

Tree Care Professionals Serving Communities Who Care About Trees

www.WCAINC.com

December 09, 2022

CITY OF CARSON **ATTN: FREDDY LOZA** 18620 S. BROADWAY CARSON, CA 90248

### RE: Tree Maintenance Services performed by WCA, Inc.

Dear Mr. Loza,

As we approach the end of the current contract year, West Coast Arborists, Inc. would like to take this opportunity to convey our sincere gratitude to you and your staff for another successful year. Together, we have worked diligently to maintain the integrity, health and preservation of the community's urban forest.

The purpose of this letter is to express our interest in continuing with the agreement for an additional 22 months with a slight adjustment in cost. The current rates have been in place since the contract originated in October 2018. The adjustment is a result of Consumer Price Index (CPI) changes and increased operating costs including labor, fuel, recycling and insurance. We respectfully request a cost adjustment of 7.50% based on the Consumer Price Index (CPI) for the Los Angeles region from the previous calendar year, as published by the Department of Labor's Bureau of Labor Statistics:

Effective Date:	February 01, 2023
CPI Adjustment Requested:	7.50%
Region Area:	Los Angeles-Long Beach-Anaheim

We appreciate your consideration in this matter and look forward to continuing our successful business relationship. Should you have any questions or require additional information, please do not hesitate to email me at vgonzalez@wcainc.com or call me at (800) 521-3714.

Sincerely,

Vitu M. Coply

Victor M. Gonzalez Vice President, Business Development

EXHIBIT NO. 2

West Coast Arborists, Inc.

2200 E. Via Burton · Anaheim, California 92806 · 714.991.1900 · 800.521.3714 · Fax 714.956.3745



# Schedule of Compensation for Year 2023 - 2024

## Tree Maintenance Services performed by WCA, Inc.

ltem	Description	Unit	Current Prices	Proposed Prices
1	Routine Prune 0-6 DSH	Each	\$49.00	\$52.65
2	Routine Prune 7-18 DSH	Each	\$98.00	\$105.35
3	Routine Prune > 18 DSH	Each	\$169.00	\$181.65
4	Non-Zone Year Queen Palm Prune	Each	\$49.00	\$52.65
5	Non-Zone Year Ficus Prune	Each	\$49.00	\$52.65
6	Non-Zone Year Coral Tree Prune	Each	\$289.00	\$310.65
7	Queen Majesty Kentia Palm Prune	Each	\$49.00	\$52.65
8	Mexican Fan Palm Prune	Each	\$75.00	\$80.60
9	Date Palm Prune	Each	\$93.00	\$99.95
10	Tree and Stump Removal	Inch	\$39.00	\$41.90
11	Tree Only Removal	Inch	\$29.00	\$31.15
12	Stump Only Removal	Inch	\$10.00	\$10.75
13	Plant 15 Gallon Tree - city furnished	Each	\$49.00	\$52.65
14	Plant 24" Box Tree - city furnished	Each	\$99.00	\$106.40
15	Plant 36" Box Tree - city furnished	Each	\$249.00	\$267.65
16	Plant 48" Box Tree - city furnished	Each	\$349.00	\$375.15
17	Watering	Day	\$360.00	\$387.00
18	Crew Rental - per man	Man Hour	\$90.00	\$96.75
19	Emergency Response	Man Hour	\$120.00	\$129.00

The current rates have remained the same since October 2017. The proposed rates reflect a cost adjustment of 7.5% based on the current Consumer Price Index for the Los Angeles-Long Beach-Anaheim region for the previous 12 months. Upon approval, the new rates will be effective 2/1/2023 and valid for the remaining 22 months of the Agreement, through 12/31/2024.



