



3/31/2021

Dear Tillamook County Commissioners,

City Sanitary Service would like to thank you for allowing us to serve the citizens of Tillamook County for another year. We had a profitable 2020 in part due to another busy year for construction drop box work and an increase in overall customer count. City Sanitary Service remains a financially healthy business. Looking to the future we are requesting a rate increase of 3% for residential, commercial and drop box trash rates. This will keep us in the allowable profit margin range and help us to keep making improvements to our equipment, infrastructure, and work force. The base rate for weekly residential service would go from \$19.45 per month to \$20.

We increased tonnage volume in both trash and recycling in 2020. City Sanitary Service and Nestucca Valley Sanitary Service continued to bring cardboard recycling to south Tillamook County. The annual recycling survey showed participation at our lot depot increased by almost 150 people compared to last year. We hope more people will continue to sign up and participate in the curbside recycling collection program. We have 100 more recycling carts ready to use. City Sanitary Service made capital investments of roughly \$100,000 in trucks, carts, containers, and drop boxes in 2020 to meet the needs of our customers. City Sanitary Service also took over operations of Oceanside Sanitary Service at the start of 2021. Ken and Nonda Zwald have provided excellent service to the people of Oceanside and we hope to keep up their high standard while expanding the service options of the people in that area.

We continue to see an increase in customers choosing to pay bills online and opting to receive electronic bills. Roughly a quarter of our monthly revenue comes from online payments. We continue to make updates to our website, publish a quarterly newsletter called WastEd, and post to our Facebook page to communicate with the over 500 customers following us. Thank you for allowing us to serve the citizens of central Tillamook County in 2020 and we look forward to a successful 2021.

Respectfully,

A handwritten signature in black ink, appearing to be "R. Poppe", with a long horizontal line extending to the right.

Robert Poppe  
Co-owner

**Tillamook County Franchise Hauler Rate Review Report**

edited March 2021

Franchisee:

