

CITY COUNCIL

AGENDA BILL # AB22-0038



City of Algona
200 Washington Blvd.
Algona, WA 98001

ITEM INFORMATION			
SUBJECT: 2022-2023 Waste Management Rate Adjustment	Agenda Date: August 8, 2022		
	Department/Committee/Individual	Created	Reviewed
	Mayor		
	City Administrator		X
	City Attorney		
	City Clerk		X
	Finance Dept		
	PW/Utilities		
	Planning Dept		
	Community Services		
	Police Dept		
	Cost Impact:	Finance Committee	
Fund Source:	Planning Commission		
Timeline:	Civil Service Committee		
Staff Contact: Dana Parker, Deputy City Clerk			
Attachments:			
SUMMARY STATEMENT: 2022-2023 rate schedule for solid waste and recycling services provided by Waste Management to residents and businesses to take effect on November 1, 2022. The new rates are calculated per section 8.1.1 CP Adjustment of the Collection Franchise, utilizing the published Consumer Price Index for All Urban Customers; Water and sewer and trash collection services for the twelve-month period ending June 2022; the resulting CPI modification is a 4.426% increase.			
COMMITTEE REVIEW AND RECOMMENDATION:			
RECOMMENDED ACTION:			
RECORD OF COUNCIL ACTION			
Meeting Date:	Action:	Vote:	



Waste Management
720 4th Ave, Suite 400
Kirkland, WA 98033

July 26, 2022

Police Chief James Schrimpscher
City of Algona
402 Warde Street
Algona, WA 98001
Jamess@algonawa.gov

Re: 2022 CPI Rate Adjustment

Please find enclosed the 2022-2023 rate schedule for solid waste and recycling services provided by WM to the residents and businesses of the City of Algona.

The new rates are calculated per section 8.1.1 CPI Adjustment of the Collection Franchise, utilizing the published Consumer Price Index for All Urban Consumers: Water and sewer and trash collection services for the twelve-month period ending June 2022; the resulting CPI modification is a 4.426% increase.

Please review this schedule and let me know of any discrepancies as WM will adjust our billing system to reflect these changes effective November 1, 2022.

WM looks forward to providing quality waste and recycling services to the City of Algona in the year ahead.

Sincerely,

A handwritten signature in black ink that reads 'Kelly Emerson'.

KELLY EMERSON
Contract Compliance Administrator
Public Sector, Pacific Northwest
kemerson@wm.com

City of Algona

Exhibit B

Service Rate Schedule

	2021 Disposal		2022 Disposal		2022 Disposal		CPI Adjustment Rates Effective 11/01/2022
	\$	%	\$	%	\$	%	
	2021 Disposal	140.82	2022 Disposal	154.02	2022 Disposal	154.02	0.00%
	2022 Disposal	154.02	2022 Disposal	154.02	2022 Disposal	154.02	0.00%
	B&O	1.75%	B&O	1.75%	B&O	1.75%	
	CPI	0.00%	CPI	4.426%	CPI	4.426%	
lbs./	Disposal		Disposal		Disposal		CPI Adjustment Rates Effective 11/01/2022
Customer	Service	Effective 01/01/2022	Service	Effective 01/01/2022	Service	Effective 11/01/2022	
<i>Single Family Garbage Service* (includes 1-64 gallon Recycle Cart, EOW service)</i>							
35 gal. Cart 1x per month service	1.81 \$	18.11	1.81 \$	19.92	1.81 \$	18.91	\$20.72
20 gal. Mini-cart weekly service	3.94 \$	16.61	3.94 \$	20.55	3.94 \$	17.34	\$21.28
35 gal. Cart weekly service	6.30 \$	24.79	6.30 \$	31.09	6.30 \$	25.88	\$32.18
64 gal. Cart weekly service	12.65 \$	33.21	12.65 \$	45.86	12.65 \$	34.67	\$47.32
96 gal. Cart weekly service	18.99 \$	37.12	18.99 \$	56.11	18.99 \$	38.76	\$57.75
Garbage Extras (32gal. Equivalent)	1.43 \$	8.28	1.43 \$	9.71	1.43 \$	8.64	\$10.07
Extra Recycling Cart (64 gallon, contractor provided)				2.34			\$2.44
Cart Delivery Service (new, replacement or redelivered carts)				21.77			\$22.73
Carry-out/troll-out service				2.84			\$2.96
<i>Compostables Service (EOW Service)*</i>							
35, 64, or 96 gal. Cart (96 gal. default size)				11.28			\$11.77
Compostables Extras (32gal. Equivalent)				6.16			\$6.43

