

**Gerard Pelletier Transfer Stations, Inc.**

**P.O. Box 864  
Mt. Shasta, CA. 96067  
530-926-4034**

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7/14/2022

Siskiyou County Supervisors  
County of Siskiyou  
1312 Fairlane Road  
Yreka California, 96097

Re: Increased fuel and recycling costs.

To The Board of Supervisors:

This letter is to inform the Siskiyou County Board of Supervisors and Siskiyou County Department of General Services of the extreme hardship we are incurring concerning the escalating increase in fuel cost and recycling cost. We have attached charts (See Exhibit 1a,1b) showing our last fuel statement and each month the increased fuel cost per ton of the solid waste we hauled to Dry Creek Landfill. Exhibit 1b shows that it has doubled in the last year from \$26,397.54 to \$56,849.42. We are constantly receiving notifications of surcharges and price increases from our vendors which are directly related to the fuel price and overhead increases they are incurring (See Exhibit 2a, 2b, 2c for examples). Recycling of batteries, tires, fluorescents and E-waste material has cost us \$36,163.45 in the past year (See Exhibit 3a, 3b, 3c). This expense does not reflect the enormous amount of labor cost involved in recycling of these materials. Although we are very concerned for the environment we should not be responsible for having to incur the cost of recycling. We feel that all the residents of Siskiyou County should be contributing to this recycling cost. Including it in increased gate fees should help offset this cost.

The structure of our current contract, which is \$73.00 per ton, is not designed for us to absorb these kinds of increases. The Siskiyou County Transfer Stations fees of \$73.00 per ton are significantly under all the neighboring Transfer Stations and we have to haul the solid waste twice as far. Our rates should be more in line with our neighboring Transfer Stations (See Exhibit 4). All of these factors are definitely contributing to the hardship we're experiencing now operating the Transfer Stations. We sent a letter to Supervisor Mr. Kobseff on May 3<sup>rd</sup> and another letter on June 1<sup>st</sup> stating a possible solution of charging a surcharge on each transaction but this was turned down by County Council. The "Force Majeure" in the contract states, "Act of God" or **"Other similar cause not the fault of, and beyond**

**reasonable control of the party claiming excuse**". The situation we are currently in with fuel and all the cost increases related to fuel prices is beyond our control and this should qualify, according to our attorney, for the "Force Majeure" to be enacted and a change in the gate fees or a surcharge to be added at the gate. We have included copies of our P&L for physical year of 2021 and physical year to date 2022 (See Exhibit 5a, 5b, 5c, 5d). We are very concerned that these P&L figures may have a negative effect upon us acquiring our bond renewal and credit rating.

If the County decides that a price increase or surcharge fee is not feasible under the "Force Majeure" we are asking that we both arrive at a mutual solution to dissolve the contract between Gerard Pelletier Transfer Stations, Inc. and the Siskiyou County. We need to be informed of your decisions by August 16, 2022.

Gerard Pelletier  
Gerard Pelletier Transfer Stations, Inc.

## Exhibits

Exhibit 1a, 1b	Fuel Cost increases
Exhibit 2a, 2b, 2c	Vendor surcharge notices
Exhibit 3a, 3b, 3c	Recycling expenses
Exhibit 4	Transfer Station Mileage & Rate Comparisons
Exhibit 5a, 5c, 5b, 5c	P&L Reports

# Exhibit 1a

# Don R. Erickson Oil, Inc.

PO Box 5  
 1031 Nixon Rd.  
 Mount Shasta, CA 96067  
 5309262675

# Statement

Account # 16121

Pelletier Transfer Station  
 P O Box 864  
 Mt Shasta CA 96094

7/6/2022

Date	Transaction	Amount Due	Amount Enc.
		Amount	Balance
		\$109,403.25	
03/31/2022	Balance forward		47,548.11
04/27/2022	PMT #8371.		-19.41
04/30/2022	INV #7604.	-47,567.52	42,082.62
05/31/2022	INV #7685.	42,102.03	94,655.86
06/07/2022	PMT #4853.	52,573.24	52,553.83
06/30/2022	INV #7770.	-42,102.03	109,403.25
		56,849.42	

