



East County Office
5441 W. Hwy 20
PO Box 357

Toledo, OR 97391
Office: 541.336.2932
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South County Office
235 SW Dahl Ave.
PO Box 1059

Waldport, OR 97394
Phone: 541.563.3888
Fax: 541.563.7373

May 20, 2014

Re: 2013 Rate Review Report Yachats

To Whom It May Concern,

Enclosed you will find the following: Dahl Disposal Service, Inc. Yachats's 2013 Rate Report actuals, 2014 projections, 2013 current rate sheet and a proposed 2014 rate sheet. Yachats's expense allocations are as follows: customer count 10.99%, labor hours 8.75%, disposal tonnage 9.44%, and revenues 9.7%. We arrive at these allocations by using actuals for the revenue, and customer counts, and by utilizing time, and weight studies for our disposal tonnage and labor hours. By utilizing these allocations and applying them to our overall expenses and revenues, we arrive at an operating margin of 1.77% for Yachats. Dahl Disposal Service, Inc. company wide overall operating margin was 5.11% for 2013.

While we run extremely efficient and are always looking at ways to drive down our operating expenses, our external expenses are continuing to increase. Due to the nature of a market-based commodity, our commingled recycling was a revenue base in 2012 and has become an expense line in 2013. Other examples of external expenses that are continuing to increase range from; disposal costs, fuel, fees, postage, parts, and internal expenses such as labor. These raising expenses have caused a need for us to adjust some residential rates.

For our main residential service code, a weekly pick-up of a 35 gallon garbage and 65 gallon recycling cart, we are seeking a residential rate adjustment of 65 cents per month. This residential service type represents 52% of our overall customers. We will correct an error in which we were under charging for the following 35 gallon weekly services: enclosure, driveway, and driveway enclosure. There will be no commercial rate adjustment.

We are pleased to announce that Dahl Disposal Service, Inc. is meeting and exceeding the state's recovery goal of 20% for Lincoln County. In 2013, we recycled 7,825.99 tons or 39.13% of total waste generated in East and South Lincoln County.

A total of 20,001.04 total tons of waste passed through transfer centers in East and South Lincoln County in 2013.

In 2013, we implemented administrative programs and software to become more user-friendly. We have found that our advancements in technology and introduction of our new website has directly impacted our efficiency in the office. Our new website is easily



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navigated and allows for online bill pay for our customers, driving down rising credit card payment phone volumes. We also have a new phone system. It assists the caller and directs them to the person they need to talk to. This significantly decreases time spent transferring calls and total time spent on a call per customer.

We strive to grow in all facets of the company. Not only have we become more efficient in our administrations, we have also become more efficient in our operations. Most recently, we have consolidated our truck fleet and shops into one facility. This process has allowed us to remap our routes for route efficiencies reducing from 6 daily route trucks to less than 5 and eliminates a whole shops worth of parts inventories. It has also allowed us to group our route trucks together. In the past, if one truck filled up just shy of completing its daily route, they would have to return to dump the contents of their truck and drive back to complete their route. With our trucks grouped, we have eliminated this issue. Trucks that are in the area can now assist at the end of their routes with what spare space they have left. This increases efficiency by saving the time and money that it would have taken to drive back out for a few carts. Additionally, now that our trucks are grouped we will be able to install a company wide radio system. This will allow for direct communication between our office and trucks in rural areas.

As we evolve, we aim to keep our customers up-to-date with our quarterly "Waste Watch" newsletter, which is distributed to customers in their bill. Our customers can also stay up to date us on our website and on facebook.

In 2013, Dahl family companies contributed over \$13,000 in donations to help support local community groups, organizations, and projects. With the addition of our 2013 donations, our total amount of donations since we have restructured our donation requests in 2011 is over \$43,000 in donations and kind services.

We continue to provide community support in other ways such as:

- Serving on specialized task forces and steering committees.
- Supporting fundraising events.
- Sponsoring programs like "Families Together Program" of the Yachats Youth & Family Activities Program.
- Joining community groups and civic organizations such as Rotary and Booster Clubs
- Supporting local fundraisers such as CAN Cancer, in partnership with local haulers and local hospital foundations.
- Sponsoring events like SOLVE's adopt-a-river program and beach cleanups.



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Our free recycling of operable refrigerator and freezers for PUD customers continued through 2013. This program had been well utilized and is made possible thanks to a partnership with local haulers and Central Lincoln PUD.

Dahl Disposal Service, Inc. is thankful for our customers in East and South Lincoln County who expect exceptional service from us and set the bar high. While our progressive attitude and focus on providing superior service are core company values, the real value lies in the communities we serve and how we serve them best.

Thank you in advance for your time to review our report and request.

A handwritten signature in black ink, appearing to read "Nicholas Dahl".

