



May 18, 2023

David Esquivel
City Manager
City of Tomball, Texas
401 Market Street
Tomball, Texas 77375

RE: Contract for Solid Waste Collection and Disposal Services between the City of Tomball, Texas and Waste Corporation of Texas, L.P., dba GFL Environmental – Modification of Monthly Unit Rate per Household

Dear David:

In accordance with the current, mutually agreed upon, contract for Solid Waste Collection and Disposal Services, section 9.03 Modification of Rates: allows Base Rate adjustments for changes in the (i) CPI (Consumer Price Index) and (ii) Fuel Index, as defined below, will be considered by the City no more than once per year during the term of the contract, during the month of October of each contract year. Contractor shall submit a request for an Annual Base Rate Adjustment by June 1st of each year (the Adjustment Period). The Contractor must receive approval from the City for such Base Rate increases, which approval shall not be unreasonably withheld.

Contractor's request for an adjustment in the Base Rates for increases in the CPI and the Fuel Index shall be calculated as follows:

- (a) Contractor shall first calculate the percentage of change in the Consumer Price Index, Houston, Texas; All Items Less Energy; Base Period 1982-84=100, Not Seasonally Adjusted, published by the United States Bureau of Labor Statistics, Consumer Price Index (the CPI) between the published final June CPI index of the then current year and the published final June CPI index of the immediately preceding year (the CPI Component).



- (b) Contractor shall also calculate the percentage of change in the cost of diesel fuel during the prior 12-month period, using the weekly average price of diesel fuel, as determined by reference to the Energy Information Administration of the US Department of Energy (EIA/DOE)'s Weekly Retail On-Highway Diesel Prices for the Gulf Coast, published on the last Monday of each May of the Contract Year Fuel Index). The EIA/DOE currently publishes these prices on their website at the following location:
<http://tonto.eia.doe.gov/oog/info/wohdp/diesel.asp> Contractor shall calculate the percentage of change in the price of diesel fuel between:
- a. The average price of diesel fuel from the aforesaid website published for the last Monday of April of the then immediately prior year (the Initial Fuel Base); and
 - b. The average price of diesel fuel from the aforesaid website for the 52 weeks period immediately prior to the last Monday of April of the current year (the average being calculated by adding together the weekly fuel price for each of the 52 prior weeks, divided by 52) (the current fuel base). The percentage change in the Initial Fuel Base and the Current Fuel Base shall be multiplied by 13%, and the product thereof shall be the "Fuel Adjustment Component"; and
- (c) The CPI Component and the Fuel Adjustment Component shall be added together and then multiplied by the then current Base Rate to determine the adjustment in the Base Rate commencing October 1 of the current Contract Year, such adjustment shall not exceed five percent (5%) in any given year, nor shall the adjustment be adjusted downward from the then current rate(s) in place. In any year where the adjustment would result in a downward adjustment, the adjustment shall be zero percent (0%).

Please consider this letter as our request for a rate adjustment, effective October 1, 2023. Below, you will find the rate adjustment calculation as set forth in the contract under Section 9.03. In addition, you will find attached all the supporting documentation and data used in the rate adjustment calculation, as set forth in Section 9.03. Please let me know if you would like to discuss rate adjustment. Thank you in advance for your consideration in this matter.

Item 1a: The CPI Index value for April, of the current year, 2023.

The data for the June CPI Index is not published until early July, therefore cannot be utilized, and submitted for a request prior to June 1st, as noted in Section 9.03. We have used the most current published CPI data, which is for April 2023 (current year) and April 2022 (immediately preceding year).

As per the contract, the Consumer Price Index, Houston, Texas; All Items Less Energy; Base Period 1982-84=100, Not Seasonally Adjusted, published by the



United States Bureau of Labor Statistics, Consumer Price Index was used for the purpose of this calculation.

CPI Index value for April 2023 = 276.935

Item 2a: The CPI Index value for April of the previous year, 2022.

The Consumer Price Index, Houston, Texas; All Items Less Energy; Base Period 1982-84=100, Not Seasonally Adjusted, published by the United States Bureau of Labor Statistics, Consumer Price Index was used for the purpose of this calculation.

CPI Index value for April 2022 = 261.263

Item 3a: The net percentage change.

