

Department of Public Services

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GRAYS HARBOR COUNTY

STATE OF WASHINGTON

October 3, 2017

Roger Swalander
Lemay Enterprises, Inc.
4201 Olympic Highway East
Aberdeen, WA 98520

Re: 2018 Rate Increases – Solid Waste

Dear Roger:

Grays Harbor County accepts the Companies 2018 contracted cost of living and fuel surcharge rate increase in the amount of \$2.81 per ton.

Attached is the authorization from the Grays Harbor County Commissioners to increase the County's Administrative fee an additional \$1.46 per ton. This increase will bring the total County Administrative fee to \$19.94 per ton.

For 2018 the Central Transfer Station tipping fee will be \$101.00/ton. We request that the Company provide a "2018 Rate Increase Notification Sign" at the scale shack to inform your customers of the upcoming January 1st increase.

The effective date for the rate increases will be January 1, 2018.

Please call me if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads 'Mark Cox'. The signature is fluid and cursive.

Mark A. Cox, Director
Utilities and Facilities

Department: Utilities and Development

Date: 9/25/17

Date for Consideration: 10/2/17

Agenda Item Title: 2018 Central Transfer Station Rate Adjustment

EXPLANATION OF REQUEST

The Department is requesting an increase of \$1.46 per ton to the County Administrative Fee at the Central Transfer Station. The department is requesting this increase to satisfy a recent Department of Revenue tax ruling and to maintain current levels of service in the Solid Waste Enforcement and Household Hazardous Waste Programs. Reductions in State Grant Funding has impacted these programs.

RECOMMENDED ACTION

The department recommends the Board increase the County Administrative Fee \$1.46 per ton at the Central Transfer Station effective January 1, 2018.

IMPORTANT INFORMATION

Budget information: General Fund Miscellaneous Fund:

Amount of request:

Funding Source (grant, fees, etc.):

Will this require a supplemental or emergency budget? YES NO

Term/Dates of item:

Other: This increase is in addition to any contracted increase with LeMay Inc.

SIGNATURES/APPROVAL

Elected Official/ Department Administrator Signature:	<i>Mark Cap</i>
	Date: 9/27/17
Grays Harbor County Commissioner Approval:	
Commissioner Wes Cormier	<i>Wes Cormier</i>
Commissioner Randy Ross	<i>Randy Ross</i>
Commissioner Vickie L. Raines	<i>Vickie L. Raines</i>
Attest:	Date: 10-2-17
Was the Contract reviewed by the Prosecutor's Office? (if applicable)	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Signature of Deputy Prosecuting Attorney:
Was the agenda item reviewed by the Budget Director? (if applicable)	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Signature of Budget Director:
Was the agenda item reviewed by Risk Management? (if applicable)	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Signature of Risk Manager:

LeMay Transfer Station Rate Increase 2018

Contracted Increase

Grays Harbor County is contractually obligated to provide LeMay an annual cost of living increase (Section 9.6 / 2014 County/Lemay Waste Handling Agreement). The annual increase is based on 85% of any increase in the Consumer Price Index.

Grays Harbor County is contractually obligated to provide LeMay a fuel surcharge adjustment if fuel prices rise above the previous year's base amount. For every one cent increase in the fuel cost the tip fee shall be increased \$0.032 cents per ton.

The contracted increase for Lemay will be \$2.81 in 2018.

\$1.98 is 85% of CPI

\$0.83 is for fuel surcharge

County Increase

Grays Harbor County is increasing the County Administration Fee \$1.46 per ton in 2018. This increase is necessary to supplement the reduction of State funding for Solid Waste Programs from the Department of Ecology. State grant dollars have been used for solid waste enforcement, recycling programs, roadside litter collection and to offer residents free disposal of Moderate Risk Waste. This increase will also help provide funding necessary for newly assessed B&O taxes on the Solid Waste program.

- **2017 Central Transfer Station Tip Fee is \$96.73**
- **2018 Central Transfer Station Tip Fee is \$101.00**
 - **2018 Lemay Increase \$2.81**
 - **2018 County Increase \$1.46**
 - **Total 2018 Increase \$4.27**

The impact of this tip fee increase to the average homeowner with every other week garbage service is \$0.29 per month. (per. LeMay Inc.)