

Purchasing Department
Madison County Board of Supervisors
146 West Center Street
Canton, Mississippi 39046

601-855-5503
hardy@madison-co.com

6 February 2015

District 1 Supervisor John Bell Crosby
District 2 Supervisor John Howland
District 3 Supervisor Gerald Steen
District 4 Supervisor Karl Banks
District 5 Supervisor Paul Griffin

Subject: Approve Option Year Two of Waste Management Recycling Contract and place copy of 1.5 percent CPI price adjustment in minutes

Gentlemen:

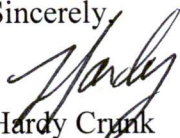
Madison County entered into a contract of curbside recycling with Waste Management beginning in January 2011. The contract was for three years with two one-year extensions available at the sole option of the county. The county availed itself of Option Year 1 last year. To continue the contract for one more year requires a letter from the county informing Waste Management of the county's exercise of the final option year. Later this year we will need to advertise for RFPs for a new recycling contract to begin in 2016.

In other recycling business, Waste Management recently delivered notice to the county that per the current contract the CPI rate adjustment for 2015 is 1.5 percent. This amounts to a rate increase of 5 cents per house, which increases our current monthly rate of \$3.50 per house to \$3.55 per house. This represents an overall monthly increase of \$179.20 and an overall yearly increase of \$2,150.40.

The CPI change is calculated based upon the past year's percentage increase in the Bureau of Labor Statistics, US City Average, Consumer Price Index for Urban Wage Earners and Clerical Workers—All Items.

I recommend that the Board approve exercising the final one-year option with Waste Management for recycling services and place a copy of the CPI increase letter in the minutes.

Sincerely,


Hardy Crunk
Purchasing Clerk



WASTE MANAGEMENT

1450 Country Club Drive
Jackson, MS 39209-2573
(601) 922-9647
(601) 923-5134 Fax

February 3, 2015

Madison County Board of Supervisors
Attn: Hardy Crunk
P.O. Box 608
Canton, MS. 39046

Dear Hardy:

Pursuant to the terms of our contract for residential waste hauling, Price Adjustments, we are submitting for your review the annual CPI calculation for the January 1, 2015 rate adjustment. I have included with this letter a copy of the U.S. Department of Labor, Bureau of Labor Statistics, and Consumer Price Index for Urban Wage Earners and Clerical Workers (All items.) The calculation of the CPI increase is as follows:

	All items
December 2013	229.324
December 2014	<u>232.771</u>

Percent change **1.50%**

The rate calculation effective January 1, 2015 is as follows:

	Recycling	
Current Rate	\$3.50	
CPI Increase	<u>.05</u>	
New Rate	\$3.55	
		\$ 179.20 Increase /Month
		\$2150.40 Annual Increase

Your next invoice will reflect the change. We are very proud to list the Madison County Recycling as one of our valued customers and look forward to a successful future.

Best regards,

Terry Smith
Public Sector Solutions Manager

MADISON COUNTY RS RECYCLE

MAS Acct 780-23306
MADISON CNTY BOARD OF SUPERVISER
Christy
P.O. Box 608
Canton, MS 39046

Section 11. Compensation

May 1st Rate Modification Date

Bureau of Labor Statistics, US City Average, Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) - All Items
Preceding 12 months average

As soon as possible after Rate Modification Date:

- i. Index value on 1st full month prior to commencement of contract
- ii. index value on rate modification date preceding the date of statement
- iii. net percentage change
- v. increase or decrease in fees

Current Rates

Households \$ 3.50

of Units

Households 3,584

Current Charges

Households \$ 12,544.00

CPI - W Urban Wage Earners and Clerical Workers

- i. CPI - W All Items 229.324 Annual Average Year ending 2013
- ii. CPI - W 232.771 Annual Average Year Ending 2014
- iii. % Change 1.50%

iv. Increase in Fees - Effective January 1, 2015

	Old Rate	CPI % Increase	Increase Amount	New Rate
Households	\$ 3.50	1.50%	\$ 0.05	\$ 3.55
Households	\$ 3.55		3,584	\$ 12,723.20

\$ 179.20 Increase/Month

2,150.40 Annual Increase

Consumer Price Index - Urban Wage Earners and Clerical Workers

Original Data Value

Series Id: CWUR0
Not Seasonally
Area: U.S. city
Item: All items
Base Period: 1982-
Years: 2004 to 2014

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2004	180.9	181.9	182.9	183.5	184.7	185.3	184.9	185.0	185.4	186.5	186.8	186.0
2005	186.3	187.3	188.6	190.2	190.0	190.1	191.0	192.1	195.0	195.2	193.4	192.5
2006	194.0	194.2	195.3	197.2	198.2	198.6	199.2	199.6	198.4	197.0	196.8	197.2
2007	197.559	198.544	200.612	202.130	203.661	203.906	203.700	203.199	203.889	204.338	205.891	205.777
2008	206.744	207.254	209.147	210.698	212.788	215.223	216.304	215.247	214.935	212.182	207.296	204.813
2009	205.700	206.708	207.218	207.925	208.774	210.972	210.526	211.156	211.322	211.549	212.003	211.703
2010	212.568	212.544	213.525	213.958	214.124	213.839	213.898	214.205	214.306	214.623	214.750	215.262
2011	216.400	217.535	220.024	221.743	222.954	222.522	222.686	223.326	223.688	223.043	222.813	222.166
2012	223.216	224.317	226.304	227.012	226.600	226.036	225.568	227.056	228.184	227.974	226.595	225.889
2013	226.520	228.677	229.323	228.949	229.399	230.002	230.084	230.359	230.537	229.735	229.133	229.174
2014	230.040	230.871	232.560	233.443	234.216	234.702	234.525	234.030	234.170	233.229	231.551	229.909

Bureau of Labor Statistics

Annual	HALF1	HALF2
184.5	183.2	185.8
191.0	188.8	193.2
197.1	196.3	198.0
202.767	201.069	204.466
211.053	210.309	211.796
209.630	207.883	211.377
213.967	213.426	214.507
221.575	220.196	222.954
226.229	225.581	226.878
229.324	228.812	229.837
232.771	232.639	232.902