

CONTRACTUALLY CALCULATED RATE ADJUSTMENT

Base Fee adjustment formula as shown in Appendix E.3

ABF = Adjusted Base Fee

E = ECI for Total Compensation for Civilian Workers, Not Seasonally Adjusted (Employment Cost Index) reported as a percentage for the first quarter of the year for which an ABF is being calculated as published by U.S. Department of Labor, Bureau of Labor Statistics in the Detailed Report Series Id: CIU1010000000000A.

C_o = Consumer Price Index for all urban consumers as published by U.S. Department of Labor, Bureau of Labor Statistics in the CPI Detailed Report Series Id: CUUR0000SA0 for the month that is eighteen (18) months prior to the beginning of the period for which an ABF is being calculated, which is the month of March.

C = Consumer Price Index for all urban consumers as published by U.S. Department of Labor, Bureau of Labor Statistics in the CPI Detailed Report Series Id: CUUR0000SA0 for the month that is six (6) months prior to the beginning of the period for which an Adjusted Base Fee is being calculated, which is the month of March.

ABF = Adjusted Base Fee

ABF = BF x AF

BF = Base Fee

AF = Adjustment Factor as determined by the formula:

$$AF = [((E)0.50 + ((C-C_o)/C_o)0.50)] + 1.02$$

$$E = 2.60\%, \quad C = 264.877, \quad C_o = 258.115$$

$$AF = [(2.6\%)0.50 + ((264.877-258.115)/258.115)0.50] + 1.02$$

$$AF = [(.026*.5) + (.0262*.5)] + 1.02$$

$$AF = 1.0461 \text{ shown as a } 4.61\% \text{ increase}$$

DEFAULT INCREASE OF 4.61%

Contractual Default Fee Calculation

FY20-21 Base Fee = \$647,219.47

Amount of Base Fee Increase = \$647,219.47 x 0.0461 = \$29,836.82

ABF = \$647,219.47 x 1.0461 = \$677,056.29

✓ ABF = \$647,219.47 + \$29,836.82 = \$677,056.29

Operational Fee (OF) Calculation

OF = ABF + Sludge Hauling + Chemicals + FOG

✓ OF = \$677,056.29 + \$87,000 + \$79,400 + \$9,318 = **\$852,774.29**

NEGOTIATED AND PROPOSED INCREASE OF 3.50%

Negotiated Fee Calculation

FY20-21 Base Fee = \$647,219.47

Amount of Base Fee Increase = \$647,219.47 x 0.0350 = \$22,652.68

ABF = \$647,219.47 x 1.035 = \$669,872.15

✓ ABF = \$647,219.47 + \$22,652.68 = \$669,872.15

Operational Fee (OF) Calculation

OF = ABF + Sludge Hauling + Chemicals + FOG

✓ OF = \$669,872.15 + \$87,000 + \$79,400 + \$9,318 = **\$845,590.15**

OF Cost Savings: 4.61%OF – 3.50%OF = \$853,421.51 - \$845,590.15 = **\$7,831.36**

Supporting Documentation for (E) Employment Cost Index and (CPI) Consumer Price Index:

<http://data.bls.gov/timeseries/CIU1010000000000A>

Data extracted on: September 16, 2021 (2:16:40 PM)

Employment Cost Index

Series Id: CIU1010000000000A (B,C)

Not seasonally adjusted

Series Title: Total compensation for All Civilian workers in All industries and occupations, 12-month percent change

Ownership: Civilian workers

Component: Total compensation

Occupation: All workers

Industry: All workers

Subcategory: All workers

Area: United States (National)

Periodicity: 12-month percent change

| Year | Qtr1 | Qtr2 | Qtr3 | Qtr4 |
|------|------|------|------|------|
| 2011 | 2.0 | 2.2 | 2.0 | 2.0 |
| 2012 | 1.9 | 1.7 | 1.9 | 1.9 |
| 2013 | 1.9 | 1.9 | 1.9 | 2.0 |
| 2014 | 1.8 | 2.0 | 2.2 | 2.2 |
| 2015 | 2.6 | 2.0 | 2.0 | 2.0 |
| 2016 | 1.9 | 2.3 | 2.3 | 2.2 |
| 2017 | 2.4 | 2.4 | 2.5 | 2.6 |
| 2018 | 2.7 | 2.8 | 2.8 | 2.9 |
| 2019 | 2.8 | 2.7 | 2.8 | 2.7 |
| 2020 | 2.8 | 2.7 | 2.4 | 2.5 |
| 2021 | 2.6 | 2.9 | | |

B : Includes wages, salaries, and employer costs for employee benefits.

C : See Footnote C on www.bls.gov/ect/cimapnote.htm.

http://data.bls.gov/timeseries/cuur0000sa0?series_id=cwur0000sa0

Data extracted on: September 16, 2021 (2:29:29 PM)

Consumer Price Index - All Urban Consumers

Series Id: CUUR0000SA0

Not Seasonally Adjusted

Area: U.S. city average

Item: All items

Base Period: 1982-84=100

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 2011 | 220.223 | 221.309 | 223.467 | 224.906 | 225.964 | 225.722 | 225.922 | 226.545 | 226.889 | 226.421 | 226.230 | 225.672 |
| 2012 | 226.665 | 227.663 | 229.392 | 230.085 | 229.815 | 229.478 | 229.104 | 230.379 | 231.407 | 231.317 | 230.221 | 229.601 |
| 2013 | 230.280 | 232.166 | 232.773 | 232.531 | 232.945 | 233.504 | 233.596 | 233.877 | 234.149 | 233.546 | 233.069 | 233.049 |
| 2014 | 233.916 | 234.781 | 236.293 | 237.072 | 237.900 | 238.343 | 238.250 | 237.852 | 238.031 | 237.433 | 236.151 | 234.812 |
| 2015 | 233.707 | 234.722 | 236.119 | 236.599 | 237.805 | 238.638 | 238.654 | 238.316 | 237.945 | 237.838 | 237.336 | 236.525 |
| 2016 | 236.916 | 237.111 | 238.132 | 239.261 | 240.229 | 241.018 | 240.628 | 240.849 | 241.428 | 241.729 | 241.353 | 241.432 |
| 2017 | 242.839 | 243.603 | 243.801 | 244.524 | 244.733 | 244.955 | 244.786 | 245.519 | 246.819 | 246.663 | 246.669 | 246.524 |
| 2018 | 247.867 | 248.991 | 249.554 | 250.546 | 251.588 | 251.989 | 252.006 | 252.146 | 252.439 | 252.885 | 252.038 | 251.233 |
| 2019 | 251.712 | 252.776 | 254.202 | 255.548 | 256.092 | 256.143 | 256.571 | 256.558 | 256.759 | 257.346 | 257.208 | 256.974 |
| 2020 | 257.971 | 258.678 | 258.115 | 256.389 | 256.394 | 257.797 | 259.101 | 259.918 | 260.280 | 260.388 | 260.229 | 260.474 |
| 2021 | 261.582 | 263.014 | 264.877 | 267.054 | 269.195 | 271.696 | 273.003 | 273.567 | | | | |