**City Sanitary Service**

	Total				Allocation method	Tillamook County franchise				
	2020 actual	7/1/21-6/30/22 projected w/o rate change	7/1/21-6/30/22 projected w/ 3% rate change	% change		2020 actual	7/1/21-6/30/22 projected w/o rate change	7/1/21-6/30/22 projected w/ 3% rate change	% change	Allocation method/comments
<b>REVENUE</b>										
Route collection Services	\$2,313,408	\$2,336,542	\$2,430,003	5%	Actual	\$1,196,052	\$1,208,013	\$1,244,253	4%	
Drop Box Services										
Rental revenue	\$90,647	\$91,000	\$91,000	0%	57% cust. Count	\$51,669	\$51,870	\$51,870	0%	
Non-franchised revenue & pass-through revenue	\$364,059	\$367,700	\$367,700	1%	57% cust. Count	\$207,514	\$209,589	\$209,589	1%	
Recycling revenues	\$4,129	\$5,000	\$5,000	21%	Actual	\$0	\$0	\$0	#DIV/0!	
Other revenue (med waste, interest, Bay City, SCCR)	\$46,618	\$48,000	\$49,440	6%	Actual	\$40,465	\$39,000	\$40,170	-1%	
<b>Total revenue</b>	<b>\$2,818,861</b>	<b>\$2,848,241</b>	<b>\$2,943,143</b>	<b>4%</b>		<b>\$1,495,700</b>	<b>\$1,508,472</b>	<b>\$1,545,882</b>	<b>3%</b>	
Number of regular route customers as of January 1, 2020*	3220				Actual	1833				
Number of regular route customers as of July 1, 2020*	3354				Actual	1903				
Number of regular route customers as of January 1, 2021*	3409				Actual	1956				
Regular route tonnage for 2020:	9899 tons				50% truck weights	4949.50 tons				
<i>*Regular route customers are usually cans, carts, dumpsters, based on service listings.</i>										
Number of drop box pulls in 2019:	1645				57% cust. Count	938				
Drop box tonnage for 2019:	4348.18 tons				50% truck weights	2174.09 tons				
<b>EXPENSES</b>										
<b>Operational expenses</b>										
Disposal expense (franchised) 9899 tons up 73	\$838,407	\$844,900	\$844,900		1% 50% truck weights	\$419,203	\$422,450	\$422,450	1%	
Disposal expense (other) med waste	\$331	\$500	\$500		51% all city				#DIV/0!	
Recycling collection expense (all in labor)					#DIV/0! n/a				#DIV/0!	
Recycling processing expense	\$10,045	\$12,000	\$12,000		19% 46% cccr Cust. Count	\$4,620	\$5,520	\$5,520	19%	
Labor-related expenses										
Labor expense	\$447,595	\$461,000	\$461,000		3% 57% labor hours	\$255,129	\$262,770	\$262,770	3%	
Taxes, insurance	\$220,724	\$224,000	\$224,000		1% 57% labor hours	\$125,813	\$127,680	\$127,680	1%	
Other labor-related expense	\$106,107	\$122,187	\$122,187		15% 57% labor hours	\$60,481	\$69,647	\$69,647	15%	
Operations-related expenses										
Fuel	\$60,150	\$69,500	\$69,500		16% 57% labor hours	\$34,285	\$39,615	\$39,615	16%	
Repairs and Maintenance	\$17,579	\$35,000	\$35,000		99% 57% labor hours	\$10,020	\$19,950	\$19,950	99%	
Depreciation and Amortization	\$161,735	\$185,000	\$185,000		14% 57% labor hours	\$92,189	\$105,450	\$105,450	14%	
Equipment Lease and/or Rent	\$0	\$0	\$0		#DIV/0! 57% labor hours	\$0	\$0	\$0	#DIV/0!	
Property Lease and/or Rent	\$37,496	\$42,400	\$42,400		13% 57% labor hours	\$21,373	\$24,168	\$24,168	13%	
Equipment expense (eg. short-term rental) Truck Repairs	\$172,930	\$145,000	\$145,000		-16% 57% labor hours	\$98,570	\$82,650	\$82,650	-16%	
Insurance expense	\$58,521	\$63,000	\$63,000		8% 57% labor hours	\$33,357	\$35,910	\$35,910	8%	
Other operational expense (incl. franchise fees)	\$53,053	\$54,000	\$55,000		4% Actual	\$2,346	\$2,350	\$2,350	0%	
Total operational expenses	\$2,184,672	\$2,258,487	\$2,259,487		3%	\$1,157,386	\$1,198,160	\$1,198,160	4%	
Number of route collection trucks as of January 1, 2020	13					13				
Number of route collection trucks as of January 1, 2021	13					13				
Number of drop box collection trucks as of January 1, 2020	5					5				
Number of drop box collection trucks as of January 1, 2021	5					5				
<b>Administrative expense</b>										
Management services	\$170,000	\$174,000	\$174,000		2% 57% cust. Count	\$96,900	\$99,180	\$99,180	2%	
Administrative services	\$9,703	\$11,000	\$11,000		13% 57% cust. Count	\$5,530	\$6,270	\$6,270	13%	
Postage, phones, office supplies, utilities, etc.	\$66,762	\$70,000	\$70,000		5% 57% cust. Count	\$38,054	\$39,900	\$39,900	5%	
Advertising and outreach expenses	\$4,188	\$10,000	\$10,000		139% 57% cust. Count	\$2,387	\$5,700	\$5,700	139%	
Education, Training, Publications, dues	\$4,210	\$6,000	\$6,000		43% 57% cust. Count	\$2,400	\$3,420	\$3,420	43%	
Bad debts	\$11,367	\$11,000	\$11,000		-3% Actual	\$8,915	\$9,000	\$9,000	1%	
Other admin. Expenses	\$46,526	\$48,000	\$48,000		3% 57% cust. Count	\$26,520	\$27,360	\$27,360	3%	
Total administrative expenses	\$312,756	\$330,000	\$330,000		6%	\$180,707	\$190,830	\$190,830	6%	
Return on income before taxes (revenue - allowable costs)	\$321,434	\$259,754	\$353,656		10%	\$157,607	\$119,482	\$156,892	0%	
<b>Operating margin</b>	<b>11.4%</b>	<b>9.1%</b>	<b>12.0%</b>		<b>5%</b>	<b>10.5%</b>	<b>7.9%</b>	<b>10.1%</b>	<b>-4%</b>	

