

CALMET SERVICES, INC.

April 30, 2018

Ms. Gina Nila
Deputy Director of Public Works Operations
2535 Commerce Way
Commerce, CA 90040

Dear Ms. Nila,

CalMet Services is pleased to provide disposal and recycling services to the residents of the City of Commerce. At this time we are requesting an adjustment to our monthly service rate.

The Consumer Price Index has increased from 253.815 (February 2017) to 263.012 (February 2018) or 3.62%. Additionally, disposal costs during the same time period have increased 10.64% overall. The result of these increases equate to an 8.03% adjustment on the residential rate: an increase of \$4,933.00 per month. The monthly cost will be adjusted July 1, 2018 from \$61,420.17 to \$66,353.17.

If you have any questions or need additional information, please give me a call.

Sincerely,



Anthony F. Serge
Chief Financial Officer

CPI-All Urban Consumers (Current Series)
Original Data Value

Series Id: CUURS49ASA0

Replaces CUURA421SA0

Not Seasonally Adjusted

Series Title: All items in Los Angeles-Long Beach-Anaheim,

Area: Los Angeles-Long Beach-Anaheim, CA

Item: All items

Base Period: 1982-84=100

Years: 2008 to 2018

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2008	220.918	221.431	223.606	224.625	226.651	229.033	229.886	228.484	227.449	226.159	222.229	219.620	225.008	224.377	225.638
2009	220.719	221.439	221.376	221.693	222.522	223.906	224.010	224.507	225.226	225.264	224.317	223.643	223.219	221.943	224.495
2010	224.610	224.620	225.483	225.916	226.438	225.877	225.991	226.373	226.048	226.794	225.941	226.639	225.894	225.491	226.298
2011	228.652	229.729	232.241	233.319	233.367	232.328	231.303	231.833	233.022	233.049	232.731	231.567	231.928	231.606	232.251
2012	233.441	234.537	236.941	236.866	237.032	236.025	235.776	237.222	238.104	240.111	237.675	236.042	236.648	235.807	237.488
2013	238.015	239.753	239.995	239.043	239.346	239.223	238.920	239.219	239.611	239.940	238.677	238.742	239.207	239.229	239.185
2014	239.857	241.059	242.491	242.437	243.362	243.528	243.727	243.556	243.623	243.341	241.753	240.475	242.434	242.122	242.746
2015	239.724	241.297	243.738	243.569	246.093	245.459	247.066	246.328	245.431	245.812	245.711	245.357	244.632	243.313	245.951
2016	247.155	247.113	247.873	248.368	249.554	249.789	249.784	249.700	250.145	251.098	250.185	250.189	249.246	248.309	250.184
2017	252.373	253.815	254.525	254.971	255.674	255.275	256.023	256.739	257.890	258.883	259.135	259.220	256.210	254.439	257.982
2018	261.235	263.012													

CITY OF COMMERCE
Rate Adjustment Calculation
July 2018

ASSUMPTIONS

Consumer Price Index Increase

Consumer Price Index ending February 2017:	253.815	
Consumer Price Index ending February 2018	<u>263.012</u>	
Net Percentage Change to CPI:	3.62%	

Cost of Disposal Increase

Previous Disposal Cost per Ton:	\$ 59.58	
New Disposal Cost per Ton:	<u>\$ 65.92</u>	
Net Increase in Disposal Cost per Ton:	\$ 6.34	10.64%

ADJUSTMENT FORMULA

Current Monthly Compensation:	\$ 53,269.32	
Net Percentage Change to CPI:	<u>3.62%</u>	
Adjustment for CPI:	\$ 1,928.35	

Current Monthly Tonnage (average):	718.28	
Net Increase in Disposal Cost per Ton:	<u>\$ 6.34</u>	
Monthly Increase in Disposal Cost:	<u>\$ 4,553.91</u>	
(Less) Adjustment for CPI:	<u>\$ (1,549.26)</u>	
Adjustment for Disposal Cost(in excess of CPI)	\$ 3,004.65	

Adjustment for CPI:	\$ 1,928.35	
Adjustment for Disposal Cost(in excess of CPI)	<u>\$ 3,004.65</u>	

Total Monthly Adjustment:	\$ 4,933.00	8.03%
Current Monthly Compensation:	<u>\$ 61,420.17</u>	

Adjusted Monthly Compensation:	<u><u>\$ 66,353.17</u></u>	
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