

RESOLUTION NO. 2019-N

A RESOLUTION OF THE EATONVILLE TOWN COUNCIL APPROVING AN ADDENDUM TO THE EXCLUSIVE FRANCHISE AGREEMENT WITH PIERCE COUNTY REFUSE FOR THE COLLECTION, HAULING AND DISPOSAL OF MUNICIPAL SOLID WASTE, RECYCLABLE MATERIALS, AND CONSTRUCTION AND DEMOLITION WASTE IN THE TOWN OF EATONVILLE, WASHINGTON

WHEREAS, on March 12, 2018, the Eatonville Town Council approved Resolution 2018-G, a contract with Pierce County Refuse to provide solid waste service to the Town of Eatonville for ten years commencing on March 18, 2028; and

WHEREAS, due to uncontrollable changes, Pierce County Refuse has requested amendments to the following; Section 1. Defined Terms, Recyclable Materials and Section 10 Rate Adjustment, CPI-U Adjustment and an Operating Cost Adjustment under Section 10. Rate Adjustment, B. Operating Cost Adjustment to the Exclusive Franchise Agreement; and

WHEREAS, the Town Council reviewed the proposed changes to the Exclusive Franchise Agreement on March 11, 2019 during the regular Council meeting; now, therefore,

THE TOWN COUNCIL OF THE TOWN OF EATONVILLE, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

THAT: The addendum to the Exclusive Franchise Agreement for the collection, hauling and disposal of municipal solid waste, recyclable materials, and construction and demolition waste in the Town of Eatonville is hereby approved. A copy of the agreement is attached hereto as Exhibit A.

PASSED by the Town Council of Town of Eatonville and attested by the Town Clerk in authentication of such passage this 13th day of May 2019.

Mike Schaub, Mayor

ATTEST:

Kathy Linnemeyer, Town Clerk



LeMay
North
Districts



A Waste Connections Company

April 17th, 2019

Attn: Town of Eatonville Mayor, Mike Schuab

Re: Addendum to the Exclusive Franchise Agreement

Mr. Mayor, as you are aware per my presentation at your Town Council Meeting on March 11th, 2019 and the material that has been provided to the Town by LeMay, we have identified a couple items that we feel need to be amended in the contract due to uncontrollable changes and we are petitioning for an Operating Cost Adjustment due to global changes in the Recycling Industry Market.

This is our formal request to amend the following; Section 1. Defined Terms, Recyclable Materials and Section 10. Rate Adjustment, A. CPI-U Adjustment, with the changes needed, as well as our petition for an Operating Cost Adjustment under Section 10. Rate Adjustment, B. Operating Cost Adjustment.

Amendments to the Exclusive Franchise Agreement:

SECTION 1. DEFINED TERMS

Recyclable Materials – Plastic Bottles, Jugs, Jars, Dairy Tubs, and Buckets, Paper Boxes and Bags, Mixed Paper, and Cardboard, Aluminum and Metal Cans~~Newspapers, magazines, and catalogs, and other paper items such as mail, paper bags, office paper, envelopes, cereal and soda drink boxes, corrugated cardboard, phone books or other paper; glass bottles and jars (excluding mirrors, windows, ceramics, light bulbs, dishes, cups, and other glass products); metal cans composed of tin, steel or aluminum, metal lids from glass jars, empty aerosol cans (excluding scrap metal); and plastic containers including all varieties of the types designated as #1, #2, #3, #4, #5, #6, and #7. There will be a drop site for glass bottles and jars.~~

SECTION 10. RATE ADJUSTMENT

- A. CPI-U Adjustment. On each anniversary date of this Agreement, the Service Provider shall have the right, in its sole discretion and upon giving prior notice to the Town, to increase or decrease the rates set forth in section 9 hereof (the "Initial Rates") in accordance with the CPI-U. As used herein, "CPI-U" shall mean, "All Urban Consumers (Current Series) - Water and sewer and trash collection services in U.S. city average, all urban consumers, seasonally adjusted"~~the revised Consumer Price Index rate for all urban consumers (all items included) for the Seattle/Tacoma/Bremerton metropolitan area~~, based on the latest available figures from the Department of Labor's Bureau of Labor Statistics (the "Bureau"). The CPI-U used will be the CPI-

U published by the Bureau during the month (90) days preceding the adjustment under this Section 10.A. The amount of the increase or decrease under this Section 10.A. shall be equal to seventy percent (~~100.70~~%) of the percentage that the CPI-U has increased over the previous twelve (12) month period.

Petition for Operating Cost Adjustment:

In accordance with Section 10.B. below and the supporting documentation and presentation that has been provided to the Town, we are requesting a rate increase of \$1.98 per month, per customer for recycling services at the beginning of the month following mutual acceptance.

SECTION 10. RATE ADJUSTMENT

- B. Operating Cost Adjustment. In addition to the rate adjustments provided for in Section 10.A., at any time during the term of the Agreement, the Service Provider may petition the Town for additional rate and price adjustments at reasonable times on the basis of material or unusual changes in its cost of operations not otherwise the basis of any other rate adjustment herein. At the time of any such petition, the Service Provider shall provide the Town with documents and records in reasonable form and sufficient detail to reasonably establish the necessity of any requested rate adjustment. The Town shall not unreasonably withhold, condition or delay its consent to any requested rate increase. In the event the Town fails or refuses to consent to any such requested rate increase and the Service Provider can demonstrate that such rate increase is necessary to offset the Service Provider's increased costs in connection with performing the service under this Agreement not otherwise offset by any previous rate adjustments hereunder, the Service Provider may, in its sole discretion, terminate this Agreement upon ninety (90) days written notice to the Town.

Sincerely,

Chris Giraldes
District Manager
Harrold LeMay Enterprises, Incorporated d/b/a Pierce County Refuse

Cc: Brittany Mani