**Tillamook County franchise data only!**

**Current and Proposed Rates**

	Current	Proposed	Current	Proposed	Current	Proposed
	(32-36 gallon cans/rollcarts)		(60-65 gallon cans/rollcarts)		(90-95 gallon cans/rollcarts)	
<b>Trash Cans/Rollcarts</b>						
Curbside weekly pickup	\$19.45	\$20.00	\$36.05	\$37.10	\$52.65	\$54.20
Curbside twice weekly pickup	\$38.90	\$40.00	\$72.10	\$74.20	\$105.30	\$108.40
Curbside every Other Week pickup	\$18.00	\$18.50	N/A	N/A	N/A	N/A
Curbside Once a Month pickup	\$9.00	\$9.25	N/A	N/A	N/A	N/A
Each Extra Can set out	\$6.00	\$6.20	N/A	N/A	N/A	N/A
In Yard weekly pickup	\$23.50	\$25.00	\$43.50	\$45.60	\$63.50	\$66.20
In Yard twice weekly pickup	\$47.00	\$50.00	\$87.00	\$91.20	\$127.00	\$132.40
In Yard every Other Week pickup	N/A	N/A	N/A	N/A	N/A	N/A
In Yard Once a Month pickup	N/A	N/A	N/A	N/A	N/A	N/A
Each Extra Can set out	\$6.00	\$6.20	N/A	N/A	N/A	N/A
<b>Rental Fees</b>						
Trash Cans/Rollcarts (per month)	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
95 Gallon CCR & Office Paper Cart 2xMonth					\$6.00	\$6.00

<b>Containers</b>	Current	Proposed	Current	Proposed	Current	Proposed
<b>1 cubic yard container</b>			<b>1 1/2 cubic yard container</b>		<b>2 cubic yard container</b>	
Weekly pickup	\$93.40	\$96.20	\$135.15	\$139.20	\$172.50	\$177.68
Each additional stop per week	\$93.40	\$96.20	\$135.15	\$139.20	\$172.50	\$177.68
Rental Fees	\$18.60	\$18.60	\$18.60	\$18.60	\$18.60	\$18.60
<b>3 cubic yard container</b>			<b>4 cubic yard container</b>		<b>5 cubic yard container</b>	
Weekly pickup	N/A		N/A		N/A	
Each additional stop per week						
Rental Fees						
<b>6 cubic yard container</b>			<b>8 cubic yard container</b>		<b>2 yard cont. Cardboard Recycle</b>	
Weekly pickup	N/A		N/A		\$3.40	\$3.40
Each additional stop per week					\$22.00	\$22.00
Rental Fees					\$18.60	\$18.60

Roll-off/Drop Box containers (please list charges)

10-15 yd drop boxes Current \$110.25 per hour proposed \$113.55 Drop Box Rent \$13 per day \$200 per month  
 20-30 yd drop boxes Current \$116.50 per hour proposed \$120.00

**Extra/Additional charges (eg. Go Back, On Call, Extra Stop, NSF check, replacement, etc.): Please list!**

- 1 Medical Waste \$15 minimum charge \$15/gallon Large bins \$90 max weight 60 lbs
- 2 On call service current \$9 per can up to \$9.25/current \$25.25 per yard up to \$26.00
- 3 \$10 NSF fee, \$15 OTP restart fee, \$25 cart return fee, \$5 refund processing fee, Minimum two weeks of no service before crediting account.
- 4 Lost roll cart replacement fee \$60
- 5 Distance charge of \$120.00 per hour for truck time if less than 3 customers per road mile or for unscheduled or extra pickups



Dear Tillamook County Customers,

City Sanitary Service will be increasing rates for garbage service in 2021. We will be increasing residential, commercial, and drop box service rates by approximately 3% starting July 1, 2021. The base rate for weekly roadside residential service for one can will go from \$19.45 per month to \$20 per month. The rate for a one cubic yard container to be dumped weekly will go from \$112 per month to \$114.80. The hourly rate for a truck and driver will go from \$116.50 to \$120.

Reminder: We currently offer curbside commingle recycling to all county customers. Twice per month pick up is \$9 per month in addition to your trash service.

For those with regular service, if you are going to be gone for two weeks or more, you can contact us ahead of time to temporarily stop service and avoid being charged. If your can is not out but you did not call ahead, no credit will be extended.

For a full list of rates, go to our website at:  
**[citysanitaryservice.com](http://citysanitaryservice.com)** or call us at 503-842-6262.