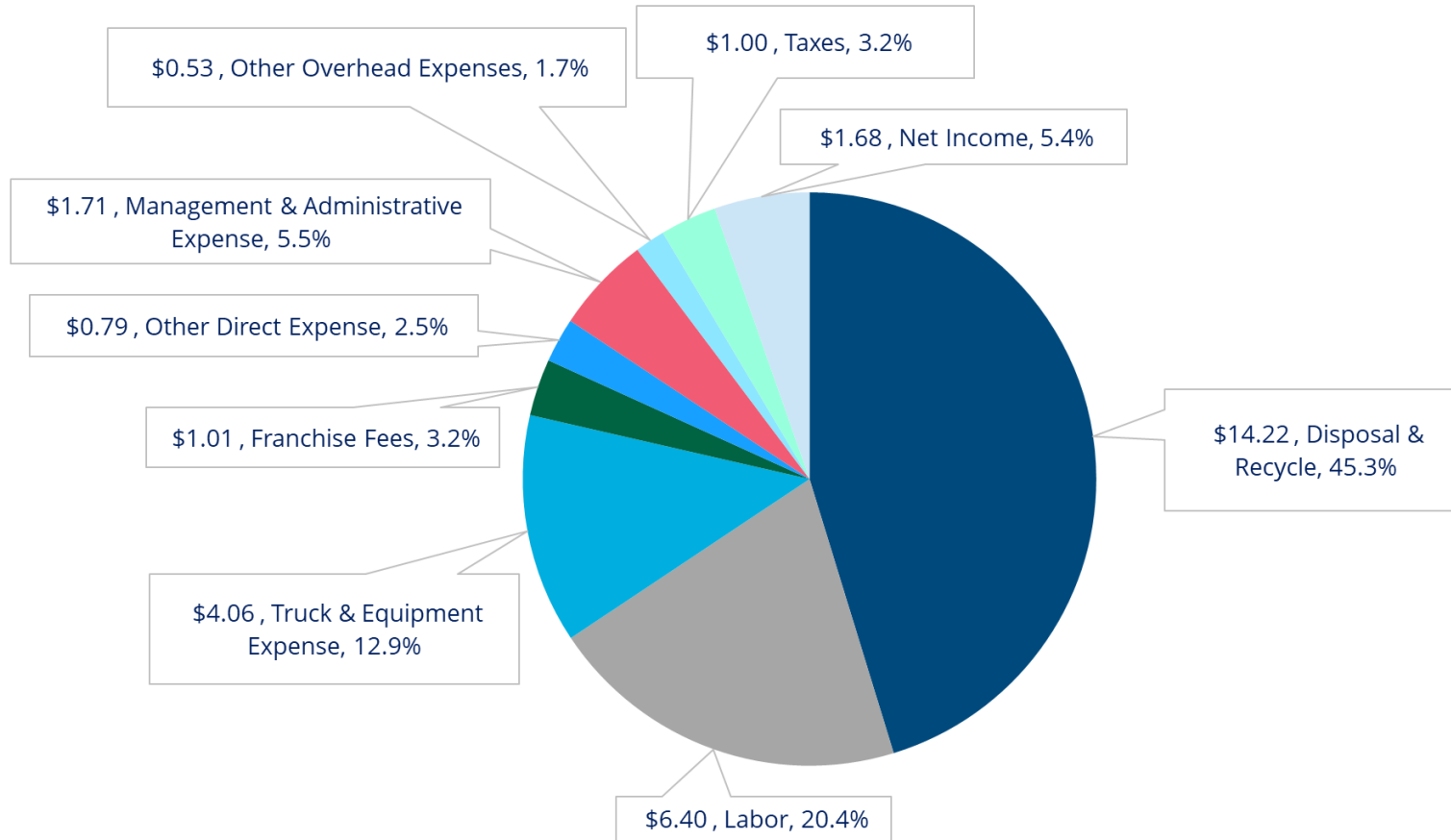
4 Year Financials	Actuals			Forecasted			
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Cost of Operations	\$8,385,464	\$8,969,550	7.0%	\$9,602,397	7.1%	\$10,305,413	7.3%
Gross Profit	\$1,975,567	\$1,784,690	-9.7%	\$1,970,121	10.4%	\$2,084,124	5.8%
Sales, General and Administrative	\$838,975	\$790,508	-5.8%	\$808,195	2.2%	\$826,292	2.2%
Operating Income	\$1,136,592	\$994,182	-12.5%	\$1,161,925	16.9%	\$1,257,832	8.3%
Income Taxes	\$331,544	\$371,029	11.9%	\$433,631	16.9%	\$469,423	8.3%
Net Income	\$805,048	\$623,153	-22.6%	\$728,295	16.9%	\$788,409	8.3%

