



April 21, 2022

Dear City of Corpus Christi,

The staff at Waller County Asphalt understands that we are going through some challenging economic times, and we have strived to keep our pricing on materials as low as possible. Unfortunately, with rising costs to oil and aggregate we will have to enact a price increase for ASPPM 9202 Grade IV Cold Mix. We are requesting, the price per ton for material:

Cold Mix Asphalt will increase to \$143.79 per ton FOB.

Current contract pricing is \$139.29 for 1 year quantity of 1,500 tons = \$208,935.00

Revised contract pricing to \$143.70 for 1 year quantity of 1,500 tons = \$215,685.00

This would be an increase of \$6,750 to the 1st year contract

1st and 2nd year extension pricing is currently \$141.29 per ton quantity of 1,500 tons = \$211,935.00

Revised 1st and 2nd year extension pricing revised \$145.79 per ton quantity of 1,500 tons = \$218,685.00

Difference of total price = \$13,500 for 1st and 2nd year extension price.

The following is a breakout comparing where costs were in January to now.

Oil – January price per ton was \$475, today our price is \$650 per ton. \$225 or 47% price increase per ton.

Freight – January price per ton was \$20.70, today our price is \$26.70 per ton. \$6.00 or 28% price increase per ton.

Rock – End of 2021 price per ton \$19.80, today our price is \$20.80 per ton. \$2.00 or 10% increase per ton.

Sand – End of 2021 price per ton \$15.45, today our price is \$16.00 per ton. \$.65 or 4% increase per ton.

Also, our rates to our freight drivers on bringing material in has increased from \$8.00 to \$10.00, a \$2.00 increase per ton mile.

We hope you will understand this pricing adjustment and as economic factors adjust in the future; we will review current pricing to pass savings on to you. One thing we can promise, you will receive quality customer service and the best material the industry has to offer. Thank you for supporting Waller County Asphalt and if you have any questions, please do not hesitate to contact us.

Best Regards,

A handwritten signature in black ink, appearing to be 'BB' or 'B.B.', written in a cursive style.

Bradford Bryant

President

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