**PAST DUE  
PLEASE REMIT**

**PAST DUE  
PLEASE REMIT**

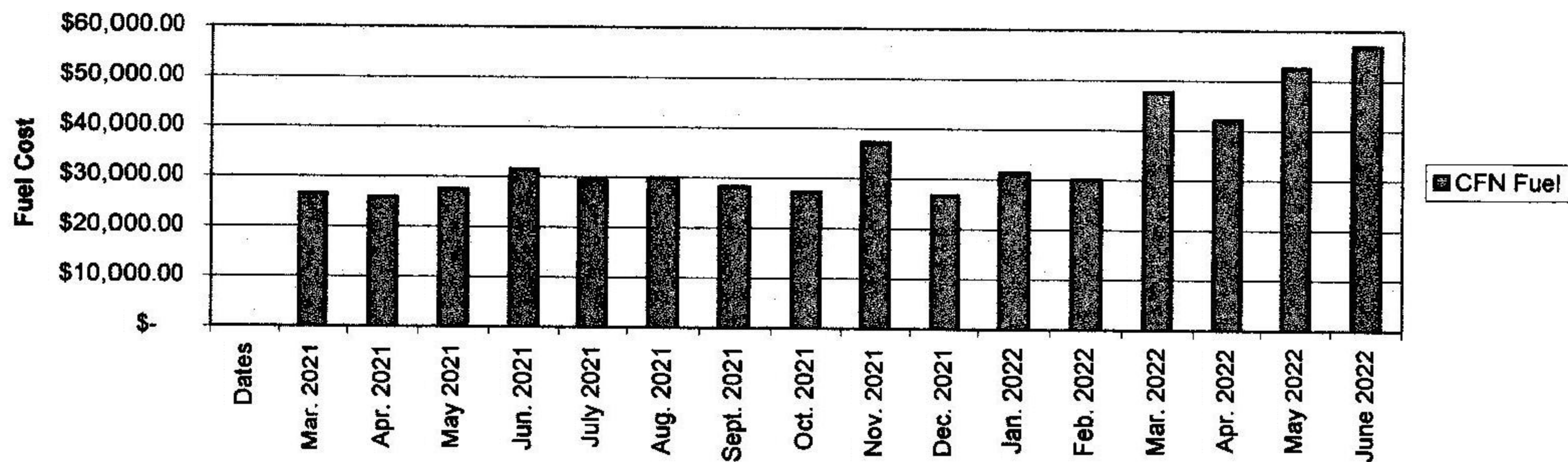
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
56,849.42	52,553.83	0.00	0.00	0.00	\$109,403.25



## Exhibit 1b Fuel Costs vs Tons Hauled to Dry Creek OR.

Dates	CFN Fuel Cost	Price Per Gallon	Black Butte Tons	Oberlin Tons	Total Tons Hauled	Fuel Cost Per Ton
Mar. 2021	\$ 26,397.54	\$ 3.449	1268.26	1959.33	3227.59	\$ 8.18
Apr. 2021	\$ 25,918.44	\$ 3.799	1589.13	2016.50	3605.63	\$ 7.19
May 2021	\$ 27,436.81	\$ 3.819	1613.28	1941.00	3554.28	\$ 7.72
Jun. 2021	\$ 31,491.46	\$ 3.819	1632.46	2086.78	3719.24	\$ 8.47
July 2021	\$ 29,301.22	\$ 3.979	1812.37	1854.04	3666.41	\$ 7.99
Aug. 2021	\$ 29,912.22	\$ 4.099	1401.30	2028.86	3430.16	\$ 8.72
Sept. 2021	\$ 28,259.56	\$ 4.179	1513.79	2100.52	3614.31	\$ 7.82
Oct. 2021	\$ 27,255.41	\$ 4.159	1320.99	1724.20	3045.19	\$ 8.95
Nov. 2021	\$ 37,269.99	\$ 4.479	1617.18	2108.95	3726.13	\$ 10.00
Dec. 2021	\$ 26,651.11	\$ 4.579	1114.39	1525.06	2639.45	\$ 10.10
Jan. 2022	\$ 31,351.91	\$ 4.579	1184.87	1847.70	3032.57	\$ 10.34
Feb. 2022	\$ 30,032.04	\$ 4.479	1030.52	1453.56	2484.08	\$ 12.09
Mar. 2022	\$ 47,567.52	\$ 4.849	1384.74	1950.90	3335.64	\$ 14.26
Apr. 2022	\$ 42,102.03	\$ 6.099	1344.42	1636.22	2980.64	\$ 14.13
May 2022	\$ 52,573.24	\$ 6.190	1761.24	1852.86	3614.10	\$ 14.55
June 2022	\$ 56,849.42	\$ 6.680	1745.09	1880.33	3625.42	\$ 15.68