# Table of Expenses

4Y Financial	Actuals			Forecasted			
	2021	2022	% Δ	2023	% Δ	2024	% Δ
<b>Pass Through Expenses</b>							
Franchise Fees	\$273,460	\$305,768	11.8%	\$357,913	17.1%	\$361,492	1.0%
Franchise Fees	\$273,460	\$305,768	11.8%	\$357,913	17.1%	\$361,492	1.0%
<b>Cost of Operations</b>							
Disposal & Recycle	\$4,469,571	\$5,005,610	12.0%	\$5,441,098	8.7%	\$5,963,443	9.6%
Labor	\$2,309,687	\$2,254,944	-2.4%	\$2,405,605	6.7%	\$2,515,215	4.6%
Truck & Equipment Expense	\$1,235,323	\$1,431,301	15.9%	\$1,472,445	2.9%	\$1,535,008	4.2%
Other Direct Expense	\$370,883	\$277,696	-25.1%	\$283,250	2.0%	\$291,747	3.0%
Cost of Operations	\$8,385,464	\$8,969,550	7.0%	\$9,602,397	7.1%	\$10,305,413	7.3%
<b>Sales, General and Administrative</b>							
Management & Administrative Expense	\$632,938	\$602,825	-4.8%	\$614,882	2.0%	\$627,180	2.0%
Other Overhead Expenses	\$206,037	\$187,683	-8.9%	\$193,313	3.0%	\$199,113	3.0%
Sales, General, and Administrative	\$838,975	\$790,508	-5.8%	\$808,195	2.2%	\$826,292	2.2%

# Where does my monthly payment go towards?

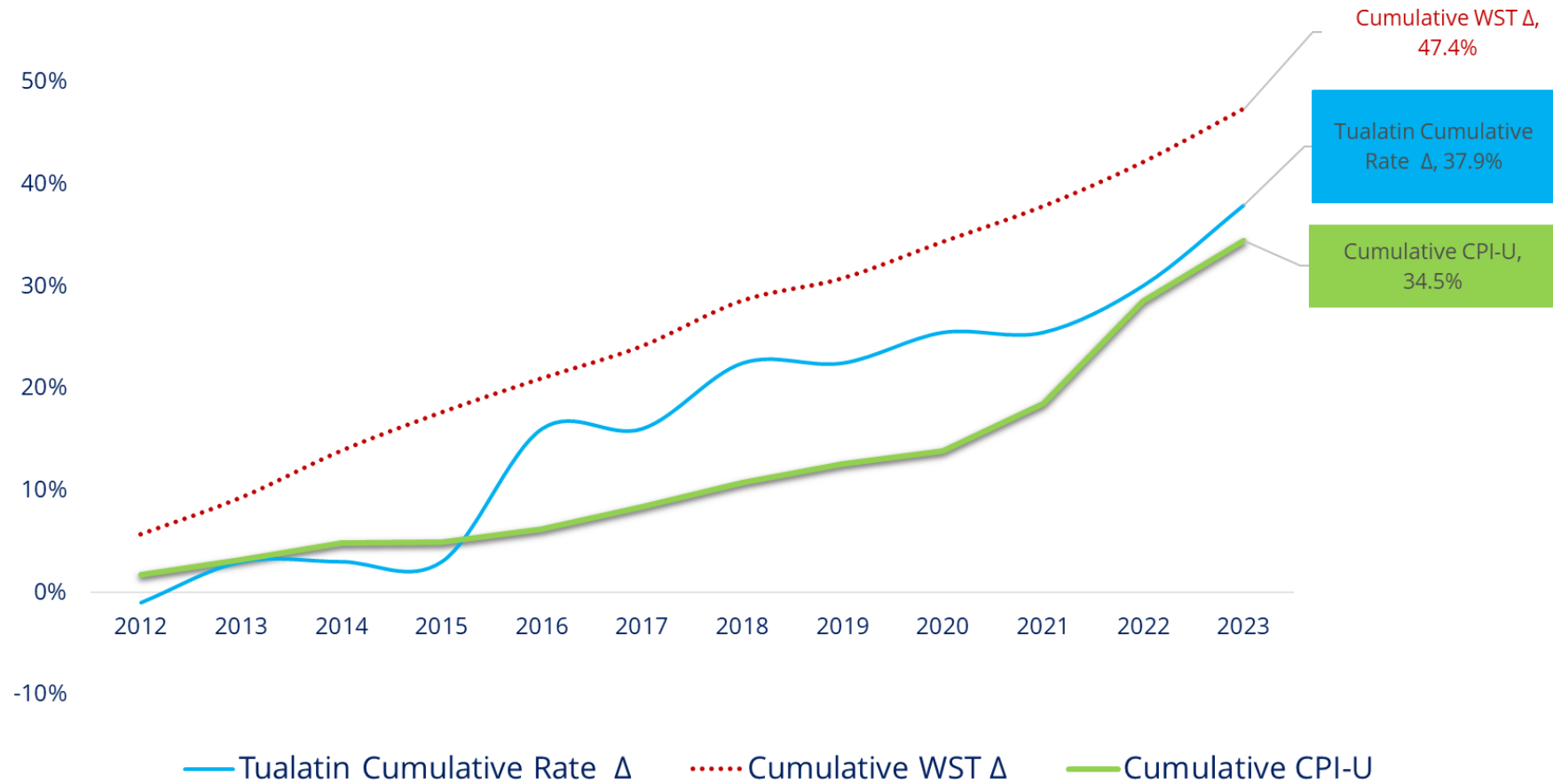
(Based on 2022 figures for a 35 Gallon customer's monthly rate: \$31.41)



