

CHANGE ORDER NO. FORTY EIGHT (48)

PROJECT: Mohave Valley Sanitary Landfill, Job No. 6603
CHANGE ORDER NO.: Forty-Eight (48)
EFFECTIVE DATE: **January 1, 2025**
CONTRACTOR: Mesa Disposal, Inc. (Mesa)
2011 College Drive
Lake Havasu City, Arizona 86403
OWNER: Mohave County, a body politic and corporate of the State of Arizona (**Mohave County**)
P.O. Box 7000
Kingman, Arizona 86402-7000

PREAMBLE:

The 2018 Contract Extension Agreement by and between Mohave County and Mesa allowed for an annual adjustment of the Operating Cost for inflation or deflation in accordance with Section C-2.7 (“*Escalation of Operating Costs*”).

In accordance with Sections B-2 Contract and B-3 Term: The Renewal for an additional seven (7) year term will expire on December 31, 2024 (subject to additional renewal by mutual agreement of the Parties). The parties mutually agree to extend the current contract for an additional one-year period from **January 1, 2025, through December 31, 2025.**

Section C-2.7.1 stipulates that beginning with the thirteenth month of the Agreement ... the Contractor’s Operating costs shall be adjusted for inflation. Further, section C-2.7.2 addresses the methodology used in accomplishing that adjustment.

It is herein certified that the below computed rates are in full compliance with the terms of the Agreement cited. It is therefore requested that the base rates subject to the annual escalation be so adjusted and that calendar year 2025 disposal rates be established.

PURPOSE:

To set forth the calendar year 2025 rates for disposal of waste based upon the annual inflation or deflation adjustments as provided for above. Additionally, to extend the current 2018 Operations contract for a one-year period from **January 1, 2025, through December 31, 2025.**

DISCUSSION:

A. The 2018 Contract Extension set forth the 2018 Operating Costs of \$23.29 per ton for Refuse, \$24.44 per ton for Dead Animals, \$30.90 per ton for Non Program Tires, \$286.35 per ton for Out of State Tires, \$7.41 per ton of Septage, \$35.11 per ton for Out of State Septage, \$35.11 per ton for Liquid Waste, and \$8.91 for the Minimum Charge for loads, to which all future annual adjustments for inflation or deflation would apply, unless otherwise duly amended. The 2018 Extension of the Original Contract also established a new base Consumer Price Index, for annual adjustments for inflation and deflation, of 247.867, which was the Consumer Price Index – Urban For All Items (CPI-U) US City Average as of January of 2018. In keeping with the Conditions of the Contract Extension Agreement, the year 2025 rate adjustment factor shall be $\frac{315.301}{247.867}$ which is the quotient of the CPI-U as of September of 2024 and the CPI-U as of January 2018 in compliance with section C-2.7.2 of the 2018 Contract Extension Agreement.

The rate adjustment factor shall be applied to the Operating Costs as follows to establish the year 2025

Operating Costs: **Operating Cost 2018 x [315.301 / 247.867] = Operating Cost 2025**

B. All monies charged for the accepting of Tires shall be remitted to Mohave County.

C. Effective January 1, 2001, Mohave County imposed a two-dollar (\$2.00) fee per ton of solid waste accepted at Cerbat and Mohave Valley landfills to fund the Mohave County Trash Task Force (MCTTF). The definition contained in A.R.S. 49-701.01A, and the exemptions defined in A.R.S. 49-701.01B apply as to waste included for the purpose of fee imposition. Funds derived from this fee are remitted to Mohave County by the landfill contractors in accordance with the terms of the Contract Agreement and the 2004, 2011, and 2018 Extensions thereto.

Further, by Mohave County Board of Supervisors action of August 20, 2007, approving Change Order No. 31 to the Contract by and between Mohave County and Mesa, the Mohave County Trash Task Force (MCTTF) fee as imposed and implemented was increased by one dollar (\$1.00), for a total fee of three dollars (\$3.00). Again, by BOS action, such fee increase was made effective October 1, 2007. All terms and conditions of the original MCTTF fee imposition remain in full force and effect.

