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MAY 11 2017
TASSI O'NEIL
COUNTY CLERK

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR TILLAMOOK COUNTY, OREGON

In the Matter of Increasing Customer)
Rates for Solid Waste Disposal for) ORDER #17- 043
Solid Waste Collection Franchisee,)
Nestucca Valley Sanitary Service) SWSD #17- 007

This matter came before the Tillamook County Board of Commissioners, sitting as the governing body of the Solid Waste Service District (SWSD), on May 10, 2017. A request to increase rates charged by a collection franchisee to their customers has been requested by Nestucca Valley Sanitary Service.

The SWSD Board, being fully apprised of the records and files, herein finds as follows:

1. The Tillamook County Solid Waste Advisory Committee recommended at their meeting on May 9, 2017 that the requested rate increases be approved.
2. The Tillamook County Board of Commissioners finds that the proposed rates will be just, fair, reasonable, and sufficient to provide the proper service to the public.

NOW, THEREFORE, IT IS HEREBY ORDERED that:

3. The Nestucca Valley Sanitary Service rates as outlined on Exhibit "A" become effective July 1, 2017.

DATED this 10th day of May, 2017.

THE BOARD OF COMMISSIONERS
FOR TILLAMOOK COUNTY, OREGON

	Aye	Nay	Abstain/Absent
<u>Bill Baertlein</u> Bill Baertlein, Chair	✓		/
<u>Tim Josi</u> Tim Josi, Vice-Chair	✓		/
<u>David Yamamoto</u> David Yamamoto, Commissioner	Ⓟ		/



ATTEST: Tassi O'Neil
County Clerk

By: [Signature]
Special Deputy

APPROVED AS TO FORM:

[Signature]
William K. Sargent, County Counsel

Tillamook County Franchise Hauler Rate Review Report
Nestucca Valley Sanitary Service

edited March 2017

Tillamook County franchise

REVENUE	2016 actual	7/1/17-6/30/18		Allocation method/comments
		projected w/o rate change	projected w/ rate change	
Collection Services	1,004,899	1,004,899	1,035,046	3.0%
Drop Box Service	89,104	89,104	89,104	0.0%
Rental revenue	-	-	-	
Non-franchised revenue & pass-through revenue	748	748	748	0.0%
Recycling revenues	-	-	-	
Rollcart / Container Sales	9,573	9,573	9,573	0.0%
Total revenue	1,104,324	1,104,324	1,134,471	2.7%

Number of regular customers as of January 1, 2016*

Number of regular customers as of July 1, 2016*

Number of regular customers as of January 1, 2017*

1,479
1,588
1,504

*Regular customers are usually cans, carts, dumpsters, compactors, based on service listings.

EXPENSES

Operational expenses

Disposal expense (franchised)	180,939	184,570	184,570	2.0%	Tillamook County Increase
Disposal expense (other)	45	45	45	0.0%	
Recycling collection expense	626	626	626	0.0%	
Recycling processing expense	-	-	-		
Labor-related expenses					
Labor expense	325,219	374,623	374,623	15.2%	See Cost Schedule Detail
Taxes, insurance	79,280	91,323	91,323	15.2%	See Cost Schedule Detail
Other labor-related expense	4,202	4,840	4,840	15.2%	See Cost Schedule Detail
Operations-related expenses					
Fuel	28,569	28,569	28,569	0.0%	
Repairs and Maintenance	32,106	32,794	32,794	2.1%	Portland - Salem CPI at 2.14%
Depreciation and Amortization	10,254	10,254	10,254	0.0%	
Op. Lease and/or Rent	60,085	60,085	60,085	0.0%	See Cost Schedule Detail
Equipment expense	12,706	12,979	12,979	2.1%	See Cost Schedule Detail
Insurance expense	13,594	13,886	13,886	2.1%	Portland - Salem CPI at 2.14%
Other operational expense	19,694	20,116	20,116	2.1%	Portland - Salem CPI at 2.14%
Total operational expenses	767,319	834,710	834,710	8.8%	
Number of collection trucks as of January 1, 2016	6				
Number of collection trucks as of January 1, 2017	6				

Administrative expense

Management Salaries	84,508	84,508	84,508	0.0%	See Cost Schedule Detail
Administrative services	58,694	59,952	59,952	2.1%	See Cost Schedule Detail
Postage, phones, office supplies, utilities, etc.	26,004	26,561	26,561	2.1%	Portland - Salem CPI at 2.14%
Advertising and outreach expenses	3,080	3,146	3,146	2.1%	Portland - Salem CPI at 2.14%
Education, Training, Publications, dues	7,115	7,268	7,268	2.1%	Portland - Salem CPI at 2.14%
Bad debts	-	-	-		
Other admin. Expenses	5,071	5,180	5,180	2.1%	Portland - Salem CPI at 2.14%
Total administrative expenses	184,472	186,616	186,616	1.2%	

