

RESOLUTION NO. 2019-82

A RESOLUTION ESTABLISHING NEW SOLID WASTE COLLECTION RATES AND CHARGES AND RESCINDING RESOLUTION NO. 2018-81

Whereas, ORS 459.017 provides that local government units have the primary responsibility for planning for solid waste management; and

Whereas, ORS 459A.085 gives local governments the authority to issue solid waste management franchises, which may be exclusive if service areas are allocated, and to prescribe rates, which must be just, reasonable, and adequate, for solid waste management services; and

Whereas, Salem Revised Code (SRC) Chapter 47, the Solid Waste Management Ordinance of the City of Salem, sets out a coordinated program for solid waste management services through the issuance of franchises; and

Whereas, SRC 47.099(d) provides that the City Council shall be responsible for establishing and adjusting the rates charged by Franchisees for solid waste management services; and

Whereas, SRC 47.099(e) allows a Franchisee to request a rate adjustment; and

Whereas, on June 21, 2019, due to increases in operating costs greater than the solid waste management system's revenue growth, the six solid waste management Franchisees serving the City requested the following monthly rate increases effective January 1, 2020: 4.25 percent for role cart services provided in Marion County; 5.0 percent for role cart services provided in Polk County; 0.0 percent for container services provided in Marion County; 7.18 percent for container services provided in Polk County; 4.19 percent for drop box services provided in Marion County; and 11.5 percent for drop box services provided in Polk County; and

Whereas, on June 21, 2019, due to increases in operating costs greater than the solid waste management system's revenue growth, the six solid waste management Franchisees serving the City requested the following monthly rate increases effective January 1, 2021: 4.25 percent for role cart services provided in Marion County; 5.0 percent for role cart services provided in Polk County; 1.46 percent for container services provided in Marion County; 7.5 percent for container services provided in Polk County; 2.31 percent for drop box services provided in Marion County; and 10.0 percent for drop box services provided in Polk County; and

Whereas, on October 7, 2019, due to increases in operating cost greater than the solid waste management system's revenue growth, the six solid waste management Franchisees serving the City requested a rate increase effective January 1, 2021 for the following medical waste disposal services: 4.3 percent for heavy-volume medical waste collection service, 0.0 percent for low-volume medical waste collection service, and 1.9 percent for hospital collection service; and

Whereas, the City Manager conducted an investigation of the Franchisees' rates and their requested rate adjustments, applying the factors specified in SRC 47.099(f), and submitted a recommendation to the City Council that concluded that the requested rate adjustments are just,

reasonable, and adequate; and

Whereas, pursuant to SRC 47.099(d) the City Council held a public hearing and received evidence and testimony on the proposed rate increases on November 12, 2019; and

Whereas, the City Council considered the entire record of the rate adjustment proceeding.

NOW, THEREFORE, THE CITY OF SALEM RESOLVES AS FOLLOWS:

Section 1. Findings. The City Council finds that the specific rate increases requested by the City's Franchisees effective January 1, 2020 and set forth in "Exhibit A" are necessary to sustain the operations of the City's solid waste management Franchisees and are just, reasonable, and adequate.

Section 2. Findings. The City Council finds that the specific rate increases requested by the City's Franchisees effective January 1, 2021 and set forth in "Exhibit B" are necessary to sustain the operations of the City's solid waste management Franchisees and are just, reasonable, and adequate.

Section 3. Order. As of January 1, 2020, the City's solid waste management Franchisees shall collect from their customers not more than the fees and charges set forth in "Exhibit A," which is attached hereto and incorporated herein by this reference. The Franchisees shall supply all of their customers with not less than thirty days' written notice of the rate increases, the amount of the increases, and the effective date thereof.

Section 4. Order. As of January 1, 2021, the City's solid waste management Franchisees shall collect from their customers not more than the fees and charges set forth in "Exhibit B," which is attached hereto and incorporated herein by this reference. The Franchisees shall supply all of their customers with not less than thirty days' written notice of the rate increases, the amount of the increases, and the effective date thereof.

Section 3. Rescission. This resolution rescinds Resolution No. 2018-81 and any other resolution to the extent that such resolution enacts fees and charges of the type set forth herein.

Section 4. Effective Date. This resolution is effective on January 1, 2020.

ADOPTED by the City Council this _____ day of _____, 2019.

ATTEST:

City Recorder

Approved by City Attorney: _____

Checked by: R. Zink