

 **COMMUNICATIONS
INTERNATIONAL, INC.**

4450 US Highway 1 ♦ Vero Beach, Florida 32967 ♦ Telephone: (772) 569-5355 ♦ Fax: (772) 567-2292

October 20, 2009

Jason E. Brown, Director
Management and Budget
1801 27th Street
Building A

Ref: Indian River County Radio Maintenance Contract No. CII-05-818

Dear Mr. Brown:

A problem exist with the referenced contract in paragraph 3.0 which has to do with the formula used to determine the Consumer Price Index (CPI) in calculating the annual rate increase and/or decrease. CII would like to propose a change to the verbiage in the existing contract with intent to remove any ambiguity and provide a predictable CPI for our contract in the early part of each year. This will allow Indian River County to budget the maintenance contract in preparation for the upcoming year.

The present contract language is:

The basis for this extension will be the consumer price index (CPI) for all urban consumers of the Bureau of Labor Statistics South Urban most recent publication prior to contract renewal. The adjustment factor used to create price adjustment up or down for each unit price proposed is as follows:

*Previous 12 month CPI-U South Urban = CPI Adjustment
Current year CPI-U South Urban*

Proposed contract language:

Use the Bureau of Labor Statistics webb site (<http://www.bls.gov/cpi/home.htm>)

1. Select the "South Urban" region of the U.S. map.
2. Select the "More Formatting Options"
3. Select the "12 months Percent Change"
4. Select "Retrieve Data"
5. Scroll down to the current year and select the "Feb" number
6. This number will be used as a multiplier for the recent year total of the maintenance contract

This percent number is a 12 month percent change for the "South Urban" over the last 12 months as reflected in February.

Please call me to discuss this matter should you desire. If you are in agreement let me know and we will issue an amendment to the referenced contract.

Sincerely,



Robert Wm Stork

Owner/CEO