

Assistant City Manager Mark Morgan called the meeting to order at 5:01pm. Councilors Peterson and McCarthy were in attendance, as well as Kevin Miracle, District Manager of Waste Connections dba Sanitary Disposal, Finance Director Mark Krawczyk, and City Recorder Lilly Alarcon-Strong.

Review Sanitary Disposal Rates

Mark M. and Kevin reviewed the rate adjustment requested by Sanitary Disposal (attached). Kevin stated the increase adjustment would cover costs of inflation for wages, new equipment, fuel, 4.4% increases at Finley Dump Station, and other items. The about 13% increase would come out to about \$1.50 to \$2.33 per customer per month and is needed to accommodate the needs of each community.

Kevin explained that when Waste Connections took over Sanitary Disposal a little over one-year ago, they invested a lot of money -more than they had planned- to update, give maintenance to, and replace machinery, as well as to keep knowledgeable staff in place. As an example, the lifespan of garbage trucks is about 10 years, however trucks were still being used that were 27 years old. These trucks were in unreliable and unsafe operating conditions. There were many times trucks would break down and drivers would need to be sent home as there were no backup trucks available and replacement parts were and continue to be difficult to obtain. Currently, each truck is about \$2.8 million, and although it's important to keep services at a low cost, safety and new technology are important too, therefore cameras have been added to all trucks for driver and property safety.

Mark K. spoke about the overall increase to do business due to covid and the extra work City Hall staff has been doing compared to a year ago.

Mark M. stated City Hall does all of the billing for Sanitary Disposal customers that live inside of city limits. Part of this agreement is that the city receives 11% of their gross revenues on top of the 2% franchise fee agreement, and costs associated with the Free Community Clean Up Event each year.

Committee Discussion and Recommendation to City Council

After reviewing and discussing the proposed adjustment, Mark M. stated the requested increase of about 13% is still lower than the US Consumer Price Index Increase. The last increase was February 2020. Sanitary Disposal rate adjustments usually run every 3 to 4 years, however this Committee will meet more frequently as recycling requirements begin to roll out as there will most likely be additional costs associated with implementing these requirements which will impact overall business costs.

Kevin stated costs adjustments for recycling are unknown at this point as what is expected/required is still unknown as well. However, current rates and the requested rate increase, are still lower than others in the area. Waste Connections evaluates their costs annually to make sure increases aren't exponential. Waste Connections cares about their staff and the community and donates to charities and organizations throughout the year, making sure local money stays in the community.

Councilors Peterson and McCarthy supported the need to present this information with the requested increase to the Council with a recommendation to support an adjustment to become effective April 1st, 2023 instead of March 1st, 2023 as customers will already be seeing a usage increase in their water and sewer bills in March.

Mark M. stated the proposed increase and effective date will be presented to Council at the February 27 meeting.

Adjourn

There were no other items of discussion and the meeting was adjourned at 5:40pm.

Waste Connections of Oregon, Inc.
dba Sanitary Disposal
Proposed City of Hermiston Rates
Effective March 1, 2023

SERVICE	CURRENT RATE	4.44%	15.26%	1.50%	TOTAL INCREASE	NEW RATE
		TOTAL LF INCREASE	BUSINESS INCREASE	FRANCHISE FEE		
RESIDENTIAL						
ROLLCARTS						
Weekly- 35 Gal Cart						
- (1) cart	\$11.20	\$0.08	\$1.40	\$0.02	\$1.50	\$12.70
- (1) cart Senior Rate	\$9.25	\$0.08	\$1.10	\$0.02	\$1.21	\$10.46
- (2) carts	\$22.40	\$0.17	\$2.80	\$0.04	\$3.01	\$25.41
- (3) carts	\$33.60	\$0.25	\$4.19	\$0.07	\$4.51	\$38.11
- Walk-In Charge	\$5.80	\$0.00	\$0.87	\$0.01	\$0.88	\$6.68
Weekly- 90 Gal Cart						
- (1) cart	\$18.80	\$0.22	\$2.08	\$0.03	\$2.33	\$21.13
- (2) carts	\$37.60	\$0.43	\$4.17	\$0.07	\$4.67	\$42.27
- (3) carts	\$56.40	\$0.65	\$6.25	\$0.10	\$7.00	\$63.40
- (4) carts	\$75.20	\$0.86	\$8.33	\$0.14	\$9.33	\$84.53
- Walk-In Charge	\$5.80	\$0.00	\$0.87	\$0.01	\$0.88	\$6.68
COMMERCIAL						
ROLLCARTS						
Weekly- 35 Gal Cart						
- (1) cart	\$11.20	\$0.08	\$1.40	\$0.02	\$1.50	\$12.70
- (2) carts	\$22.40	\$0.17	\$2.80	\$0.04	\$3.01	\$25.41
- (3) carts	\$33.60	\$0.25	\$4.19	\$0.07	\$4.51	\$38.11
- Walk-In Charge	\$5.80	\$0.00	\$0.87	\$0.01	\$0.88	\$6.68
Weekly- 90 Gal Cart						
- (1) cart	\$23.00	\$0.22	\$2.71	\$0.04	\$2.97	\$25.97
- (2) carts	\$46.00	\$0.43	\$5.43	\$0.09	\$5.95	\$51.95
- (3) carts	\$69.00	\$0.65	\$8.14	\$0.13	\$8.92	\$77.92
- (4) carts	\$92.00	\$0.86	\$10.86	\$0.18	\$11.89	\$103.89
CONTAINERS						
(1) 1 1/2 Yd Container						
- Once a week	\$77.50	\$0.58	\$9.63	\$0.15	\$10.37	\$87.87
- Twice a week	\$146.85	\$1.17	\$18.04	\$0.29	\$19.50	\$166.35
- Three times a week	\$216.20	\$1.75	\$26.45	\$0.42	\$28.63	\$244.83
(2) 1 1/2 Yd Containers						
- Once a week	\$155.00	\$1.17	\$19.27	\$0.31	\$20.74	\$175.74
- Twice a week	\$293.70	\$2.34	\$36.09	\$0.58	\$39.00	\$332.70
- Three times a week	\$432.40	\$3.50	\$52.91	\$0.85	\$57.26	\$489.66
(3) 1 1/2 Yd Containers						
- Once a week	\$232.50	\$1.75	\$28.90	\$0.46	\$31.12	\$263.62
- Twice a week	\$440.55	\$3.50	\$54.13	\$0.86	\$58.50	\$499.05
- Three times a week	\$648.60	\$5.26	\$79.36	\$1.27	\$85.89	\$734.49