D. Effective 1 January 2010, the Mohave County Board of Supervisors instituted a one dollar (\$1.00) per ton fee on in-state solid waste and septage for the purpose of funding the Development Services Department's Building Division's Dangerous Building Abatement Program, and the Public Health Department's Nuisance Complaint Program taken over by the Development Services Department's Code Enforcement Division in July 2020. Monies realized from this fee implementation are to be known as a Public Health Fee (PHF). This PHF will be annually reviewed concurrently with the landfill rate review and adjustment. The 2024 review resulted in no changes being made.

E. Annual adjustments for inflation or deflation do not apply to the Closure Cost or the Fixed Capital Costs as established in the Extension of the Original Contract Agreement. The \$0.58/ton State Surcharge is a direct pass-through set by and paid to the State. Additionally, annual adjustments for inflation or deflation do not apply to the MCTTF fee as stipulated in paragraph C above.

F. The County Administrative and Cost Recovery Percentage applied to the Operating Costs and Closure Costs shall remain the same with the exception that the Gate Rates for Refuse, Dead Animals, Septic, Permitted Liquid Waste and Minimum shall be rounded up to the nearest nickel by adding pennies to the County Administrative and Cost Recovery Surcharge for each item.

G. In accordance with the Intergovernmental Agreement by and between the city of Needles, California, and Mohave County, dated 4 April 1992, the County Administrative and Cost Recovery Percentage applied to the Out-of-State (Needles, California) Trash Operating Cost, Fixed Capital and Closure Cost is twenty-eight percent (28%).

ORDER:

Effective January 1, 2025, the new disposal rates for Refuse, Dead Animals, In State Tires, Out of State Tires, Septic Waste, Out-of-State Septic Waste, Permitted Liquid Waste, and Minimum Charge per ton shall be as follows:

Mohave Valley 2025 Gate Rates								
	2018 Cost	2025 Cost	Closure Cost	Admin C/R	State S/C	MCTTF Fee	PHF	2025 Gate Rate
Refuse	\$23.29	\$29.62	\$3.50	\$3.30	\$0.58	\$3.00	\$1.00	\$41.00
Refuse O/S	\$23.29	\$29.62	\$3.50	\$9.30	\$0.58			\$43.00
Dead Animals	\$24.44	\$31.08	\$3.50	\$3.49	\$0.58	\$3.00	\$1.00	\$42.65
In-State Tires	\$30.90	\$39.30				\$3.00		\$42.30
Tires O/S	\$286.35	\$364.25				\$3.00		\$367.25
In-State Septic	\$7.41	\$9.43		\$0.97			\$1.00	\$11.40
Septic O/S	\$35.11	\$44.67	\$3.50	\$4.85	\$0.58			\$53.60
Liquid Waste	\$35.11	\$44.67	\$3.50	\$4.85	\$0.58	\$3.00	\$1.00	\$57.60
Minimum Charge	\$8.91	\$11.34	\$1.18	\$1.28				\$13.80

ACKNOWLEDGED, APPROVED, AND AGREED: The Contractor, by signature placed hereto, agrees to perform and act as to the Contractor’s Duties and responsibilities within the terms and conditions provided in the Contract and in this Change Order No. 48 to the Contract. The Contractor also confirms all other requirements and conditions of the contract and prior changes, which are not inconsistent with the Changes herein set forth. Insofar as the Contract and prior changes are inconsistent with the requirements and conditions of this Change Order, this Change Order shall be controlling.

CONTRACTOR:

MESA DISPOSAL INC., an Arizona corporation

Date: _____

By: _____
Mark Masterson, General Manager-Northern Arizona

RECOMMENDED BY:

Owner Representative:

MOHAVE COUNTY, a body politic and corporate of the State of Arizona

By: _____
Scott Holtry, Development Services Director

APPROVAL:

OWNER:

MOHAVE COUNTY, a body politic and corporate of the State of Arizona

Date Signed

By: _____
Hildy Angius, Chairman, Mohave County Board of Supervisors