



September 13 , 2021

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

RE: 2022 CPI Adjustment

Dear Mr. Ranta,

Pursuant to Section 12.3.1 CPI Adjustment of the Solid Waste Recycling, Transfer, Transportation and Out-of-County Disposal Contract, CRC initially notified the county on August 31, 2021 of CRC's intent regarding the option to adjust the basic tipping fee beginning January 1, 2022 based on changes to the Consumer Price Index (CPI).

Staff has reviewed the CRC calculation to determine the adjustment of the tip fee including a review of the Bureau of Labor Statistics for Urban Wage Earners and Clerical Workers in the Seattle-Tacoma-Bellevue region. Staff concurs with the CRC calculation of the year-over-year CPI increase of 3.2897%.

Staff 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 8.7% 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 2.4673%

2021 Basic tip fee for MSW will increase by \$2.36 from \$95.72 to \$98.08. The 2021 basic tip fee for waste delivered in commercial drop boxes will increase by \$2.09 from \$84.83 to 86.92.

CRC has indicated they intend to exercise the option to adjust the revenue retained for processing recyclables under Section 9.2.2(B) by the allowable amount of 2.6976%. The revenue retained from processing will increase from \$36.84 to \$37.83 per ton.

The Clark County Council has approved an ordinance establishing a per ton fee of \$1.43 to support county environmental health solid waste programs. This fee is not subject to an adjustment by CPI.

The annual inflation adjustment to the 2022 Basic tip fee including the County Fee is as follows:

	<u>MSW</u>	<u>Drop Box</u>
2020 Basic Tip Fee	\$95.72	\$88.35
2021 Inflation adjustment	2.36	2.09
County Health Fee	<u>1.43</u>	<u>1.43</u>
Total 2021 Tip Fee (Basic+ Inf adj+ County)	\$99.51	\$88.35

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.

Section 22 Additional Work allows the CRC or the County to request CRC perform additional work under the contract. If approved by the county, the section outlines the process for calculating additional compensation through the tip fee. In accordance with Section 22, the additional work calculation is updated annually and submitted to the County Manager for review and approval. CRC has submitted an updated annual request for additional work. Approval by the County Manager will be addressed separately from the annual inflation adjustment.

If approved, the county will notify local jurisdictions of the pending increase for additional work. Given that this increase is at CRC's request, 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, 2022. If you have any questions, please contact me at (564) 397-7343 or Travis Dutton at (564) 397-8103.

Sincerely,



Michael T. Davis
Senior Environmental Operations Specialist
Solid Waste Operations

Cc: Travis Dutton, Solid Waste Program Manager, Clark County Public Health
Rich McConaghy, Environmental Resources Manager, City of Vancouver Public Works
Julie Gilbertson, Solid Waste Supervisor, City of Vancouver Public Works