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# Western Information Office

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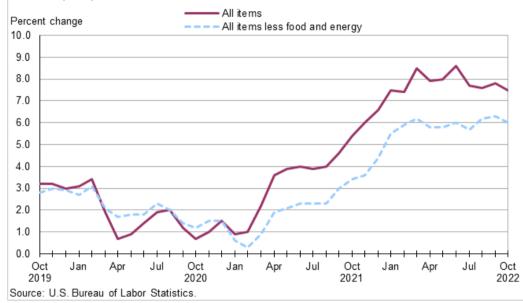
## Consumer Price Index, Los Angeles area — October 2022

#### Area prices were up 0.6 percent over the past month, up 7.5 percent from a year ago

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), increased 0.6 percent in October, the U.S. Bureau of Labor Statistics reported today. (See <u>table A</u>.) Regional Commissioner Chris Rosenlund noted that the October increase was influenced by higher prices for gasoline and shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U increased 7.5 percent. (See <u>chart 1</u> and <u>table A</u>.) Food prices rose 7.8 percent. Energy prices increased 23.8 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy increased 6.0 percent over the year. (See <u>table 1</u>.)

Chart 1. Over-the-year percent change in CPI-U, Los Angeles-Long Beach-Anaheim, CA, October 2019–October 2022





#### Food

Food prices fell 0.2 percent for the month of October. (See <u>table 1</u>.) Prices for food at home declined 0.9 percent, with lower prices in four of the six grocery categories. Prices for food away from home rose 0.7 percent for the same period.

Over the year, food prices rose 7.8 percent. Prices for food at home rose 10.8 percent since a year ago. Price increases across food at home expenditure categories ranged from 3.0 percent for meats, poultry, fish, and eggs to 18.9 percent for cereals and bakery products. Prices for food away from home rose 4.5 percent.

#### Energy

The energy index increased 5.4 percent over the month. The increase was mainly due to higher prices for gasoline (9.9 percent). Prices for electricity advanced 5.4 percent, but prices for natural gas service decreased 14.5 percent for the same period.

Energy prices increased 23.8 percent over the year, largely due to higher prices for gasoline (35.1 percent). Prices paid for electricity rose 7.5 percent, and prices for natural gas service increased 5.9 percent during the past year.

#### All items less food and energy

The index for all items less food and energy increased 0.3 percent in October. Higher prices for medical care (1.1 percent) and shelter (0.6 percent) were partially offset by lower prices for apparel (-4.8 percent) and used cars and trucks (-2.2 percent).

Over the year, the index for all items less food and energy increased 6.0 percent. Components contributing to the increase included new and used motor vehicles (13.4 percent), medical care (7.2 percent), and shelter (5.6 percent)

#### News Release Information

22-2151-SAN Thursday, November 10, 2022

#### Contacts

Technical information: (415) 625-2270 BLSinfoSF@bls.gov www.bls.gov/regions/west

*Media contact:* (415) 625-2270

#### **Related Links**

CPI historical databases

Table A. Los Angeles-Long Beach-Anaheim, CA	. CPI-U 1-month and 12-month I	percent changes, all items index	. not seasonally adjusted

	2018		2019		2020		2021		2022	
Month	1-month	12-month								
January	0.8	3.5	0.7	3.2	0.8	3.1	0.2	0.9	1.1	7.5
February	0.7	3.6	0.1	2.5	0.3	3.4	0.4	1.0	0.3	7.4
March	0.4	3.8	0.6	2.7	0.7	1.9	0.5	2.2	1.5	8.5
April	0.4	4.0	1.0	3.3	-0.3	0.7	1.1	3.6	0.5	7.9
Мау	0.4	4.1	0.2	3.1	0.4	0.9	0.6	3.9	0.8	8.0
June	-0.2	4.0	0.0	3.3	0.5	1.4	0.6	4.0	1.1	8.6
July	0.2	3.9	0.1	3.3	0.6	1.9	0.6	3.9	-0.2	7.7
August	0.2	3.9	0.0	3.0	0.1	2.0	0.2	4.0	0.1	7.6
September	0.5	3.9	0.5	3.0	-0.3	1.2	0.3	4.6	0.5	7.8

https://www.bls.gov/regions/west/news-release/consumerpriceindex\_losangeles.htm

Consumer Price Index, Los Angeles area — October 2022 : Western Information Office : U.S. Bureau of Labor Statistics