* Senior discount of 10% on the above rates

City of Algona

Exhibit B

Service Rate Schedule

Customer	lbs./	2021 Disposal			2022 Disposal			CPI Adjustment Rates Effective 11/01/2022
		Disposal	Service	Adjustment Rates Effective 01/01/2022	Disposal	Service	Adjustment Rates Effective 11/01/2022	
Multi-Family & Commercial Permanent Garbage Service (includes 2-96 gallon Recycle Carts, EOW service)								
35 gal. Cart weekly service **	22.02	\$ 7.37	\$ 24.95	\$32.32	\$ 7.37	\$ 26.05	\$33.42	
64 gal. Cart weekly service **	40.27	\$ 13.50	\$ 26.39	\$39.89	\$ 13.50	\$ 27.55	\$41.05	
96 gal. Cart weekly service **	60.40	\$ 20.26	\$ 29.03	\$49.29	\$ 20.26	\$ 30.31	\$50.57	
1 yard weekly service **	127.10	\$ 42.66	\$ 94.11	\$136.77	\$ 42.66	\$ 98.27	\$140.93	
1.5 yard weekly service **	190.65	\$ 64.00	\$ 131.50	\$195.50	\$ 64.00	\$ 137.32	\$201.32	
2 yard weekly service **	254.20	\$ 85.35	\$ 176.30	\$261.65	\$ 85.35	\$ 184.10	\$269.45	
3 yard weekly service **	381.30	\$ 128.03	\$ 225.42	\$353.45	\$ 128.03	\$ 235.39	\$363.42	
4 yard weekly service **	508.40	\$ 170.70	\$ 293.93	\$464.63	\$ 170.70	\$ 306.93	\$477.63	
6 yard weekly service **	762.60	\$ 256.07	\$ 405.71	\$661.78	\$ 256.07	\$ 423.66	\$679.73	
8 yard weekly service **	1,016.80	\$ 341.42	\$ 510.97	\$852.39	\$ 341.42	\$ 533.58	\$875.00	
Rate is calculated by dividing monthly service rate by number of pickups in a month (4.333).								
** Extra Service: Additional service on a non-scheduled pickup day requiring a specially dispatched driver. Rate is calculated by dividing monthly service rate by number of pickups in a month (4.333) plus return trip fee (Current UTC rate).								
Garbage Extras per yard	127.10	\$ 9.84	\$ 13.43	\$23.27	\$ 9.84	\$ 14.02	\$23.86	
Garbage Extras (32gal. Equivalent)	22.02	\$ 1.68	\$ 5.35	\$7.03	\$ 1.68	\$ 5.58	\$7.26	
Extra Recycle Cart (96 gallon, contractor provided; limit 2 extras)				\$2.91			\$3.03	

