

Council Business Meeting

March 3, 2021

Agenda Item	Recology Solid Waste & Recycling Rate Adjustment Presentation	
From	Adam Hanks	City Manager Pro Tem
Contact	adam@ashland.or.us (541) 488-6002	

SUMMARY

Consistent with the Solid Waste franchise agreement and related operations and rates resolution, each February or early March, Recology provides Council with their rate adjustment projection for the upcoming rate period, which goes into effect in April of each year. Because of yet to be determined rate increases at the Dry Creek regional landfill that heavily impact Recology collections and disposal operations, Recology is requesting a deferral of the rate adjustment until the landfill rate increase proposal process has been completed through the Jackson County Board of Commissioners and has also requested an opportunity to provide Council with some background on the current status of the rates and their potential impacts to Recology's Ashland operations.

POLICIES, PLANS & GOALS SUPPORTED

PREVIOUS COUNCIL ACTION

No rate increase was proposed by Recology for the 2020 rate period. Council did approve a rate adjustment of the contractually agreed upon CPI of 3.1 percent in March 2019.

BACKGROUND AND ADDITIONAL INFORMATION

A component of the 2013 Solid Waste franchise agreement with Recology Ashland was a rate adjustment methodology intended to provide the Franchisee (Recology) an annual operating margin range of between eight and twelve percent. The franchise agreement and most recent rate adjustment Council packet materials from 2019 are linked below in the references and attachments section of this document.

FISCAL IMPACTS

Recology and staff presentation/update only. No requested action before Council on this agenda item.

STAFF RECOMMENDATION

N/A

ACTIONS, OPTIONS & POTENTIAL MOTIONS

N/A

REFERENCES & ATTACHMENTS

Attachment 1: Recology Rate Presentation Memo – Gary Blake, Recology General Manager

[2013 Solid Waste & Recycling Franchise Agreement](#)

[2019 Recology Rate Adjustment Council Communication and Resolution](#)



To: Adam Hanks, Ashland City Manager Pro Tem
From: Gary Blake, Recology Ashland
Date: February 24, 2021
Re: City Council Presentation

Comments: Adam, ordinarily this time of year I would be submitting information pertaining to our annual CPI based rate adjustment per our franchise agreement. This year however, there is a potentially over-shadowing event related to disposal in the County that could have a large impact on our operation. I think it best to delay action on our CPI based increase until we get more clarity from the County. I'd like to update the Mayor and Council on a little more detail in a Council presentation March 2nd along with getting some feedback on a potential partnership with the City on electric collection vehicles.