



COCHISE COUNTY PROCUREMENT DEPARTMENT

1415 Melody Lane, Building C, Bisbee, AZ 85603

Phone: 520-432-8391 Fax: 520-432-8397

Website: www.cochise.az.gov

May 30, 2012

Carl Wellman
Western Emulsions, Inc.
3900 E. Broadway Blvd
Tucson, AZ 85711

Re: Contract Renewal #10-66-HFP-04 – Road Materials – CRS-2 & CRS-2P

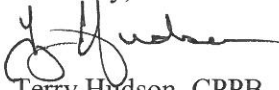
Dear Mr. Wellman:

The Cochise County Board of Supervisors approved the renewal of the above referenced contract on July 12, 2011 for the period of August 1, 2011 through July 31, 2012. The terms and conditions of the original agreement allow the option to renew the agreement for four additional one-year periods, if the conditions of the renewal can be satisfactorily negotiated. This will be the second of four possible renewal terms.

The County is considering the renewal of this agreement for the term of August 1, 2012 through July 31, 2013. Please indicate your decision below, then sign and return this letter to my attention. Renewal of your contract is solely at the County's discretion. Your response will be carefully evaluated to determine if a satisfactory renewal can be accomplished, or if rebidding will best serve the County's interest.

For your convenience and copy of the current contract pricing is attached. If you have any questions regarding this process, please contact me at 520-432-8391 or thudson@cochise.az.gov.

Sincerely,


Terry Hudson, CPPB
Senior Buyer

AS AN AUTHORIZED REPRESENTATIVE OF THIS FIRM, I:

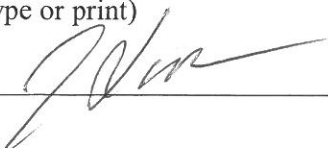
_____ Agree to a one-year renewal at the exact same pricing and terms.

☒ Agree to a one-year renewal with the changes shown on the attached. (Indicate your changes on a separate attachment and return it with this form).

Joe LaRusso
Name (Type or print)

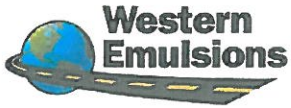
Reg. Sales Rep.
Title

Signature



Date

6/6/12



April 27, 2012

Cochise County Procurement
Terry Hudson CPPB
1415 Melody Lane Bldg. C
Bisbee, AZ 85603

Western Emulsions respectfully requests a price increase on Contract #10-66-HFP-04 to be effective May 1, 2012 thru July 31, 2012. Since the original contract was negotiated back in July 2010 our raw material and fuel costs have risen dramatically. The product on this contract that has been affected the most by non-asphalt cost increases is CRS-2P. Per your meeting with Dave Schneuker we are asking for a \$19.00/ton increase on the polymer in CRS-2P and a \$6.00/ton freight increase on the CRS-2 and CRS-2P delivered prices. These increases were verified by the documents given to you during the meeting.

The new base prices will be as follows:

	CRS-2/ton delivered	CRS-2P/ton delivered
Benson/Tombstone	\$452.00	\$502.00
Bisbee/Sierra Vista	\$454.00	\$504.00
Douglas/Elfrida	\$458.00	\$508.00
Willcox/San Simon	\$458.00	\$508.00

If the County picks up CRS-2P at our Tucson plant the base price will be \$490.00. The CRS-2 base price will remain at \$415.00/ton

We greatly appreciate your understanding. Please contact Dave (520-906-1708) with your acceptance.

Sincerely,

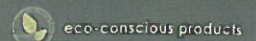
Anne Miller
Controller

NM: #351372 CA: #672104 AZ: #093522

ARIZONA:
3900 E. Broadway Boulevard
Tucson, Arizona 85711
phone: (520) 522-7203
tollfree: (800) 513-4207
fax: (520) 798-3914
sales@westernemulsions.com

CALIFORNIA:
Three Monarch Bay Plaza, Suite 210
Dana Point California 92629
phone: (949) 248-8020
tollfree: (888) 705-4137
fax: (949) 248-8023
sales@westernemulsions.com

PLANT LOCATIONS:
Roswell, New Mexico
phone: (575) 347-9727
Tucson, Arizona
phone: (520) 624-4130
Irwindale, California
phone: (626) 358-8049
Billings, Montana
phone: (406) 628-1401





The Chemical Company

August 1, 2011

Mr. Bob Koleas
Western Emulsions
3 Monarch Bay Plaza #210
Dana Point, CA 92629

Dear Mr. Koleas:

As a result of continued and significant price increases that have impacted our business, in particular butadiene which has increased by over \$0.90 per pound since Jan 1, 2011, BASF finds it necessary to implement a price increase globally for all asphalt styrene-butadiene high solids latex polymers. This price increase is effective on **September 1, 2011**, or as contracts allow.