City of Algona

Exhibit B

Service Rate Schedule

	lbs./ Customer	2021 Disposal \$ 140.82			2022 Disposal \$ 154.02			2023 Disposal \$ 154.02		
		Disposal	Service	Adjustment Rates Effective 01/01/2022	Disposal	Service	Adjustment Rates Effective 01/01/2022	Disposal	Service	Adjustment Rates Effective 11/01/2022
Commercial Temporary Garbage Service (includes service & disposal)										
1 yard (per pick-up)	127.10	\$ 9.84	\$ 18.80	\$28.64	\$ 9.84	\$ 19.63	\$29.47	\$ 9.84	\$ 19.63	\$29.47
1.5 yard (per pick-up)	190.65	\$ 14.76	\$ 26.49	\$41.25	\$ 14.76	\$ 27.66	\$42.42	\$ 14.76	\$ 27.66	\$42.42
2 yard (per pick-up)	254.20	\$ 19.67	\$ 35.68	\$55.35	\$ 19.67	\$ 37.25	\$56.92	\$ 19.67	\$ 37.25	\$56.92
3 yard (per pick-up)	381.30	\$ 29.53	\$ 46.05	\$75.58	\$ 29.53	\$ 48.08	\$77.61	\$ 29.53	\$ 48.08	\$77.61
4 yard (per pick-up)	508.40	\$ 39.38	\$ 60.06	\$99.44	\$ 39.38	\$ 62.71	\$102.09	\$ 39.38	\$ 62.71	\$102.09
6 yard (per pick-up)	762.60	\$ 59.08	\$ 81.59	\$140.67	\$ 59.08	\$ 85.20	\$144.28	\$ 59.08	\$ 85.20	\$144.28
8 yard (per pick-up)	1,016.80	\$ 78.76	\$ 101.45	\$180.21	\$ 78.76	\$ 105.94	\$184.70	\$ 78.76	\$ 105.94	\$184.70
Delivery, 1 - 8 yard				\$28.11			\$29.35			\$29.35
Temp. Rent, 1-4 yard per day				\$2.60			\$2.71			\$2.71
Temp. Rent, 6 yard per day				\$3.95			\$4.12			\$4.12
Temp. Rent, 8 yard per day				\$4.67			\$4.87			\$4.87
Haul Rates										
10 - 50 yard, non-compacted (per haul)				\$128.97			\$134.67			\$134.67
10 - 50 yard, temporary (per haul)				\$160.32			\$167.41			\$167.41
10 - 50 yard, compacted (per haul)				\$190.52			\$198.95			\$198.95
Delivery, 10 - 50 yard				\$68.40			\$71.42			\$71.42
Hourly rate (tandem axle)				\$184.10			\$192.24			\$192.24
Hourly rate - extra man				\$80.02			\$83.56			\$83.56
Permanent Monthly Rent										
10 yard				\$122.29			\$127.70			\$127.70
15 yard				\$131.77			\$137.60			\$137.60
20 yard				\$137.11			\$143.17			\$143.17
25 yard				\$127.99			\$133.65			\$133.65
30 yard				\$151.97			\$158.69			\$158.69
40 yard				\$166.78			\$174.16			\$174.16
Temporary Rent										
10 - 40 yard (per day)				\$14.51			\$15.15			\$15.15
Roll-Off Disposal (15% markup on King County disposal fee)				\$177.12			\$177.12			\$177.12

8.1.1 CPI Adjustments to Collection Component

Commencing on November 1, 2017 and on the same date annually thereafter (the "Adjustment Date"), the collection component of Contractor's rates set forth in Exhibit B (as adjusted hereunder) shall be automatically increased by one hundred percent (100%) of the annual percent increase in the Consumer Price Index for All Urban Consumers: Water and sewer and trash collection services ("CPI") (Series CWUR0000SEHG), as published by the Bureau of Labor Statistics for the twelve-month period ending in June. At least forty-five (45) days prior to the Adjustment Date, Contractor shall notify the City of the CPI adjustment to take effect on the Adjustment Date and shall provide the City with its computations therefor. Adjustments to

Contractor's rates shall be made in units of one cent (\$0.01). Fractions less than one cent (\$0.01) shall not be considered when making adjustments. Annual CPI adjustments shall neither be negative nor greater than eight percent (8%). In the event the CPI index series decreases year-on-year, there shall be no CPI adjustment. In the event the CPI index series increases year-on-year more than eight percent (8%), that portion of the CPI adjustment exceeding eight percent (8%) shall not carry forward to the next year.

8.1.2 Pass Through Adjustment to Disposal Component

The disposal fee component of Contractor's rates set forth in Exhibit B (as adjusted hereunder) shall be automatically adjusted to reflect increases in King County disposal fees for solid waste and increases in tip fees for compostables. Such adjustments shall be effective the date on which the modified fees go into effect, and based on Cart/Container content weights specified in Exhibit B of this Contract. The business and occupation tax shall be applied to these fees.