Return on income before taxes (revenue - allowable costs) 152,533 82,999 113,146 -25.8%

Operating margin 13.8% 7.5% 10.0% -27.8%

NVSS Proposed 2017 Rate Schedule

Current and Proposed Rates

Trash Cans/Rollcarts

	Current	Proposed	\$ ▲	% ▲
Weekly 36 cart / 32 can	\$ 31.55	\$ 32.50	\$ 0.95	3.0%
Weekly 65 cart	\$ 59.80	\$ 61.60	\$ 1.80	3.0%
EOW 36 cart / 32 can	\$ 22.30	\$ 22.95	\$ 0.65	2.9%
EOW 65 cart	\$ 29.90	\$ 30.80	\$ 0.90	3.0%
65 gal cart (per pick-up)	\$ 14.95	\$ 15.40	\$ 0.45	3.0%
95 gal cart (per pick-up)	\$ 19.95	\$ 20.55	\$ 0.60	3.0%
On-call customers	\$ 8.25	\$ 8.25	\$ -	0.0%
Disposal per can / 32 can or 36 cart	\$ 7.90	\$ 8.15	\$ 0.25	3.2%
Disposal per can / 65 cart	\$ 14.95	\$ 15.40	\$ 0.45	3.0%
Disposal per can / 95 cart	\$ 19.95	\$ 20.55	\$ 0.60	3.0%
Extra (bag / box / etc.)	\$ 7.90	\$ 8.15	\$ 0.25	3.2%
Extra stop	\$ 6.65	\$ 6.65	\$ -	0.0%

Containers

	Current	Proposed	\$ ▲	% ▲
1.5 yard per pick-up	\$ 43.00	\$ 44.30	\$ 1.30	3.0%
2 yard per pick-up	\$ 53.55	\$ 55.15	\$ 1.60	3.0%
3 yard per pick-up	\$ 75.20	\$ 77.45	\$ 2.25	3.0%
4 yard per pick-up	\$ 105.00	\$ 108.15	\$ 3.15	3.0%
5 yard per pick-up	\$ 117.40	\$ 120.90	\$ 3.50	3.0%
Container Rent	\$ 12.00	\$ 12.00		
Short-term Container Rent	\$ 8.85	\$ 8.85		
Delivery / set / Return Fee	\$ 50.95	\$ 50.95		

Roll-off/Drop Box containers

	Current	Proposed	\$ ▲	% ▲
10 Yard	\$ 400.00	\$ 400.00		
15 Yard	\$ 400.00	\$ 400.00		
20 Yard	\$ 600.00	\$ 600.00		
30 Yard	\$ 800.00	\$ 800.00		
Dropbox Rental per day / first 24 hours no charge	\$ 14.00	\$ 14.00		
Dropbox Monthly Rental (new rate for 2017)	n/a	\$ 150.00		
Disposal @ TTS per ton	\$ 76.73	\$ 78.27	\$ 1.54	2.0%
Dropbox Truck Hour Charge	\$ 108.00	\$ 109.00	\$ 1.00	0.9%

Extra/Additional charges (eg. Go Back, On Call, Extra Stop, NSF check, replacement, etc.)

	Current	Proposed	\$ ▲	% ▲
Go Back Charge*	\$ 27.00	\$ 27.00		
NSF Fee	\$ 26.00	\$ 26.00		
Restart service for non-pay only	\$ 31.00	\$ 31.00		
In Home Item Removal/Labor Only/Hourly	\$ 26.00	\$ 26.00		
Hourly Truck Charge	\$ 108.00	\$ 109.00	\$ 1.00	0.9%
Furniture:				
Twin Mattress or box spring	\$ 10.00	\$ 11.00	\$ 1.00	10.0%
Full mattress or box spring	\$ 12.00	\$ 13.00	\$ 1.00	8.3%
Queen Mattress or box spring (each)	\$ 19.00	\$ 20.00	\$ 1.00	5.3%
King Mattress or box spring (each)	\$ 19.00	\$ 20.00	\$ 1.00	5.3%
Medium size armchair	\$ 10.00	\$ 11.00	\$ 1.00	10.0%
Sofa 6' to 8'	\$ 21.00	\$ 22.00	\$ 1.00	4.8%