CFN Fuel



## Exhibit 2a

James Carlton  
530-945-5487  
Carlton Enterprises, LLC

CARLTON ENTERPRISES  
A LIMITED LIABILITY COMPANY  
**TOTAL WASH SYSTEMS**  
*HOT COLD & AUTOMATIC*  
P.O. BOX 291 BURNEY, CA 96013

(530) 335-3566  
Fax (530) 335-3585

March 30, 2022

To Our Valued Clients,

After much deliberation, we at Carlton Enterprises, LLC have deemed it necessary to adjust our rates in order to keep pace with manufacturing, shipping, raw materials and operating costs. We are not doing an overall increase. Instead, *we are evaluating each element of the company and only raising prices on items that have increased for us.* Increases will be reflected on your NEXT bill.

This was a tough decision to make, and we understand how it affects our customers. Therefore, we thank you for your ongoing support and trust that these changes will help us continue providing you with premium quality and service.

As always, we welcome any questions or comments.

Gratefully yours,



James Carlton

530-945-5487

Carlton Enterprises, LLC





# Exhibit 2b



**CASTLE TIRE**  
Tire Disposal & Recycling

March 1<sup>st</sup>, 2022  
BLACK BUTTE TRANSFER STATION  
Customer No. 004341

## Introduction of Fuel Service Charge (FSC)

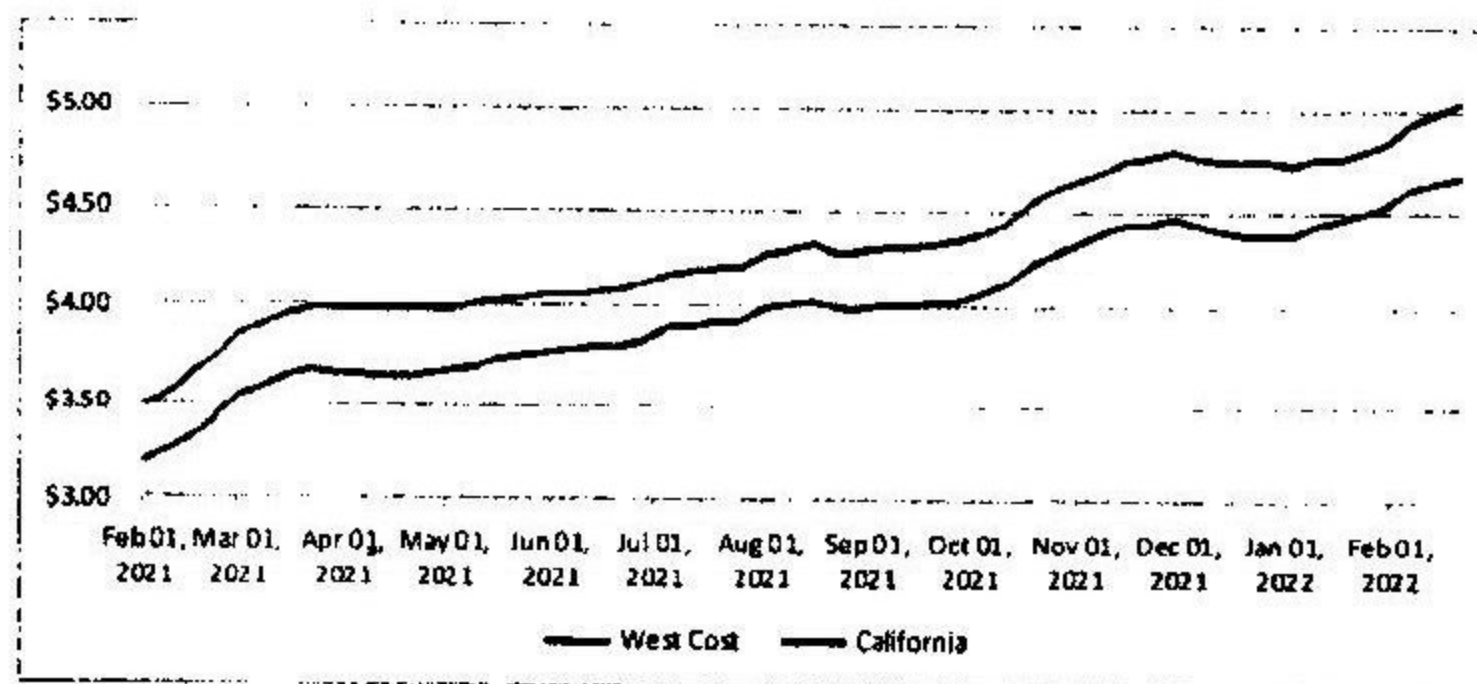
BLACK BUTTE TRANSFER STATION  
PO BOX 864  
MOUNT SHASTA, CA96067

Dear Customer,

Fuel prices are at an all-time high, and they continue to increase. In the last twelve months, the diesel price per gallon on the West Coast has increased by 46.3%. The following data is from the US Energy Information Administration. <https://www.eia.gov/petroleum/gasdiesel/>

### Diesel Price Per Gallon

	Feb 01, 2021	Feb 01, 2022	% Change
West Coast No 2 Diesel Ultra Low Sulfur	\$ 3.20	\$ 4.68	46.3%
California No 2 Diesel Ultra Low Sulfur	\$ 3.50	\$ 5.05	44.4%