**Net percentage change in CPI index values =
(276.935-261.263)/261.263 x 100 = 5.998% CPI Component**

Item 1b: The average price of diesel fuel for the last Monday of April 2022
(Initial Fuel Base): \$2.97

Item 2b: The average price of diesel fuel for the 52 weeks periods immediately prior to the last Monday of April 2023 **(Current Fuel Base): \$3.53**

Item 3b: **The net percentage change in price of diesel fuel (Fuel Adjustment Component)
= (3.53-2.97)/2.97 x 100 = 18.86%*13.0% = 2.45%**

(.0599+.0245) *\$13.46 = \$1.14 Adjustment in Base Rate

As per section 9.03 of the Contract, the adjustment in the Base Rate commencing October 1 of the current Contract Year, such adjustment shall not exceed five percent (5%) in any given year therefore the proposed rate adjustment is an increase in the current rate per home, per month of 5%.

Rate increase = 5%

The **Current Residential Rate** for the City of Tomball is: \$14.76.

The **Proposed Residential Rate** with 5% CPI adjustment is: **\$15.50**



$\$14.76 + 5\% = \$15.40.$

Please let me know if you would like to discuss the Rate Adjustment. Thank you in advance for your consideration in this matter.

Best Regards,

Suzanne Haboush
Government Contracts Manager



Comparative Statement Index - continued

[Back to Contents](#) **Data 1: W Diesel Prices - All Types**

Sourcekey	EMD_EPD2D_PTE_N US_DPG	EMD_EPD2D_PTE_R 10_DPG	EMD_EPD2D_PTE_R 1X_DPG	EMD_EPD2D_PTE_R 1Y_DPG	EMD_EPD2D_PTE_R 1Z_DPG	EMD_EPD2D_PTE_R 20_DPG	EMD_EPD2D_PTE_R 30_DPG
Date	Weekly U.S. No 2 Diesel Retail Prices (Dollars per Gallon)	Weekly East Coast No 2 Diesel Retail Prices (Dollars per Gallon)	Weekly New England (PADD 1A) No 2 Diesel Retail Prices (Dollars per Gallon)	Weekly Central Atlantic (PADD 1B) No 2 Diesel Retail Prices (Dollars per Gallon)	Weekly Lower Atlantic (PADD 1C) No 2 Diesel Retail Prices (Dollars per Gallon)	Weekly Midwest No 2 Diesel Retail Prices (Dollars per Gallon)	Weekly Gulf Coast No 2 Diesel Retail Prices (Dollars per Gallon)
Mar 29, 2021	3.161	3.13	3.091	3.274	3.041	3.104	2.955
Apr 05, 2021	3.144	3.114	3.076	3.268	3.018	3.083	2.934
Apr 12, 2021	3.129	3.1	3.071	3.257	3.001	3.061	2.924
Apr 19, 2021	3.124	3.096	3.071	3.259	2.993	3.054	2.923
Apr 26, 2021	3.124	3.093	3.08	3.268	2.98	3.058	2.917
May 03, 2021	3.142	3.113	3.084	3.285	3.004	3.085	2.924
May 10, 2021	3.186	3.16	3.115	3.336	3.051	3.13	2.968
May 17, 2021	3.249	3.228	3.152	3.395	3.13	3.197	3.029