Nicholas Dahl,
Dahl Disposal Service, Inc.

| | Actual 2013 | Projected Adjustments | Projected 2014 |
|----------------------|--------------------------|--------------------------|-------------------|
| Total Revenue | Actual \$ 250,243 | \$ 12,172 | \$ 262,415 |
| Total Labor | Labor Hours \$ 75,880 | \$ 4,371 | \$ 80,251 |
| Total Operational | Labor Hours \$ 155,561 | \$ 329 | \$ 155,890 |
| Total Administrative | Customer Count \$ 14,366 | \$ 833 | \$ 15,200 |
| Net Income | \$ 4,435 | \$ - | \$ 11,075 |
| | | | |
| Net Regulated Income | \$ 4,435 | \$ - | \$ 11,075 |
| Operating Margin | 1.77% | | 4.22% |

| Residential Rates | Yachats 2013/2014 | Yachats 2014/2015 | \$ Amount | Adjustment |
|--|------------------------------|------------------------------|------------------|-------------------|
| 35 gal once a week curb refuse and recycling service | \$22.15 | \$22.80 | \$0.65 | 2.93% |
| 35 gal once a week curb enclosure refuse service and curb recycling | \$23.70 | \$25.80 | \$2.10 | 8.86% |
| 35 gal once a week driveway refuse service and curb recycling | \$25.70 | \$27.80 | \$2.10 | 8.17% |
| 35 gal once a week driveway enclosure refuse service and curb recycling | \$27.70 | \$29.80 | \$2.10 | 7.58% |
| 35 gal once a month curb refuse service and curb recycling | \$16.30 | \$16.30 | \$0.00 | 0.00% |
| 35 gal once a month curb enclosure refuse service and curb recycling | \$19.30 | \$19.30 | \$0.00 | 0.00% |
| 35 gal once a month driveway refuse service and curb recycling | \$21.30 | \$21.30 | \$0.00 | 0.00% |
| 35 gal once a month driveway enclosure refuse service and curb recycling | \$23.30 | \$23.30 | \$0.00 | 0.00% |
| 35 gal On call Curb refuse service and curb recycling | \$16.30 | \$16.30 | \$0.00 | 0.00% |
| 35 gal On call Curb enclosure refuse service and curb recycling | \$19.30 | \$19.30 | \$0.00 | 0.00% |
| 35 gal On call Driveway refuse service and curb recycling | \$21.30 | \$21.30 | \$0.00 | 0.00% |
| 35 gal On call Driveway enclosure refuse service and curb recycling | \$23.30 | \$23.30 | \$0.00 | 0.00% |
| 65 gal once a week curb refuse service and curb recycling | \$41.50 | \$41.50 | \$0.00 | 0.00% |
| 65 gal once a week curb enclosure refuse service and curb recycling | \$44.50 | \$44.50 | \$0.00 | 0.00% |
| 65 gal once a week driveway refuse service and curb recycling | \$46.50 | \$46.50 | \$0.00 | 0.00% |
| 65 gal once a week driveway enclosure refuse service and curb recycling | \$48.50 | \$48.50 | \$0.00 | 0.00% |
| 65 gal once a month curb refuse service and curb recycling | \$18.05 | \$18.05 | \$0.00 | 0.00% |
| 65 gal once a month curb enclosure refuse service and curb recycling | \$21.05 | \$21.05 | \$0.00 | 0.00% |
| 65 gal once a month driveway refuse service and curb recycling | \$23.05 | \$23.05 | \$0.00 | 0.00% |
| 65 gal once a month driveway enclosure refuse service and curb recycling | \$25.05 | \$25.05 | \$0.00 | 0.00% |
| 65 gal On call Curb refuse service and curb recycling | \$18.05 | \$18.05 | \$0.00 | 0.00% |
| 65 gal On call Curb enclosure refuse service and curb recycling | \$21.05 | \$21.05 | \$0.00 | 0.00% |
| 65 gal On call Driveway refuse service and curb recycling | \$23.35 | \$23.35 | \$0.00 | 0.00% |
| 65 gal On Call Driveway enclosure refuse service and curb recycling | \$25.05 | \$25.05 | \$0.00 | 0.00% |
| 95 gal once a week curb refuse service and curb recycling | \$62.25 | \$62.25 | \$0.00 | 0.00% |
| 95 gal once a week curb enclosure refuse service and curb recycling | \$65.25 | \$65.25 | \$0.00 | 0.00% |
| 95 gal once a week driveway refuse service and curb recycling | \$67.25 | \$67.25 | \$0.00 | 0.00% |
| 95 gal once a week driveway enclosure refuse service and curb recycling | \$69.25 | \$69.25 | \$0.00 | 0.00% |
| Additional fee for recycling services for enclosure | \$3.00 | \$3.00 | \$0.00 | 0.00% |
| Additional fee for recycling services for drive | \$5.00 | \$5.00 | \$0.00 | 0.00% |
| Additional fee for recycling services for drive enclosure | \$7.00 | \$7.00 | \$0.00 | 0.00% |
| Extras at Curb | \$5.00 | \$5.00 | \$0.00 | 0.00% |
| Extras at Enclosures and Driveway | \$5.50 | \$5.50 | \$0.00 | 0.00% |
| 35 gal Bear Cart must have enclosure service | \$3.50 | \$4.00 | \$0.50 | 14.29% |
| 65 gal Bear Cart must have enclosure service | \$4.00 | \$4.50 | \$0.50 | 12.50% |
| 95 gal Bear Cart must have enclosure service | \$4.50 | \$5.00 | \$0.50 | 11.11% |
| Cart Change Out | \$12.00 | \$12.00 | \$0.00 | 0.00% |
| On Call Min W/NO PU For the Month | \$8.00 | \$8.00 | \$0.00 | 0.00% |
| Reconnect Fee | \$25.00 | \$25.00 | \$0.00 | 0.00% |

