



February 6, 2019

Mr. Stefan Chatwin
City Manager
City of Imperial
420 South Imperial Ave
Imperial, CA 92251

Dear Mr. Chatwin,

Republic Services is honored to provide integrated solid waste and recycling collection services for the City of Imperial. We have prepared for your review the solid waste rate adjustments based upon the formula within our Franchise Agreement.

Under the terms of our agreement, Republic Services is permitted a rate adjustment annually based on the Consumer Price Index for all urban consumers as published by the US Department of Labor, Bureau of Labor Statistics for the previous twelve-month period ending in December 31, 2018. I have attached a copy of the Consumer Price Index for your review

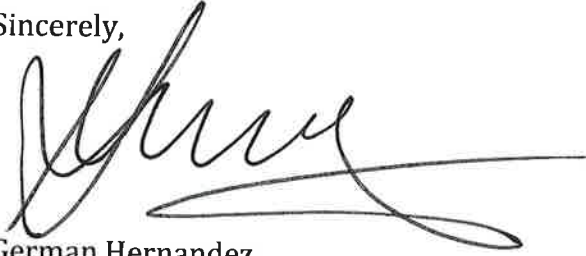
As per the Section 13, the following rate adjustment will apply effective July 1st 2019:

- Commercial and Roll-off construction and demolition rates will be subject to the annual CPI adjustment of 3.2 percent.
- Residential rates will be subject to the annual CPI adjustment of 3.2 percent. The current monthly rate is \$19.77 per resident. The new rate will be \$20.40.

Additionally, Republic Services is requesting to pass-through the additional cost associated with implementing an organics waste recycling program for 2019. We have attached supporting documentation for the anticipated cost increase and the corresponding price adjustments. This program will address the next step in meeting the requirements set forth in California Assembly Bill 1826 for organics recycling. Lastly, we will need to establish rates for the new services that will be required beginning January 1, 2020 as part of AB1826. This includes the recycling of yard waste from residents and the collection and recycling of organics from commercial businesses and multi-family residences.

Thank you for the privilege of allowing us to provide solid waste collection and recycling service to the residents of Imperial. Republic Services is proud to serve and continue its partnership with the community and City of Imperial. Please do not hesitate to contact me with any questions regarding this letter or the services we provide.

Sincerely,

A handwritten signature in black ink, appearing to read 'German Hernandez', with a long horizontal flourish extending to the right.

German Hernandez
Divisional Manager
ghernandez4@republicservices.com
(760) 337-2412

CONSUMER PRICE INDEXES PACIFIC CITIES AND U. S. CITY AVERAGE

December 2018

ALL ITEMS INDEXES

(1982-84=100 unless otherwise noted)

MONTHLY DATA	All Urban Consumers (CPI-U)										Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes					Percent Change					Indexes			Percent Change		
	Dec 2017	Nov 2018	Dec 2018	1 Month ending		Year ending	Dec 2018	Nov 2018	Dec 2018	Dec 2017	Nov 2018	Dec 2018	Year ending	Nov 2018	Dec 2018	
				Dec 2018	Dec 2018											Year ending
U. S. City Average.....	246.524	252.038	251.233	1.9	2.2	1.9	2.2	240.526	245.933	244.786	2.2	1.8	245.933	244.786		
(1967=100).....	738.477	754.992	752.584	-	-	-	-	716.454	732.561	729.142	-	-	732.561	729.142		
Los Angeles-Long Beach-Anaheim.....	259.220	268.560	267.631	3.2	3.6	3.2	3.6	249.854	259.064	258.101	3.8	3.3	259.064	258.101		
(1967=100).....	765.850	793.446	790.700	-	-	-	-	738.396	765.612	762.768	-	-	765.612	762.768		
West.....	257.347	265.658	265.209	3.1	3.3	3.1	3.3	249.055	257.604	256.879	3.5	3.1	257.604	256.879		
(Dec. 1977 = 100).....	415.987	429.421	428.696	-	-	-	-	400.716	414.471	413.304	-	-	414.471	413.304		
West - A*.....	265.009	273.769	273.507	3.2	3.4	3.2	3.4	254.682	263.924	263.302	3.8	3.4	263.924	263.302		
(Dec. 1977 = 100).....	432.135	446.419	445.991	-	-	-	-	412.281	427.242	426.235	-	-	427.242	426.235		
West - B/C** (Dec. 1996=100).....	149.920	154.625	154.228	2.9	3.1	2.9	3.1	149.595	154.456	153.954	3.1	2.9	154.456	153.954		

BI-MONTHLY DATA	All Urban Consumers (CPI-U)										Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes					Percent Change					Indexes			Percent Change		
	Dec 2017	Oct 2018	Dec 2018	2 Months ending		Year ending	Dec 2018	Oct 2018	Dec 2018	Dec 2017	Oct 2018	Dec 2018	Year ending	Oct 2018	Dec 2018	
				Dec 2018	Dec 2018											Year ending
San Francisco-Oakland-Hayward.....	277.414	289.673	289.896	4.4	4.4	4.5	4.4	271.342	283.183	283.278	4.4	4.4	283.183	283.278		
(1967=100).....	852.847	890.535	891.220	-	-	-	-	826.260	862.317	862.606	-	-	862.317	862.606		
Seattle-Tacoma-Bellevue.....	265.850	272.805	273.293	3.1	3.1	2.8	3.1	262.485	269.719	269.470	3.3	2.7	269.719	269.470		
(1967=100).....	810.414	831.614	833.105	-	-	-	-	778.529	799.985	799.247	-	-	799.985	799.247		

* A = greater than 2,500,000 population

** B/C = 2,500,000 population or less

Dash (-) = Not Available.

Release date Jan. 11, 2019. The next release is scheduled for Feb. 13, 2019.

Due to the 2018 geographic revision, Anchorage, Honolulu, Phoenix, San Diego, and Riverside area index numbers are published bi-monthly. Semi-annual averages can be accessed online at www.bls.gov/cpi/data.htm. The Portland CPI has been discontinued. Additional information on the geographic revision is available at www.bls.gov/regions/west/factsheet/2018cpiupdate.htm. For questions, please contact us at BLSinfoSF@BLS.GOV or (415) 625-2270.