September 30, 2015

City of Hallandale Beach
400 South Federal Highway
Hallandale Beach, FL 33009

RE: RENEWAL NOTICES FOR REQUEST FOR PROOPOSAL (RFP) #FY2011-2012-001:(GISND) SECURITY SERVICES

Attn: Captain Terrance Thouez
Hallandale Beach Police Department

Captain Thouez,

On April 27, 2015 Security Alliance submitted a request, pursuant to the above-referenced contract, specifically the Section entitled "Cost Adjustments" (page 3 of 56), formally requesting a cost adjustment in the amount of 2% of our billing rates.

Reference is made to the US Bureau of Labor Statistics, Consumer Price Index (attached). The actual increase calculated from the most current available CPI for the base period of our contract is 3.31% (Base month minus current month, divided by base month) for the Base Period of the contract. We understand that the maximum allowable increase under the contract is 2%.

Since the inception of our contract (in July of 2012), Security Alliance has experienced real increases in hard costs associated with the operation of the relevant security services. Specifically, our costs for insurance (Work Comp, GL and Auto) have risen, along with other overhead costs such as uniforms, communications and administrative overhead.

But the primary driver (and justification) for our request for an increase, is to increase the wages of the security officers who serve the community. They too have experienced real increases in their personal cost of living expenses. We hope the City will consider the request with the welfare of the security officers in mind.

Therefore the increase is justified by increased costs for the first Option Period, most importantly an increase in the wages paid to the security officers performing duties under the contract. The wages will increase by the same 2% amount, allowing Security Alliance to give its well-performing security officers their first raise under the contract with the City of Hallandale Beach.

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[redacted]

The actual impact is shown below :

Current Billing Rate	$161,700.00 per Year
Actual CPI Increase (3.31%)	$167,052.24 per Year
Proposed Billing Rate (2.0%)	**$164,934.00 per Year**

If there are any questions regarding the request for a cost adjustment, please email (BillM@securityalliancegroup.com) or call any time.

Respectfully,

William A. Murphy
President

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[redacted]

Consumer Price Index - Urban Wage Earners and Clerical W
Original Data Value

Series Id: CWUR0300SA0
Not Seasonally Adjusted
Area: South urban
Item: All items
Base Period: 1982-84=100
Years: 2005 to 2015

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2005	180.5	181.5	182.7	184.3	184.2	184.7	185.5	186.6	189.8	190.2	188.0	187.2	185.4	183.0	187.9
2006	188.8	188.9	189.9	192.1	192.9	193.5	194.3	194.5	192.9	191.5	191.1	191.8	191.9	191.0	192.7
2007	191.671	192.574	194.734	196.730	198.175	198.838	198.673	198.063	198.873	199.319	200.849	200.850	197.446	195.454	199.438
2008	201.814	202.291	204.044	205.669	207.912	210.469	211.438	210.362	210.572	207.312	201.821	199.399	206.092	205.367	206.817
2009	200.067	201.150	201.737	202.619	203.500	205.968	205.415	205.867	205.726	206.121	206.859	206.716	204.312	202.507	206.117
2010	207.405	207.325	208.621	209.017	208.920	208.640	208.440	208.740	209.155	209.376	209.352	209.994	208.749	208.321	209.176
2011	211.216	212.416	215.272	217.234	218.437	217.722	218.087	218.947	218.787	218.109	218.030	217.463	216.810	215.383	218.237
2012	218.571	220.080	221.792	222.872	221.690	221.077	220.705	222.250	223.497	222.779	221.361	220.975	221.471	221.014	221.928
2013	221.849	224.019	224.862	224.266	224.352	225.338	225.838	226.119	225.961	225.294	224.588	224.895	224.783	224.114	225.453
2014	225.459	226.443	227.975	229.519	229.901	230.476	230.195	229.594	229.666	228.724	226.959	225.251	228.347	228.296	228.398
2015	223.133	224.390	225.936	226.618	227.706	229.008	228.716	228.011						226.132	