

**Subject: Resolution #778 – Granting a Temporary Rate Increase to Murrey’s Disposal to offset Increased Costs caused by the Washington Climate Commitment Act**

**Proposed Council Action:**

Pass Resolution #778.

**Dept. Origin:** Clerk’s Dept./Solid Waste

**Prepared by:** Jennifer Robertson  
 City Attorney’s Office

**For Agenda of:** October 17, 2023

**Exhibits:** Resolution #778

**Concurred by Mayor:** \_\_\_\_\_ Initial & Date

**Approved/form by City Atty:** JSR /10-9-23

**Approved by City Engineer:** \_\_\_\_\_

**Approved by Department Head:** \_\_\_\_\_

**INFORMATION / BACKGROUND**

The City has contracted with Murrey’s Disposal (“Murrey’s”) for solid waste services in Ruston since mid-2020. The current service contract that was approved by Resolution No. 711. Section 9(d) of the Agreement allows Murrey’s to request a temporary increase in rates due to unforeseen costs. It provides:

d) Rate Increases/Unforeseen Costs. Contractor may apply to the City for temporary rate adjustments to reflect unforeseen costs arising during the term of this Agreement including without limitation, fuel, tax charges, governmental fees and surcharges, approval for which adjustments shall not be unreasonably withheld by the City. Such temporary rate adjustment shall be on granted an annual basis only, provided, however, when such increase is approved, the Contractor shall provide quarterly updates on these "unforeseen costs" and the temporary rate increase will expire after one year, unless the Contractor provides adequate information for extending such temporary increase.

Since the Agreement was executed, the State Legislature has adopted the Washington Climate Commitment Act which adds a carbon fee on all fuel purchases. This new government fee was not anticipated at the time of the Agreement. Allowing this additional rate increase will cost residential customers an additional \$0.19/month and commercial customers a range of \$0.28 to \$2.84 per month depending on level of service.

In accordance with Section 9(d) of the Agreement, Murrey’s will be required to provide the City with quarterly updates on the impacts of the Washington Climate Commitment Act on customers’ bills. This increase will expire automatically in one year. However, if Murrey’s desires to request

a renewal and/or modification of this temporary rate adjustment, it may apply to the City for such renewal 90 days before expiration of this temporary rate increase.

**FISCAL CONSIDERATION**

This temporary increase will result in modest increases to customers’ bills in the following amounts:

<b>Service Level</b>	<b>Monthly Carbon Fee</b>
Residential – All cart sizes and service levels	\$0.19
Commercial – Cart service	\$0.57
Commercial – Container 1X week service	\$0.57
Commercial – Container 2X week service	\$1.14
Commercial – Container 3X week service	\$1.70
Commercial – Container 4X week service	\$2.27
Commercial – Container 5X week service	\$2.84

**RECOMMENDATION / MOTION**

Pass Resolution No. 778.

MOTION: I move to approve Resolution #778 granting a temporary rate increase to Murrey’s Disposal for solid waste services in Ruston, such increase to offset Murrey’s increased costs caused by the Washington Climate Commitment Act such increase to expire one year following passage of this resolution.

**RESOLUTION NO. 778**

**A RESOLUTION OF THE CITY OF RUSTON, WASHINGTON, GRANTING A TEMPORARY RATE INCREASE TO MURREY'S DISPOSAL FOR SOLID WASTE SERVICES IN RUSTON, SUCH INCREASE TO OFFSET MURREY'S INCREASED COSTS CAUSED BY THE WASHINGTON CLIMATE COMMITMENT ACT AND TO EXPIRE ONE YEAR FOLLOWING THE PASSAGE OF THIS RESOLUTION.**

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**WHEREAS**, the City contracts with Murrey's Disposal ("Murrey's") for solid waste services in Ruston; and

**WHEREAS**, the City and Murrey's are under a service contract that was approved by Resolution No. 711 and executed in June of 2020 ("Agreement"); and

**WHEREAS**, Section 9(d) of the Agreement allows Murrey's to request a temporary increase in rates due to unforeseen costs; and

**WHEREAS**, since the Agreement was executed, the State Legislature has adopted the Washington Climate Commitment Act which adds a carbon fee on all fuel purchases; and

**WHEREAS**, this new government fee was not anticipated at the time of the Agreement and should be recoverable by Murrey's; and

**WHEREAS**, allowing this additional rate increase will cost residential customers an additional \$0.19/month and commercial customers a range of \$0.28 to \$2.84 per month depending on level of service; **NOW, THEREFORE,**

**THE CITY COUNCIL OF THE CITY OF RUSTON HEREBY RESOLVES AS FOLLOWS:**

**Section 1. Temporary Rate Adjustment.** The City Council hereby grants a one-year approval for Murrey's to increase rates under Section 9(d) of the Agreement between the City and

Murrey’s for recovery of increased expenses resulting from Washington Climate Commitment Act which adds a carbon fee on all fuel purchases in the rates below. Such increases shall be specifically called out as separate line items on the customers’ bills.

<b>Service Level</b>	<b>Monthly Carbon Fee</b>
Residential – All cart sizes and service levels	\$0.19
Commercial – Cart service	\$0.57
Commercial – Container 1X week service	\$0.57
Commercial – Container 2X week service	\$1.14
Commercial – Container 3X week service	\$1.70
Commercial – Container 4X week service	\$2.27
Commercial – Container 5X week service	\$2.84

**Section 2. Reporting.** In accordance with Section 9(d) of the Agreement, Murrey’s will provide the City with quarterly updates on the impacts of the Washington Climate Commitment Act on customers’ bills. If Murrey’s desires to request a renewal and/or modification of this temporary rate adjustment, it may apply to the City for such renewal 90 days before expiration of this temporary rate increase.

**Section 3. Expiration.** This rate increase is temporary and will expire one year from the effective date of this Resolution.

**RESOLVED** this \_\_\_\_ day of \_\_\_\_\_, 2023.

**APPROVED:**

\_\_\_\_\_  
Bruce Hopkins, Mayor

**ATTEST/AUTHENTICATED:**

\_\_\_\_\_  
Judy Grams, City Clerk

FILED WITH THE CITY CLERK: \_\_\_\_\_

PASSED BY THE CITY COUNCIL: \_\_\_\_\_

RESOLUTION NO.: 778