Despite our best efforts, we are unable to shoulder the fuel increases without your support. Going forward, we must request a **fuel service charge of 9.89 %** to be added to your invoice. To give you an opportunity to pass this along to your customers, we will implement it on April 1<sup>st</sup>, 2022. We appreciate your understanding of the dilemma we face as fuel costs increase and we hope that by sharing this burden we can maintain the high-quality service you have come to expect from our company.

Please feel free to reach out to us with any questions or concerns. We look forward to maintaining a successful partnership with you.

Sincerely,

*Doug Asay*  
Head of Sales  
503.240.1919 x 8827



## Exhibit 2c

Re: Fuel Surcharge

CEAR, Inc.

3678 LeMay Street

Mather, CA 95655

Dear Customer,

As fuel prices have persisted at all-time high levels, CEAR has resisted increasing costs for as long as possible, but due to the critical nature of the current situation we can no longer continue to absorb the added cost.

Therefore, we must implement a fuel surcharge on all transportation starting June 15, 2022. This fuel surcharge will remain independent from our base rates and will be shown as a separate entry on our billing. We will compute the fuel surcharge on a mileage basis, and it will reflect the extra cost of the fuel used for each specific trip.

Our computations will be based on the U.S. Department of Energy's Average Diesel Fuel Index for California and will reflect the cost of fuel on the pickup date.

We regret that this action is necessary, however, maintaining the high-quality service you have come to expect is our priority and we appreciate your understanding and partnership in helping to share the burden of these fuel cost increases.

