



November 1, 2018

Derek Ranta, District Manager
Columbia Resource Company (CRC)
PO Box 61726
Vancouver, WA 98666

RE: 2019 CPI Adjustment

Dear Derek,

Pursuant to Section 12.3.1 CPI Adjustment of the Solid Waste Recycling, Transfer, Transportation and Out-of-County Disposal Contract, CRC notified the county on October 3, 2018 of CRC's intent to exercise the option to adjust the basic tipping fee beginning January 1, 2019 based on changes to the Consumer Price Index (CPI).

I have reviewed your letter of intent to adjust the tip fee, and Bureau of Labor Statistics for Urban Wage Earners and Clerical Workers in the Portland/Salem area. I concur with your calculation of the year over year CPI increase of 3.6050%.

I have reviewed the year over year change in outbound Clark County tonnage pursuant to Section 12.3.1(B) of the Contract. County data indicates that year over year outbound Clark County tonnage increased by 3.52% during the period of review. As such, pursuant to Section 12.3.1(A) of the Contract CRC is entitled to adjust the basic tipping fee by 75% of CPI which equates to an increase of 3.1816%. It should be noted that CRC CPI adjustment request indicated that tonnage grew by 3.9%. County and CRC staff will reconcile the data after the fiscal year close out.

I have reviewed, and concur, with your calculations of the adjustment of the tip fees for non-drop box waste and for commercial drop-box waste. The tip fee for non-drop box transactions will increase from \$91.71 per ton to \$94.19 per ton. The tip fee for commercial drop box transactions will increase from \$81.26 per ton to \$83.46 per ton. The Recyclables processing fee will increase from \$34.60 to 33.60 per ton.

In addition to the aforementioned annual adjustments for inflation, the county has approved two other adjustments to the tip fee. The Clark County Council has approved an ordinance establishing a per ton fee of \$1.43 to support county environmental health programs. This fee is not subject to CPI. The County Manager has approved the additional work request from CRC for acquisition of property for a south bound deceleration lane at the Central Transfer Station. The approved adjustment to the tip fee for additional work for 2019 is \$.09 per ton.

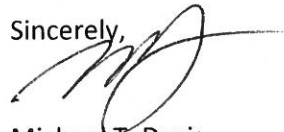
The total adjustment to the 2019 tip fee incorporating the additional fee and approved adjustment for additional work is as follows

	<u>MSW</u>	<u>Drop Box</u>
2019 Basic Tip Fee	\$94.19	\$83.46
County Health Fee	1.43	1.43
Additional Work	<u>.09</u>	<u>.09</u>
Total 2019 Tip Fee	\$95.71	\$84.98

The county wishes to reiterate the fact that the option to increase the tipping fees based on the CPI is at the sole discretion of CRC. The county will notify local jurisdictions of the pending increase and explain the effect on their garbage customers. Given that this increase is at CRC's sole discretion, CRC should be prepared to answer any questions related to the increase posed by customers and local jurisdictions.

Per your notification letter, these prices will become effective January 1, 2019. If you have any questions, please feel free to contact me at 397-2121 extension 4920.

Sincerely,



Michael T. Davis
Senior Environmental Operations Specialist
Solid Waste Operations

Cc: Travis Dutton
Rich McConaghy