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CLARK COUNTY
WASHINGTON

ENVIRONMENTAL SERVICES

November 5, 2015

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

RE: 2016 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 September 17, 2015 of CRC's intent to exercise the option to adjust the basic tipping fee beginning January 1, 2016 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 .59%.

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 9.8% 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 .44%

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 \$87.17 per ton to \$87.56 per ton. The tip fee for commercial drop box transactions will increase from \$77.18 per ton to \$77.53 per ton. The Recyclables processing fee will increase from \$32.96 to \$33.11 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 \$62.52 to \$62.80. Yard debris rates at the West Van Transfer Station will increase from \$62.12 to \$62.40.

Per our discussion with City of Vancouver staff on Wednesday, both the City and county concur that the Contract allows the tip fee to be adjusted by up to 90% of the Oregon Department of Environmental Quality (DEQ) landfill tip fee increase. However, both the City and county prefer to wait until DEQ firms up the timeline and amount of the increase to adjust the contractual tip fee. Once DEQ officially announces the timeline for the fee increases, we will meet to discuss the preferred options for adjusting the tip fee pass through.

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, 2016. 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