Thank you for your continued business.

Sincerely,

A handwritten signature in black ink that reads "Pasion".

Christine Pasion

Customer Service Manager



# Exhibit 3a

## Gerard Pelletier Transfer Station

### Vendor Quick Report

April 1, 2021 through July 10, 2022

#### CEAR (E-Waste Cost)

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Amount</u>
Deposit	05/12/2021		Deposit	4,036.04
Deposit	07/12/2021		Deposit	2,554.80
Check	07/28/2021	7754	Inv 431842	-4,613.75
Check	07/28/2021	7759	Inv 431903	-3,638.92
Check	07/28/2021	4188	Inv 431794	-200.00
Deposit	08/31/2021		Deposit	3,518.91
Check	09/16/2021	7857	8/12 Stmt.	-1,438.36
Check	09/16/2021	7858	431945,432088,432206,432259	-2,417.07
Check	09/30/2021	4318	Inv. 432395	-132.57
Check	11/03/2021	7963	Inv 432582	-200.00
Check	12/10/2021	4458	INV. 432648	-84.08
Check	12/27/2021	8086	432441	-200.00
Check	01/12/2022	8130	Inv. 432798	-200.00
Check	02/17/2022	4595	Inv. 432930	-200.00
Check	02/17/2022	4597	432858	-4,818.00
Deposit	02/25/2022		Deposit	2,181.52
Check	03/18/2022	8273	Inv 432986	-3,531.44
Check	03/20/2022	4697	Inv. 433031	-200.00
Check	05/03/2022	DUE	433334	-4,589.22
Check	05/25/2022	4832	433314,433168	-400.00
Check	06/01/2022	DUE	433441	-200.00
Check	06/01/2022	DUE	433454	-3,935.00
Deposit	06/02/2022		Deposit	1,111.88
Check	07/01/2022	DUE	433592	<u>-200.00</u>
<b>TOTAL</b>				<b>-17,795.26</b>

# Exhibit 3b

## Gerard Pelletier Transfer Stations, Inc. All Transactions for Clean Earth and Safety Clean

### Clean Earth & Safety Clean (Batteries & Flourescents)

Type	Num	Date	Amount	Memo
Check	4317	09/30/2021	-5,927.20	Inv. 4003022959
Check	3892	04/01/2021	-3,105.00	Inv 4003022960
Check	7892	09/30/2021	-2,820.50	Inv.4002752729
Check	8449	06/08/2022	<u>-4,730.00</u>	Inv 88531450
<b>TOTAL</b>			<b>-16,582.70</b>	