(1) 2 Yd Container							
- Once a week	\$100.80	\$0.78	\$12.47	\$0.20	\$13.44	\$114.24	
- Twice a week	\$191.80	\$1.56	\$23.46	\$0.38	\$25.39	\$217.19	
- Three times a week	\$282.80	\$2.34	\$34.45	\$0.55	\$37.34	\$320.14	
(2) 2 Yd Containers							
- Once a week	\$201.60	\$1.56	\$24.93	\$0.40	\$26.89	\$228.49	
- Twice a week	\$383.60	\$3.11	\$46.92	\$0.75	\$50.78	\$434.38	
- Three times a week	\$565.60	\$4.67	\$68.90	\$1.10	\$74.68	\$640.28	
(3) 2 Yd Containers							
- Once a week	\$302.40	\$2.34	\$37.40	\$0.60	\$40.33	\$342.73	
- Twice a week	\$604.80	\$4.67	\$74.79	\$1.19	\$80.66	\$685.46	
- Three times a week	\$848.40	\$7.01	\$103.35	\$1.66	\$112.02	\$960.42	

RECYCLING CONTAINERS

- (1) Recycling Container Once/wk	\$10.80	\$0.00	\$1.62	\$0.02	\$1.65	\$12.45	
- Recycling Compactor Haul	\$180.35	\$0.00	\$27.10	\$0.41	\$27.51	\$207.86	
- Demurrage per day after 7 days	\$4.35	\$0.00	\$0.65	\$0.01	\$0.66	\$5.01	

DROP BOXES

- Delivery Fee	\$40.00	\$0.00	\$6.01	\$0.09	\$6.10	\$46.10	
- Haul Fee (Up to 5 Tons)	\$56.50	\$0.00	\$8.49	\$0.13	\$8.62	\$65.12	
- Disposal Fee (Whichever is Greater)							
- Per Cubic Yard	\$6.00	\$0.17	\$0.35	\$0.01	\$0.52	\$6.52	
- Per Ton	\$66.00	\$1.16	\$6.07	\$0.11	\$7.34	\$73.34	
- Haul Fee (Greater Than 5 Tons)	\$221.75	\$0.00	\$33.32	\$0.50	\$33.82	\$255.57	
- Disposal Fee (Per Ton)	\$36.50	\$1.16	\$1.57	\$0.04	\$2.77	\$39.27	
- Demurrage per day after 7 days	\$4.35	\$0.00	\$0.65	\$0.01	\$0.66	\$5.01	

COMPACTORS

Compacted dropboxes							
- Haul Fee (Up to 5 Tons, Per Hour)	\$74.25	\$0.00	\$11.16	\$0.17	\$11.32	\$85.57	
- Disposal Fee (Whichever is Greater)							
- Per Cubic Yard	\$6.00	\$0.17	\$0.35	\$0.01	\$0.52	\$6.52	
- Per Ton	\$66.00	\$1.16	\$6.07	\$0.11	\$7.34	\$73.34	
- Haul Fee (Greater Than 5 Tons)	\$221.75	\$0.00	\$33.32	\$0.50	\$33.82	\$255.57	
- Disposal Fee (Per Ton)	\$36.50	\$1.16	\$1.57	\$0.04	\$2.77	\$39.27	