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Date	Weekly U.S. No 2 Diesel Retail Prices (Dollars per Gallon)	Weekly East Coast No 2 Diesel Retail Prices (Dollars per Gallon)	Weekly New England (PADD 1A) No 2 Diesel Retail Prices (Dollars per Gallon)	Weekly Central Atlantic (PADD 1B) No 2 Diesel Retail Prices (Dollars per Gallon)	Weekly Lower Atlantic (PADD 1C) No 2 Diesel Retail Prices (Dollars per Gallon)	Weekly Midwest No 2 Diesel Retail Prices (Dollars per Gallon)	Weekly Gulf Coast No 2 Diesel Retail Prices (Dollars per Gallon)
May 03, 2021	3.142	3.113	3.084	3.285	3.004	3.085	2.924
May 10, 2021	3.186	3.16	3.115	3.336	3.051	3.13	2.968
May 17, 2021	3.249	3.228	3.152	3.395	3.13	3.197	3.029
May 24, 2021	3.253	3.235	3.15	3.406	3.137	3.199	3.029
May 31, 2021	3.255	3.239	3.165	3.414	3.135	3.197	3.027
Jun 07, 2021	3.274	3.259	3.183	3.424	3.163	3.222	3.034
Jun 14, 2021	3.286	3.275	3.203	3.435	3.181	3.233	3.04
Jun 21, 2021	3.287	3.275	3.213	3.441	3.175	3.231	3.042
Jun 28, 2021	3.3	3.29	3.238	3.451	3.191	3.239	3.044
Jul 05, 2021	3.331	3.306	3.242	3.475	3.204	3.264	3.076
Jul 12, 2021	3.338	3.312	3.245	3.477	3.213	3.261	3.083
Jul 19, 2021	3.344	3.312	3.251	3.478	3.211	3.264	3.083
Jul 26, 2021	3.342	3.311	3.252	3.473	3.213	3.258	3.079
Aug 02, 2021	3.367	3.332	3.255	3.493	3.238	3.278	3.097
Aug 09, 2021	3.364	3.328	3.262	3.493	3.23	3.271	3.083
Aug 16, 2021	3.356	3.316	3.271	3.485	3.212	3.259	3.073
Aug 23, 2021	3.324	3.297	3.26	3.473	3.186	3.216	3.038
Aug 30, 2021	3.339	3.306	3.271	3.474	3.201	3.241	3.06
Sep 06, 2021	3.373	3.332	3.285	3.483	3.24	3.284	3.104
Sep 13, 2021	3.372	3.337	3.288	3.486	3.246	3.282	3.099
Sep 20, 2021	3.385	3.352	3.3	3.496	3.266	3.29	3.119
Sep 27, 2021	3.406	3.371	3.299	3.514	3.288	3.326	3.142
Oct 04, 2021	3.477	3.436	3.335	3.572	3.362	3.43	3.203
Oct 11, 2021	3.586	3.562	3.459	3.705	3.484	3.538	3.335
Oct 18, 2021	3.671	3.655	3.555	3.792	3.582	3.615	3.422
Oct 25, 2021	3.713	3.704	3.626	3.849	3.621	3.632	3.483
Nov 01, 2021	3.727	3.717	3.651	3.862	3.631	3.639	3.486
Nov 08, 2021	3.73	3.712	3.656	3.858	3.624	3.633	3.482
Nov 15, 2021	3.734	3.707	3.657	3.852	3.62	3.631	3.474
Nov 22, 2021	3.724	3.69	3.666	3.847	3.595	3.617	3.457
Nov 29, 2021	3.72	3.684	3.666	3.845	3.586	3.602	3.454
Dec 06, 2021	3.674	3.658	3.654	3.824	3.556	3.536	3.402
Dec 13, 2021	3.649	3.633	3.643	3.811	3.521	3.512	3.372
Dec 20, 2021	3.626	3.611	3.633	3.792	3.496	3.492	3.339
Dec 27, 2021	3.615	3.602	3.623	3.779	3.488	3.479	3.33
Jan 03, 2022	3.613	3.604	3.622	3.781	3.49	3.477	3.328
Jan 10, 2022	3.657	3.645	3.627	3.808	3.547	3.522	3.384
Jan 17, 2022	3.725	3.719	3.698	3.877	3.624	3.603	3.463
Jan 24, 2022	3.78	3.781	3.777	3.934	3.686	3.656	3.531
Jan 31, 2022	3.846	3.852	3.833	4.002	3.761	3.714	3.608
Feb 07, 2022	3.951	3.971	3.947	4.098	3.896	3.808	3.73
Feb 14, 2022	4.019	4.063	4.007	4.21	3.98	3.884	3.785
Feb 21, 2022	4.055	4.112	4.076	4.278	4.014	3.905	3.83
Feb 28, 2022	4.104	4.161	4.158	4.309	4.069	3.968	3.872
Mar 07, 2022	4.849	4.97	4.815	5.093	4.919	4.649	4.703
Mar 14, 2022	5.25	5.334	5.231	5.474	5.264	5.044	5.11
Mar 21, 2022	5.134	5.179	5.125	5.303	5.11	4.959	4.964
Mar 28, 2022	5.185	5.249	5.309	5.4	5.145	4.994	4.972
Apr 04, 2022	5.144	5.206	5.283	5.363	5.095	4.947	4.929
Apr 11, 2022	5.073	5.128	5.181	5.291	5.018	4.887	4.84
Apr 18, 2022	5.101	5.151	5.177	5.335	5.033	4.921	4.855
Apr 25, 2022	5.16	5.209	5.24	5.4	5.086	4.987	4.916