# Exhibit 3c

## Gerard Pelletier Transfer Station

### Vendor QuickReport

April 1, 2021 through July 13, 2022

Type	Date	Num	Memo	Split	Amount
Check	04/15/2021	7528	Inv. 2354	Tire Disposal Fees	\$ (1,001.50)
Check	05/18/2021	7602	13112598	Tire Disposal Fees	\$ (2,301.50)
Check	07/28/2021	7741	Inv 13117189	Tire Disposal Fees	\$ (1,232.00)
Check	07/28/2021	7742	13116062	Tire Disposal Fees	\$ (1,232.00)
Check	09/16/2021	7860	Inv. ***3425	Tire Disposal Fees	\$ (1,232.00)
Check	10/28/2021	7938	13129864	Tire Disposal Fees	\$ (1,232.00)
Check	11/24/2021	8017	Inv. ***5369	Tire Disposal Fees	\$ (1,232.00)
Check	12/27/2021	8082	Inv. 13133193	Tire Disposal Fees	\$ (1,478.10)
Check	03/18/2022	8290	Acct. 4341	Tire Disposal Fees	\$ (246.10)
Check	03/18/2022	8291	Acct. 2354	Tire Disposal Fees	\$ (1,478.10)
Check	03/30/2022	8311	Inv. 13143045	Tire Disposal Fees	\$ (1,478.10)
Check	05/11/2022	8394	Inv. 13150706	Tire Disposal Fees	\$ (1,478.10)
Check	07/08/2022	8505	Inv. 13159567	Tire Disposal Fees	\$ (1,614.58)
Check	04/15/2021	3980	4241	Tire Disposal Fees	\$ (1,001.50)
Check	04/18/2021	3988	Inv 13105727	Tire Disposal Fees	\$ (1,001.50)
Check	05/26/2021	4047	13112890	Tire Disposal Fees	\$ (1,151.50)
Check	10/02/2021	4325	Inv. ***5359	Tire Disposal Fees	\$ (1,232.00)
Check	10/28/2021	4372	Inv. 13126262	Tire Disposal Fees	\$ (1,232.00)
Check	02/17/2022	4601	4341	Tire Disposal Fees	\$ (246.10)
Check	05/11/2022	4807	Inv. 13146607	Tire Disposal Fees	\$ (1,478.10)
Pending	05/05/2022		Inv. 13146608	Tire Disposal Fees	\$ (1,461.13)
Pending	04/22/2022		Inv. 16153615	Tire Disposal Fees	\$ (1,614.58)
<b>Total Cost</b>					<b>\$ (27,654.49)</b>
<b>Income 8623 Tires</b>					<b>\$ 25,869.00</b>
<b>Income Loss</b>					<b>\$ (1,785.49)</b>

Tire Disposal & Recycling, LLC



**Exhibit 4**  
**TRANSFER STATIONS MILEAGE AND RATE COMPARISONS**

<b>Transfer Station</b>	<b>Round Trip Mileage</b>	<b>Tonnage Price</b>
Black Butte Transfer Sta.	210	\$73.00
Oberlin Transfer Sta.	140	\$73.00
City of Redding	30	\$85.00
Burney Transfer Sta.	110	\$89.63
Weaverville Transfer Sta.	110	\$240.00

**Profit & Loss**

**April 2021 through March 2022**

	<u>Apr '21 - Mar 22</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>Total Transfer Station Income</b>	<u>\$ 1,689,368.34</u>
<b>Expense</b>	
Disposal fees @ Dry Creek	\$ 394,311.67
Bank Charges	\$ 1,096.85
Contribution(Simple IRA/3%)	\$ 1,876.25
Contributions	\$ 5,000.00
Disposal fees-Batteries	\$ 5,927.20
Total Equipment:Fuel,repairs,registration,etc.	\$ 538,738.03
Total Insurance, bonds, liability, workman's comp.	\$ 55,283.53
Total Interest Expense	\$ 7,890.26
Licenses and Permits	\$ 604.00
Mack Trucks rental	\$ 13,901.52
Materials & Supplies	\$ 30,503.71
Miscellaneous	\$ 71.07
Office Supplies	\$ 858.00
Payroll Expenses	\$ 456,005.40
Total Professional Fees	\$ 2,894.60
Rent (Office/Shop)	\$ 39,820.00
Rent (Siskiyou County)	\$ 67,842.16
Total Repairs, equipment, building.	\$ 39,366.85
Total Taxes, property & state.	\$ 37,775.40
Tire Disposal Fees	\$ 5,864.60
Tools	\$ 1,880.00
Utilities	\$ 7,040.19
<b>Total Expense</b>	<u>\$ 1,714,551.29</u>
<b>Total Other Income</b>	<u>\$ 797.64</u>
<b>Net Income</b>	<u>\$ (24,385.31)</u>