Dahl Disposal Service Commercial Rates

| Commercial Rates | Yachats 2013/2014 | Yachats 2014/2015 | \$ Amount | Adjustment |
|--|------------------------------|------------------------------|------------------|-------------------|
| 200 gal once a week refuse and recycling service | \$115.00 | \$115.00 | \$0.00 | 0.00% |
| 200 gal once a month/Temp Cont. refuse and recycling service | \$53.25 | \$53.25 | \$0.00 | 0.00% |
| 200 gal extra P/U refuse and recycling service | \$38.25 | \$38.25 | \$0.00 | 0.00% |
| 200 gal every other week refuse and recycling service | \$91.50 | \$91.50 | \$0.00 | 0.00% |
| 200 gal twice weekly refuse and recycling service | \$230.00 | \$230.00 | \$0.00 | 0.00% |
| 200 gal three weekly refuse and recycling service | \$345.00 | \$345.00 | \$0.00 | 0.00% |
| 300 gal once a week refuse and recycling service | \$160.00 | \$160.00 | \$0.00 | 0.00% |
| 300 gal once a month/Temp Cont. refuse and recycling service | \$63.75 | \$63.75 | \$0.00 | 0.00% |
| 300 gal extra P/U refuse and recycling service | \$48.75 | \$48.75 | \$0.00 | 0.00% |
| 300 gal every other week refuse and recycling service | \$112.50 | \$112.50 | \$0.00 | 0.00% |
| 300 gal twice a week refuse and recycling service | \$320.00 | \$320.00 | \$0.00 | 0.00% |
| 300 gal triple weekly refuse and recycling service | \$480.00 | \$480.00 | \$0.00 | 0.00% |
| Rent All Cont. | \$15.00 | \$15.00 | \$0.00 | 0.00% |
| Placement All Cont. | \$30.00 | \$30.00 | \$0.00 | 0.00% |

Rates for Other Services

| Drop Box Rentals (Solid Waste/Woody Debris) | Yachats 2013/2014 | Yachats 2014/2015 | \$ Amount | Adjustment |
|--|------------------------------|------------------------------|------------------|-------------------|
| Minimum Charge per drop box | \$350.00 | \$350.00 | \$0.00 | 0.00% |
| Compactor Drop Boxes (Min. dumped once per month) | \$0.055 | \$0.055 | \$0.00 | 0.00% |
| Loose Drop Box Rates (Solid Waste) | \$0.045 | \$0.045 | \$0.00 | 0.00% |
| Woody Debris Drop Boxes | \$7 per yard | \$7 per yard | | |
| Minimum Charge per Woody Debris box | \$265.00 | \$265.00 | \$0.00 | 0.00% |
| Metal Boxes | Market Dep. | Market Dep. | | |
| Drop box delivery fee (Solid Waste/Woody Debris) | \$125.00 | \$125.00 | \$0.00 | 0.00% |
| Drop box rent after 3 days, weekends included | \$6.00 | \$6.00 | \$0.00 | 0.00% |
| Drop Box Truck Per Hour | \$105.00 | \$105.00 | \$0.00 | 0.00% |

| You Call We Haul | | | | |
|-------------------------------------|---------------|---------------|--------|-------|
| Deposit | \$35.00 | \$35.00 | \$0.00 | 0.00% |
| One man with a pick up | \$65.00 hour | \$65.00 hour | \$0.00 | |
| Extra man per hour | \$35 hour | \$35 hour | \$0.00 | |
| Deposit (Extra man per hour) | \$50.00 | \$50.00 | \$0.00 | 0.00% |
| Minimum of two men to enter a house | \$100.00 hour | \$100.00 hour | \$0.00 | |
| Deposit (Two men to enter a house) | \$50.00 | \$50.00 | \$0.00 | 0.00% |
| Disposal | \$.045 pound | \$.045 pound | | |