8.1.3 Adjustments or Modifications to Rates

Except as set forth in Sections 8.1.1 and 8.1.2, Contractor shall not adjust or modify rates due to employee wage increases or Garbage collection service level shifts. Contractor may request an adjustment or modification of rates for any one or more of the following causes:

- (a) material changes in Contractor's costs resulting from a Force Majeure event;
- (b) changes in the scope or method of services provided by Contractor or other changes or fees required, initiated, or approved by the City;
- (c) any change in law, statute, rule, regulation, ordinance, order or requirement of any federal, state, regional or local government that is effective after the Effective Date of this Contract;
- (d) any increase in surcharges, fees, assessments or taxes levied by federal, state or local regulatory authorities or other governmental entities upon the collection or disposal of City Solid Waste (excluding increases in King County disposal fees, for which Contractor receives an adjustment under Section 8.1.2);
- (e) a material fluctuation in the markets or market price for Recyclables, unforeseen increases in the cost of collection, handling, storing, transporting, marketing, or sale or other disposition of Recyclables, the need for increased promotional or educational activities pertaining to recycling or any changes to the definition of "Recyclables" set forth herein;
- (f) any other extraordinary circumstances or causes or reasons that are not within the reasonable control of Contractor.

If Contractor desires to request an adjustment or modification for the causes set forth above, Contractor shall present to the City a rate adjustment or modification request, setting forth the adjustment or modification and the reasons therefor, in detail. The City may request any and all documentation and data reasonably necessary to evaluate such request by Contractor, and

may retain, at its own expense, an independent third party to audit and review such request and such documentation and data. If such third party is retained, the City shall take reasonable steps, consistent with state law, to protect the confidential or proprietary nature of any data or information supplied by Contractor. The City shall act within ninety (90) days of receipt of the request from Contractor, and shall either approve or disapprove the request, provided that approval shall not be unreasonably withheld.

**CPI-All Urban Consumers (Current Series)
Original Data Value**

Series Id: CUUR0000SEHG

Not Seasonally Adjusted

Series Title: Water and sewer and trash collection services in U.S. city average, all urban consumers, not seasonally adjusted

Area: U.S. city average

Item: Water and sewer and trash collection services

Base Period: DECEMBER 1997=100

Years: 2008 to 2019

CPI %
8% Max

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2	0% Min
2008	148.277	149.057	149.315	149.536	150.069	150.554	152.063	154.134	154.264	155.557	156.193	156.390			
2009	157.275	157.638	158.052	158.698	159.517	159.831	161.403	163.136	163.429	164.591	164.962	165.204			
2010	166.857	168.078	168.521	169.116	169.825	169.745	171.156	172.491	172.833	173.360	174.094	174.543			
2011	175.754	177.194	177.694	178.033	178.521	178.640	179.820	180.762	181.569	181.916	182.254	182.758			
2012	183.984	185.499	186.280	187.473	187.788	188.489	189.750	191.927	191.833	192.370	192.921	193.237			
2013	194.553	195.505	195.981	196.319	196.727	196.989	198.173	198.736	198.804	199.759	200.004	200.203			
2014	201.169	202.149	202.657	203.084	203.124	203.396	205.022	206.171	206.363	207.633	208.562	209.414			
2015	210.243	211.397	211.738	212.153	212.542	212.863	213.873	215.844	216.173	216.380	217.004	217.386			
2016	218.370	219.036	219.649	220.506	221.360	221.396	221.358	222.554	223.111	223.420	224.399	224.745			
2017	226.411	227.277	227.553	228.133	228.396	228.599	229.008	229.772	230.142	230.614	231.522	231.842			
2018	232.977	233.858	234.215	235.141	235.878	236.493	237.186	238.439	238.512	238.936	241.774	242.204	234.76	239.509	3.453%
2019	241.606	242.011	242.611	243.490	243.774	244.322	244.943	245.549	245.903	246.741	247.364	247.567	242.969	246.345	3.310%
2020	248.846	249.751	250.359	250.673	250.921	251.435	252.401	253.974	254.266	254.781	255.65	256.456	250.331	254.588	2.911%
2021	257.722	258.763	259.204	259.581	259.542	260.400	261.706	262.810	263.747	264.278	264.58	265.365	259.202	263.748	3.566%
2022	268.128	269.521	269.621	270.419	270.844	271.925							270.076		4.426%