

proud past, promising future

September 26, 2014

Chris Thomas, District Manager Columbia Resource Company (CRC) PO Box 61726 Vancouver, WA 98666

RE: 2015 CPI Adjustment

Dear Chris,

Pursuant to Section 12.3.1 <u>CPI Adjustment</u> of the Solid Waste Recycling, Transfer, Transportation and Out-of-County Disposal Contract, CRC notified the county on August 25, 2014 of CRC's intent to exercise the option to adjust the basic tipping fee beginning January 1, 2015 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 2.43%.

I have reviewed the year over year change in outbound Clark County tonnage pursuant to Section 12.3.1(B) of the Contract. The data indicates that year over year outbound Clark County tonnage increased by 5.773% 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 1.82%

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 \$85.61 per ton to \$87.17 per ton. The tip fee for commercial drop box transactions will increase from \$75.81 per ton to \$77.18 per ton. The Recyclables processing fee will increase from \$32.37 to 32.96 per ton.

In addition to the aforementioned increases, CRC has also indicated that yard debris rates at the transfer facilities will also increase by the allowable CPI. Yard debris rates at the Central Transfer Station will increase from \$61.41 to \$62.52. Yard debris rates at the West Van Transfer Station will increase from \$53.59 to \$54.56.

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, 2015. If you have any questions, please feel free to contact me at 397-2121 extension 4920.

Sincerely,

Michael T. Davis Solid Waste Projects

cc:

Pete Dubois Don Benton Rich McConaghy