Prices will **increase \$0.05 per wet pound on all Butonal® NS 198, Butonal® NX 4190, and Butonal® NX 1122, and \$0.10 per wet pound on all Butonal® NS 175, Butonal® NX 1129, and Butonal® 4101.**

BASF remains firmly committed to the Asphalt Industry and being the technology leader of this important polymer. Please feel free to contact your BASF Account Manager with any questions or concerns.

Sincerely,

Marty Bormann
North American Sales Director
Adhesives and Construction Polymers
BASF Corporation

cc: Brett Towns

Polymer content
3% in CRS-2P

1 ton emulsion = 2000 lbs
 $2000 \times 3\% = 60 \text{ lbs}$
 $60 \text{ lbs} \times \uparrow .32/\text{lb} = 19.00/\text{ton}$



The Chemical Company

January 27, 2012

Mr. Ron Michaels
Western Emulsions
3900 E. Broadway Blvd.
Tucson, AZ 85711

Dear Mr. Michaels:

As a result of price increases that have impacted our business, in particular butadiene and styrene, BASF finds it necessary to implement a price increase globally for all asphalt styrene-butadiene high solids latex polymers. This price increase is effective on **February 27, 2012**, or as contracts allow.

Prices will **increase \$0.10 per wet pound on all Butonal®** products supplied to the North American Asphalt industry.

BASF remains firmly committed to the Asphalt Industry and being the technology leader of this important polymer. Please feel free to contact your BASF Account Manager with any questions or concerns.

Sincerely,

Marty Bormann
North American Sales Director
Adhesives and Construction Polymers
BASF Corporation

cc: Brett Towns



The Chemical Company

March 20, 2012

Mr. Bob Koleas
Western Emulsions
3 Monarch Bay Plaza #210
Dana Point, CA 92629

Dear Mr. Koleas:

As a result of price increases that have impacted our business, in particular butadiene and styrene, BASF finds it necessary to implement a price increase globally for all asphalt styrene-butadiene high solids latex polymers. This price increase is effective on **April 20, 2012**, or as contracts allow.

Prices will **increase \$0.12 per wet pound on all Butonal®** products supplied to the North American Asphalt industry.

BASF remains firmly committed to the Asphalt Industry and being the technology leader of this important polymer. Please feel free to contact your BASF Account Manager with any questions or concerns.

Sincerely,

Marty Bormann
North American Sales Director
Adhesives and Construction Polymers
BASF Corporation