Comparative Statement – Fees

City of Tomball

Commercial Container Pricing Schedule - Current							
Size	Days Per Week						Addtl P.U.
	1	2	3	4	5	6	
3 yd	\$ 77.83	\$123.49	\$186.79	\$233.48	\$291.59	\$349.70	\$ 87.17
Additional	\$ 71.60	\$113.11	\$172.26	\$214.80	\$268.76	\$321.69	
4 yd	\$ 84.05	\$133.86	\$200.25	\$251.12	\$313.38	\$376.68	\$ 87.17
Additional	\$ 77.83	\$123.49	\$184.71	\$231.41	\$288.48	\$346.59	
6 yd	\$108.96	\$171.22	\$258.39	\$322.72	\$403.66	\$482.53	\$ 87.17
Additional	\$100.66	\$157.73	\$237.63	\$296.78	\$371.50	\$444.13	
8 yd	\$116.22	\$210.65	\$278.10	\$340.36	\$428.57	\$514.70	\$ 87.17
Additional	\$106.88	\$194.05	\$256.31	\$313.38	\$394.33	\$482.53	

Commercial Container Pricing Schedule - Proposed 5% CPI Increase							
Size	Days Per Week						Addtl P.U.
	1	2	3	4	5	6	
3 yd	\$ 81.72	\$129.66	\$196.13	\$245.15	\$306.17	\$367.19	\$ 91.53
Additional	\$ 75.18	\$118.77	\$180.87	\$225.54	\$282.20	\$337.77	
4 yd	\$ 88.25	\$140.55	\$210.26	\$263.68	\$329.05	\$395.51	\$ 91.53
Additional	\$ 81.72	\$129.66	\$193.95	\$242.98	\$302.90	\$363.92	
6 yd	\$114.41	\$179.78	\$271.31	\$338.86	\$423.84	\$506.66	\$ 91.53
Additional	\$105.69	\$165.62	\$249.51	\$311.62	\$390.08	\$466.34	
8 yd	\$122.03	\$221.18	\$292.01	\$357.38	\$450.00	\$540.44	\$ 91.53
Additional	\$112.22	\$203.75	\$269.13	\$329.05	\$414.05	\$506.66	



Comparative Statement – Fees continued

City of Tomball

Roll-Off Container Pricing - Current (City Provided)						
Roll TYPE	Size	Delivery	Daily Rent	Disposal/Ton	Haul Rate	Trip Charge
PERM	20 Yd	\$134.90	\$ 6.74	N/A	\$191.97	\$ 150.47
TEMP	20 Yd	\$134.90	\$ 6.74	\$ 31.21	\$191.97	\$ 150.47
PERM	30 Yd	\$134.90	\$ 6.74	N/A	\$207.54	\$ 150.47
TEMP	30 Yd	\$134.90	\$ 6.74	\$ 31.21	\$207.54	\$ 150.47
PERM	40 Yd	\$134.90	\$ 6.74	N/A	\$217.92	\$ 150.47
TEMP	40 Yd	\$134.90	\$ 6.74	\$ 31.21	\$217.92	\$ 150.47
Receiver Box	Comp/RO	\$134.90	N/A	\$ 41.51	\$285.37	\$ 150.47
				Comp. Haul	\$200.00	\$ 124.52
				Comp. Disposal	\$ 30.08	\$ -

Roll-Off Container Pricing - Proposed 5% CPI Increase						
Roll TYPE	Size	Delivery	Daily Rent	Disposal/Ton	Haul Rate	Trip Charge
PERM	20 Yd	\$141.65	\$ 7.08	N/A	\$201.57	\$ 157.99
TEMP	20 Yd	\$141.65	\$ 7.08	\$ 32.77	\$201.57	\$ 157.99
PERM	30 Yd	\$141.65	\$ 7.08	N/A	\$217.92	\$ 157.99
TEMP	30 Yd	\$141.65	\$ 7.08	\$ 32.77	\$217.92	\$ 157.99
PERM	40 Yd	\$141.65	\$ 7.08	N/A	\$228.82	\$ 157.99
TEMP	40 Yd	\$141.65	\$ 7.08	\$ 32.77	\$228.82	\$ 157.99
Receiver Box	Comp/RO	\$141.65	N/A	\$ 43.59	\$299.64	\$ 157.99
				Comp. Haul	\$210.00	\$ 130.75
				Comp. Disposal	\$ 31.58	\$ -



Comparative Statement – Fees continued

Current Rate	
Poly-Carts	
1-1/wk	\$ 20.57
1-2/wk	\$ 23.74
Additional per cart	\$ 1.25
Extra Pick-Up	\$ 26.16
1-2/wk	\$ 25.88
Additional	\$ 23.31
Extra Pick-Up	\$ 26.16

Proposed CPI Increase	
Poly-Carts	
1-1/wk	\$ 21.60
1-2/wk	\$ 24.93
Additional per cart	\$ 1.31
Extra Pick-Up	\$ 27.47
1-2/wk	\$ 27.17
Additional	\$ 24.48
Extra Pick-Up	\$ 27.47