

RESOLUTION NO. 04-2024

A RESOLUTION AUTHORIZING OWANJAY SERVICES, INC., AN OREGON CORPORATION D/B/A MADRAS SANITARY SERVICE, TO INCREASE ITS SERVICE RATES UNDER THE SOLID WASTE MANAGEMENT ORDINANCE, ORDINANCE NO. 981.

WHEREAS, Owanjay Services, Inc. ("Franchisee"), an Oregon corporation d/b/a Madras Sanitary Service, and City of Madras ("City"), an Oregon municipal corporation, have entered into a certain solid waste franchise agreement commonly known as the Solid Waste Management Ordinance, Ordinance No. 981 (the "Franchise Agreement"), dated November 14, 2023; and

WHEREAS, Section 4.2.3 of the Franchise Agreement provides Franchisee the opportunity to adjust Franchisee's service rates after providing City no less than 90 days' prior written notice of the proposed rate adjustments with accompanying justification (which justification must be based on those factors identified in Section 4.2.1 of the Franchise Agreement and any other factors Franchisee deems applicable); and

WHEREAS, Franchisee provided City more than 90 days' written notice of its proposed rate adjustments (increases), which notice (and subsequent meetings and communications with City) included, without limitation, the following justifications for the rate increases: (a) current and projected revenue and expenses; (b) cost of acquiring and replacing equipment; (c) increased costs concerning the provision of sanitary services; and (d) certain other factors identified by Franchisee.

WHEREAS, the council considered Franchisee's proposed rate increases, including Franchisee's justification for the proposed rate increases, during its council meeting held on March 12, 2024.

NOW, THEREFORE, BE IT RESOLVED, by and through the council meeting in regular session, the following:

1. Findings. The above-stated findings contained in this Resolution No. 04-2024 (this "Resolution") are hereby adopted.

2. Rate Schedule. In accordance with Section 4.2.3 of the Franchise Agreement, commencing on July 1, 2024, Franchisee will charge its customers no more than those service rates identified in the attached Exhibit A. Effective July 1, 2024, the service rates identified in the attached Exhibit A amend, replace, and supersede in all respects those service rates identified in Schedule 4.1 of the Franchise Agreement (Exhibit A will constitute the "rate schedule" for the Franchise Agreement effective as of July 1, 2024). Any further adjustments to Franchisee's service rates will be made subject to and in accordance with the Franchise Agreement. Franchisee will provide its customers reasonable advance written notice of the service rate increases identified in Exhibit A.

3. Miscellaneous. This Resolution is hereby made part of the Franchise Agreement. The provisions of the Franchise Agreement that are not amended or modified by this Resolution remain unchanged and in full force and effect. The provisions of this Resolution are severable. If any section, subsection, sentence, clause, and/or portion of this Resolution is for any reason held invalid, unenforceable, and/or unconstitutional, such invalid, unenforceable, and/or unconstitutional section, subsection, sentence, clause, and/or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, and/or constitutionality of the remaining portion of this Resolution.

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ADOPTED by the City Council of the City of Madras and signed by the Mayor this 9th day of April, 2024.

Ayes: 3
Nays: 2
Abstentions: 0
Absent: 1
Vacancies: 0



Mike Lepin, Mayor

ATTEST:



Keli Pollock, City Recorder

Exhibit A
Franchisee's Service Rates

[attached]

	Current Rates	Proposed Rates 7/1/24
32 gallon cart		
Weekly	\$22.36	\$25.04
Every other week	\$12.30	\$13.78
Monthly	\$9.63	\$10.79
When Out	\$10.11 per pick up	\$11.32

64 gallon cart		
Weekly	\$37.48	\$41.23
Every other week	\$21.44	\$23.58
Monthly	\$11.56	\$12.72
When Out	\$12.13 per pick up	\$13.34

95 gallon cart		
Weekly	\$50.81	\$54.87
Every other week	\$28.55	\$30.83
Monthly	\$14.45	\$15.61
When Out	\$15.17 per pick up	\$16.38

{Current carry-out service: additional \$4.30 for 32 gal.; \$7.50 for 64 gal.; \$8.30 for 95 gal. per month. Proposed change to \$5.00 per month regardless of size}

1 yard container		
1 X Week	\$108.18	\$121.16
2 X Week	\$216.36	\$242.32
3 X Week	\$324.54	\$363.48
4 X Week	\$432.72	\$484.65
5 X Week	\$540.90	\$605.81
1 X Month	\$27.05	\$30.30
On Call or Every Other Week	\$27.05 per dump	\$30.30

{Current rent is \$8.50 per month or double if it isn't dumped that month. Proposed to change to \$9.50}

1.5 yard container

1 X Week	\$153.99	\$172.47
2 X Week	\$307.97	\$344.93
3 X Week	\$461.96	\$517.40
4 X Week	\$615.94	\$689.85
5 X Week	\$769.93	\$862.32
1 X Month	\$38.50	\$43.12
On Call or Every Other Week	\$38.50 per dump	\$43.12

{Current rent is 10.50 per month or double if it isn't dumped that month. Proposed to change to \$12.50}

2 yard container

1 X Week	\$197.10	\$220.64
2 X Week	\$394.20	\$441.50
3 X Week	\$591.30	\$662.26
4 X Week	\$788.40	\$883.00
5 X Week	\$985.50	\$1,103.76
1 X Month	\$49.28	\$55.19
On Call or Every Other Week	\$49.28 per dump	\$55.19

{Current rent is \$12.50 per month or double if it isn't dumped that month. Proposed to change to \$14.50}

20 yard & 30 yard drop box

Set out	\$30.00	\$34.00
Haul fee	\$90.00 (20yd.) \$100.00 (30yd.)	\$100 (20yd.) \$110 (30yd.)
Disposal	\$85.00 per ton	\$92.00 per ton

Dump of customer-owned compactor currently \$120. Proposed \$135.

Rent Current \$7.00 per day after first 48 hours, or over the weekend. Proposed \$8.00.

{Current reduced rent on permanent boxes: \$180 per month or \$55.00 per month if two or more dumps per month. Proposed to change to \$200/ \$60}