cc: Brett Towns



ARIZONA DEPARTMENT OF TRANSPORTATION

BITUMINOUS MATERIAL PRICE ADJUSTMENT
dollars per ton

Month Bid	"IC"	Month Used	"CP"
Apr-12	\$ 585.00	Apr-12	\$ 585.00
Mar-12	\$ 568.00	Mar-12	\$ 568.00
Feb-12	\$ 558.00	Feb-12	\$ 558.00
Jan-12	\$ 551.00	Jan-12	\$ 551.00
Dec-11	\$ 537.00	Dec-11	\$ 537.00
Nov-11	\$ 543.00	Nov-11	\$ 543.00
Oct-11	\$ 548.00	Oct-11	\$ 548.00
Sep-11	\$ 551.00	Sep-11	\$ 551.00
Aug-11	\$ 549.00	Aug-11	\$ 549.00
Jul-11	\$ 545.00	Jul-11	\$ 545.00
Jun-11	\$ 530.00	Jun-11	\$ 530.00
May-11	\$ 521.00	May-11	\$ 521.00
Apr-11	\$ 514.00	Apr-11	\$ 514.00
Mar-11	\$ 505.00	Mar-11	\$ 505.00
Feb-11	\$ 496.00	Feb-11	\$ 496.00
Jan-11	\$ 484.00	Jan-11	\$ 484.00
Dec-10	\$ 480.00	Dec-10	\$ 480.00
Nov-10	\$ 480.00	Nov-10	\$ 480.00
Oct-10	\$ 482.00	Oct-10	\$ 482.00
Sep-10	\$ 486.00	Sep-10	\$ 486.00
Aug-10	\$ 490.00	Aug-10	\$ 490.00
Jul-10	\$ 496.00	Jul-10	\$ 496.00
Jun-10	\$ 501.00	Jun-10	\$ 501.00
May-10	\$ 485.00	May-10	\$ 485.00
Apr-10	\$ 470.00	Apr-10	\$ 470.00
Mar-10	\$ 453.00	Mar-10	\$ 453.00
Feb-10	\$ 443.00	Feb-10	\$ 443.00
Jan-10	\$ 430.00	Jan-10	\$ 430.00
Dec-09	\$ 419.00	Dec-09	\$ 419.00
Nov-09	\$ 407.00	Nov-09	\$ 407.00
Oct-09	\$ 417.00	Oct-09	\$ 417.00
Sep-09	\$ 425.00	Sep-09	\$ 425.00
Aug-09	\$ 419.00	Aug-09	\$ 419.00
Jul-09	\$ 410.00	Jul-09	\$ 410.00
Jun-09	\$ 413.00	Jun-09	\$ 413.00
May-09	\$ 411.00	May-09	\$ 411.00

BITUMINOUS MATERIAL PRICE ADJUSTMENT
dollars per metric ton

Month Bid	"IC"	Month Used	"CP"
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(metric data not reported after March 2008)

DIESEL FUEL PRICE ADJUSTMENT
dollars per gallon

Month Bid	"IC"	Month Used	"CP"
Apr-12	\$ 3.47		
Mar-12	\$ 3.16	Mar-12	\$ 3.47
Feb-12	\$ 3.04	Feb-12	\$ 3.16
Jan-12	\$ 2.93	Jan-12	\$ 3.04
Dec-11	\$ 3.11	Dec-11	\$ 2.93
Nov-11	\$ 2.92	Nov-11	\$ 3.11
Oct-11	\$ 2.97	Oct-11	\$ 2.92
Sep-11	\$ 2.88	Sep-11	\$ 2.97
Aug-11	\$ 2.99	Aug-11	\$ 2.88
Jul-11	\$ 3.10	Jul-11	\$ 2.99
Jun-11	\$ 3.26	Jun-11	\$ 3.10
May-11	\$ 3.43	May-11	\$ 3.26
Apr-11	\$ 2.79	Apr-11	\$ 3.43
Mar-11	\$ 2.90	Mar-11	\$ 2.79
Feb-11	\$ 2.37	Feb-11	\$ 2.90
Jan-11	\$ 2.42	Jan-11	\$ 2.37
Dec-10	\$ 2.32	Dec-10	\$ 2.42
Nov-10	\$ 2.32	Nov-10	\$ 2.32
Oct-10	\$ 2.13	Oct-10	\$ 2.32
Sep-10	\$ 2.15	Sep-10	\$ 2.13
Aug-10	\$ 2.04	Aug-10	\$ 2.15
Jul-10	\$ 2.12	Jul-10	\$ 2.04
Jun-10	\$ 2.18	Jun-10	\$ 2.12
May-10	\$ 2.28	May-10	\$ 2.18
Apr-10	\$ 2.10	Apr-10	\$ 2.28
Mar-10	\$ 2.17	Mar-10	\$ 2.10
Feb-10	\$ 2.16	Feb-10	\$ 2.17
Jan-10	\$ 2.13	Jan-10	\$ 2.16
Dec-09	\$ 2.24	Dec-09	\$ 2.13
Nov-09	\$ 1.99	Nov-09	\$ 2.24
Oct-09	\$ 1.91	Oct-09	\$ 1.99
Sep-09	\$ 1.97	Sep-09	\$ 1.91
Aug-09	\$ 1.74	Aug-09	\$ 1.97
Jul-09	\$ 1.88	Jul-09	\$ 1.74
Jun-09	\$ 1.53	Jun-09	\$ 1.88
May-09	\$ 1.48	May-09	\$ 1.53