

12.2 Modification to Rates

- (a) The rates which may be charged by the Contractor for the second and subsequent years of the term hereof shall be adjusted upward or downward to reflect changes in the cost of operations, as reflected by fluctuations in the Consumer Price Index for Urban Wage Earners and Clerical Workers (All Items) and the Consumer Price Index for Urban Wage Earners and Clerical Workers, Expenditures Category "Gasoline," both as published by the U. S. Department of Labor, Bureau of Labor Statistics. As of the last month of the first year of the Contract and every twelve months thereafter (the "Rated Modification Date"), the rates shall be increased or decreased for the ensuing twelve (12) month period in a percentage amount equal to one - hundred (100) percent of the net percentage change of the All Items Index plus ten (10) percent of the net percentage change of the Gasoline Index. All percentage changes are to be computed as the difference between the index value for the first full month prior to the commencement of the contract and the index value for the first full month prior to the commencement of the contract and the index value for the Rate modification date divided by the index value for the first full month prior to the commencement of the Contract.
- (b) As soon as possible after a Rate Modification Date, Contractor shall send to County a comparative statement setting out for both the All Items Index and the Gasoline Index (i) the index value on the first full month prior to the commencement of the Contract; (ii) the index value on the Rate Modification Date preceding the date of the statement; (iii) the net percentage change; (iv) the composite percentage change equal to the net percentage change in the All Items Index plus the net percentage change in the Gasoline Index; and (v) the increase or decrease in the fees which may be charged by the Contractor. Any changes (increase or decrease) to Residential Customers must be approved in writing by the County prior to billing of service.
- (c) In addition to the above, the Contractor may petition the County at any time for additional rate and price adjustments at reasonable times on the basis of unusual changes in its cost of operations, such as revised laws, ordinances, or regulations; an increase in the number of Residential Units as set forth in Article III Scope of Work, of the Instructions to Offerors, such as County growth or annexation; and for other reasons. [No adjustments to disposal rates reflected in the Residential Rate Structure will be allowed for the five (5) year contract period; unless state or federal regulatory changes to disposal practices (i.e., landfilling) are mandated.]