35 Gallon

# Cumulative Price Adjustments

Tualatin and Water, Sewer, Trash Index (WST)



# Requested Adjustment

Residential Rates	Customers	Current	Proposed	\$ Δ
20 gallon	533	\$26.75	\$28.36	\$1.61
35 gallon	3,103	\$31.41	\$33.29	\$1.88
65 gallon	2,360	\$41.89	\$44.40	\$2.51

Commercial Rates	Containers	Current	Proposed	\$ Δ
1 yard	46	\$122.16	\$129.49	\$7.33
1.5 yard	39	\$154.87	\$164.16	\$9.29
2 yard	98	\$204.46	\$216.73	\$12.27
3 yard	114	\$285.35	\$302.47	\$17.12
4 yard	115	\$361.91	\$383.62	\$21.71
6 yard	43	\$510.37	\$540.99	\$30.62
8 yard	80	\$640.55	\$678.98	\$38.43

Trash containers only. Commercial Rates without Organics

Drop Boxes	Hauls	Current	Proposed	\$ Δ
10 yard	71	\$141.23	\$149.70	\$8.47
20 yard	868	\$141.23	\$149.70	\$8.47
30 yard	1,081	\$168.49	\$178.60	\$10.11

Permanent trash drop box hauls only

Year	Δ%	Effective Date
2023	6.0%	1/1/2024
2022	7.9%	1/1/2023
2021	4.6%	1/1/2022
2020	3.1%	7/1/2020
2018	6.5%	6/1/2018
2016	5.7%	6/1/2016



# Batteries

## Batteries Accepted:

- ✳ Alkaline batteries
- ✳ 6-volt batteries
- ✳ 9-volt batteries
- ✳ Button cell batteries
- ✳ Rechargeable batteries
- ✳ Lithium batteries
- ✳ Laptop and cell phone batteries



## Batteries Not Accepted:

- ✳ Batteries that do not fit in the 1-quart bag
- ✳ Battery back-up (UPS) units
- ✳ Lead-acid batteries (ex. vehicle batteries)





# Batteries

## Prepare Batteries for Collection:

1. Tape ends of all batteries except **alkaline**.
2. Place batteries in a 1-quart, **zip-sealed clear** plastic bag.
3. Set the clear, zip sealed bag of batteries on **top** of any glass in your glass bin.
  - a) Limit of a **single** 1-quart bag per pickup.



# Residential Food Waste

No impact on rates until 2025



65 Gallon

No plastic or bio. bags

# Summary

- ✿ Disposal and Recycling – increase of 8.7% in 2023, projected 9.6% in 2024.
- ✿ Inflation – increase of 3.2% in 2023, projected 3% in 2024
- ✿ Labor and wages – increase of 6.7% in 2023, projected 4.6% in 2024

Due to these factors Republic Services is asking for a  
**6%** rate adjustment on all services to take effect  
**January 1, 2024**



# Thank you

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