	2018		2019		2020		2021		2022	
Month	1-month	12-month								
October	0.5	4.1	0.7	3.2	0.2	0.7	0.9	5.4	0.6	7.5
November	-0.3	3.6	-0.3	3.2	0.1	1.0	0.6	6.0		
December	-0.3	3.2	-0.6	3.0	-0.2	1.5	0.4	6.6		

#### The November 2022 Consumer Price Index for the Los Angeles area is scheduled to be released on December 13, 2022.

### **Technical Note**

The Consumer Price Index (CPI) is a measures of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 93 percent of the total U.S. population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 29 percent of the total U.S. population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 75 urban areas across the country from about 6,000 housing units and approximately 22,000 retail establishments—department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date; for most of the CPI-U the reference base is 1982-84 equals 100. An increase of 7 percent from the reference base, for example, is shown as 107.000. Alternatively, that relationship can also be expressed as the price of a base period market basket of goods and services rising from \$100 to \$107. For further details see the CPI home page on the Internet at <a href="http://www.bls.gov/cpi">www.bls.gov/cpi</a> and the CPI section of the BLS Handbook of Methods available on the internet at <a href="http://www.bls.gov/opub/hom/cpi/">www.bls.gov/opub/hom/cpi/</a>.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area index show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.** 

The Los Angeles-Long Beach-Anaheim, CA metropolitan area includes Los Angeles and Orange Counties in California.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Telecommunications Relay Service: 7-1-1.

#### Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods

#### Los Angeles-Long Beach-Anaheim (1982-84=100 unless otherwise noted)

		Indexes					Percent change from-		
Item and Group	Historical data	Aug. 2022	Sep. 2022	Oct. 2022	Oct. 2021	Aug. 2022	Sep. 2022		
Expenditure category									
All items	M	313.608	315.033	317.014	7.5	1.1	0.		
All items (1967=100)	AM	926.537	930.748	936.600	-	-			
Food and beverages	M	317.736	320.536	320.025	7.6	0.7	-0.		
Food	AM.	319.021	322.266	321.612	7.8	0.8	-0.2		
Food at home	M	310.558	315.111	312.279	10.8	0.6	-0.9		
Cereals and bakery products	M	331.841	337.095	343.234	18.9	3.4	1.8		
Meats, poultry, fish, and eggs	M	337.247	338.514	337.257	3.0	0.0	-0.4		
Dairy and related products	M	304.347	300.335	298.565	12.0	-1.9	-0.0		
Fruits and vegetables	M	417.611	421.582	413.551	7.4	-1.0	-1.9		
Nonalcoholic beverages and beverage materials(1)	M	296.194	303.892	304.976	10.3	3.0	0.4		
Other food at home	AM.	244.159	252.369	245.990	17.6	0.7	-2.		
Food away from home		321.602	323.031	325.274	4.5	1.1	0.		
Alcoholic beverages	M	279.473	275.849	277.382	4.5	-0.7	0.0		
Housing	M	352.247	353.666	355.306	5.8	0.9	0.		
Shelter		400.693	402.407	404.703	5.6	1.0	0.0		
Rent of primary residence(2)	M	423.239	425.229	427.667	5.6	1.0	0.0		
Owners' equiv. rent of residences(2)(3)	~~~	415.107	418.239	420.304	5.8	1.3	0.8		

#### Footnotes

(1) Indexes on a December 1977=100 base.

(2) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(3) Indexes on a December 1982=100 base.

(4) Special index based on a substantially smaller sample.

(5) Indexes on a December 1993=100 base.

(6) Indexes on a December 1997=100 base.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.