

## TRANSFER STATION AND DISPOSAL SERVICE AGREEMENT

### AMENDMENT NO. 13

**WHEREAS**, the Transfer Station and Disposal Service Agreement among PACIFIC COUNTY, WASHINGTON (the “County”), the Cities of SOUTH BEND AND RAYMOND, WASHINGTON (the “Cities”), and Royal Heights Transfer Station, Inc., a Washington Corporation (“Royal Heights”) effective January 1, 2010, allows for modifications; AND

**WHEREAS**, there is a need to amend sections of the Agreement to reflect adjustments in the methodology used for rate calculations, rates effective August 1, 2022, and other language modifications.

**NOW, THEREFORE**, Section 6, “Rates Charges for Transfer Station Services” is hereby amended as follows:

6. Replace in its entirety with:

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6.1 On August 1<sup>st</sup> each year the rates shall be adjusted by the percentage of the previous calendar year’s December to December change in CPI-U for West Region Size Class B/C.

Royal Heights Service	Adjustment Rate
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Disposal and DEQ Fees	85%
Transfer Station Maintenance and Operation	85%
Transfer Station Administration	FROZEN
Special Handling Fee (Self Hauled)	FROZEN
Pacific County Programs	Adjustment Rate
Solid Waste Management Plan (SWMP)	85%
Post Closure Fund*	85%
Moderate Risk Waste Program (MRW)	FROZEN

\*2019 the base rates were adjusted. The percent of CPI-U adjustment listed above will be effective August 1, 2020.

6.2 The rate payable for the year commencing on August 1<sup>st</sup> each year shall be calculated using the *US Department of Labor’s Consumer Price Index, All Items, All Consumers, West Region –Size Class B/C (CPI-U) table of over-the-year percent increases*, from December to December of the prior year.

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- Annual Adjustment Rate for Transportation 85% CPI-U (rounded to three decimals)
- $.074 \text{ (CPI-U)} \times .85 \text{ (Adjustment Rate)} = .063 \text{ (Percentage Increase to Current Fee)}$
- Current Rate (Aug 1, 2021-July 31, 2022)=\$50.07 (rounded to two decimals)
- $\$50.07 \text{ (Current Rate)} \times 1.063 \text{ (Percent Increase)} = \$53.22 \text{ (Revised Fee for 8/1/22-7/31/23)}$

6.3 If the CPI-U rate is revised or discontinued during the term of this Agreement, such other governmental index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the CPI-U rate had not been discontinued or revised. In the even the CPI-U rate being used is not replaced the parties will, in good faith, attempt to agree on a governmental index or computation which will, as closely as possible, yield substantially the same result as would be obtained of the index had not been discontinued. If the parties fail to agree upon such other governmental index, a replacement index will be determined by an arbitrator per Section 16.

6.4 Beginning August 1, 2022, and each succeeding year thereafter during the term of this Agreement, charges listed in the tables below shall be adjusted on August 1<sup>st</sup> of each year.

Service	COLUMN A: Current Rate (8/1/21-7/31/22)	COLUMN B: Adjustment Factor % Difference in CPI-U	COLUMN C: CPI-U change over previous year Calendar year 2021	COLUMN D: CPI-U Rate X Adjustment Factor (Column B X Column C)	COLUMN F: Base Rate as of August 1 <sup>st</sup> , 2022 (Column A X 1+ Column D)
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Transfer Station Administration	\$0.10	FROZEN	NA	NA	\$0.10
Special Handling Fee (Self Hauled)	\$23.75	FROZEN	NA	NA	\$23.75

Oregon D.E.Q. Fee*	Included in Disposal Fee	NA	NA	NA	Included in Disposal Fee
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Oregon CAT Tax	\$0.18	Actual	NA	NA	\$0.18

#### 6.5 Fuel Surcharge

All parties recognize that changes in costs of fuel may result in higher or lower transportation costs under this agreement. A fuel surcharge will be added to the total adjusted rate collected by Royals Heights Transfer Station for waste delivered to the Transfer Station.

The Fuel Surcharge rate will be adjusted annually on August 1<sup>st</sup> to cover increases or decreases in diesel fuel costs from year to year. The rate will be adjusted using the *U.S. Energy Information Assistance, Petroleum and other liquids, Gasoline and Diesel Fuel Update, West Coast less California, Diesel (On highway), All Types* rate from the previous year. If the average per gallon cost in the previous year is different than the base charge of \$2.50, the fuel surcharge will adjust the base rate by \$0.35 per ton for each \$0.10 that the average per gallon cost is more or less than the \$2.50 base rate.

Using the *U.S. Energy Information Assistance Fuel Update*, the average fuel rate reported for calendar year 2021, the 2022 fuel surcharge rate will be adjusted August 1, 2022 as follows:

- Base Rate \$2.50
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- Difference +\$0.98
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  - \$.98 (difference in fuel price from base rate) /.10 (increase for every \$0.35)=9.8
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6.6 Prior to June 1<sup>st</sup> of each year, Royal Heights shall provide the County and each City written schedules, work papers, supporting data and computations setting forth the expected adjustment to be made to Royal Heights' fees and charges. Any adjustments to the fees shall be calculated according to the methodology outlined in Sections 6.1-6.6. On, or before, July 15<sup>th</sup> of

the same year, the parties shall discuss in good faith computations and shall document the adjusted rate agreed upon in a written amendment to this Agreement.

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Pacific County, Washington


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Lisa Olsen, Chair

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Julie Struck, Mayor

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Frank Wolfe, Member

Royal Heights Transfer Station, Inc.

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Larry Bale, President

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Mike Runyon, Member

ATTEST:

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Amanda Bennett

Clerk of the Board

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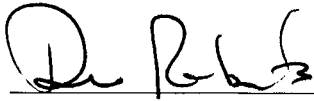
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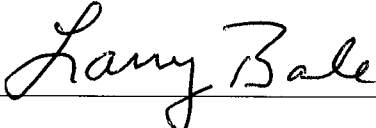
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