**2021 PHYSICAL YEAR**

**Profit & Loss**

**April 1,22 through July 11, 2022**

	<u>Apr 1, 22 - Jul 11, 22</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>Total Transfer Station Income</b>	<u>\$ 447,548.09</u>
<b>Expense</b>	
<b>Disposal fees @ Dry Creek</b>	\$ 103,593.49
<b>Bank Charges</b>	\$ 487.83
<b>E-Waste disposal fees</b>	\$ 400.00
<b>Total Equipment:Fuel,repairs,registration,etc.</b>	\$ 164,524.10
<b>Total Insurance, bonds, liability, workman's comp.</b>	\$ 42,474.52
<b>Total Interest Expense</b>	\$ 673.88
<b>Mack Trucks rental</b>	\$ 3,475.38
<b>Materials &amp; Supplies</b>	\$ 5,435.28
<b>Office Supplies</b>	\$ 2,173.62
<b>Payroll Expenses</b>	\$ 140,990.53
<b>Total Professional Fees</b>	\$ 1,301.00
<b>Rent (Office/Shop)</b>	\$ 9,855.00
<b>Rent (Siskiyou County)</b>	\$ 18,439.80
<b>Total Repairs, equipment, building.</b>	\$ 14,075.50
<b>Total Taxes (Over payment)</b>	\$ (285.48)
<b>Tire Disposal Fees</b>	\$ 1,478.10
<b>Utilities</b>	\$ 927.51
<b>Total Expense</b>	<u>\$ 510,020.06</u>
<b>Total Other Income</b>	<u>\$ 2,742.54</u>
<b>Net Income</b>	<u>\$ (59,732.43)</u>

**THIS PHYSICAL YEAR TO DATE**



**Exhibit 5c****Gerard Pelletier Transfer Station @ Yreka site  
Profit & Loss**

April 2021 through March 2022

	<u>Apr '21 - Mar 22</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>Total Transfer Station Income</b>	<u>\$ 1,970,580.36</u>
<b>Expense</b>	
<b>Disposal fees @ Dry Creek</b>	\$ 538,494.19
<b>Total Equipment:Fuel,repairs,registration,etc.</b>	\$ 636,782.27
<b>Total Insurance, bonds, liability, workman's comp.</b>	\$ 151,155.18
<b>Licenses,permits, and fees</b>	\$ 4,108.74
<b>Materials &amp; Supplies</b>	\$ 24,927.05
<b>Office Supplies</b>	\$ 2,203.61
<b>Payroll Expenses</b>	\$ 465,989.01
<b>Total Professional Fees &amp; legal fees</b>	\$ 16,682.88
<b>Rent (Office/Shop)</b>	\$ 37,020.00
<b>Rent (Siskiyou County)</b>	\$ 79,060.88
<b>Total Repairs, equipment, building.</b>	\$ 59,699.56
<b>Total Taxes, property &amp; state.</b>	25280.22
<b>Tire Disposal Fees</b>	\$ 14,143.40
<b>Utilities</b>	\$ 2,673.48
<b>Total Expense</b>	<u>\$ 2,058,220.45</u>
<b>Total Other Income</b>	<u>\$ 9,767.06</u>
<b>Net Income</b>	<u>\$ (77,873.03)</u>

**2021 PHYSICAL YEAR**

**Exhibit 5d****Gerard Pelletier Transfer Station @ Yreka site****Profit & Loss**

April 1 through July 11, 2022

Apr 1,22 - Jul 11, 22**Ordinary Income/Expense****Income****Total Transfer Station Income****\$ 453,982.83****Expense****Disposal fees @ Dry Creek****\$ 130,230.32****Total Equipment:Fuel,repairs,registration,etc.****\$ 143,953.46****Licenses,permits, and fees****\$ 414.25****Total Insurance, bonds, liability, workman's comp.****\$ 32,914.86****Materials & Supplies****\$ 1,525.17****Payroll Expenses****\$ 130,268.73****Total Professional Fees & legal fees****\$ 577.10****Total Professional Fees****\$ 577.10****Rent (Office/Shop)****\$ 9,255.00****Rent (Siskiyou County)****\$ 20,990.37****Total Taxes, property & state.****\$ 67.00****Tire Disposal Fees****\$ 3,092.68****Utilities****\$ 185.01****Total Expense****\$ 473,406.95****Net Income****\$ (19,424.12)****THIS PHYSICAL YEAR TO DATE**