

Ergon Asphalt & Emulsions, Inc.

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TO: Brenda Fuller, Williamson County, Purchasing Specialist
FROM: Cary P. Brownlee, Ergon Asphalt and Emulsions, Inc., Regional Sales Manager
DATE: August 31, 2012
REF: Asphalt Emulsion Prime 12WCA045 request for increase

Dear Ms. Fuller:

Regarding the above referenced contract, Ergon would be able to agree to extend for an additional six (6) month period if Williamson County was to grant a price increase.

On September 13, 2011 Ergon Asphalt and Emulsions Inc. bid this contract. At that time the raw material asphalt product required to produce the products on this contract was selling for \$600 per ton. The current cost, as of April 13, 2012, is \$625.00 per ton. This increase in raw materials reflects an approximate 4% increase in our raw materials. I have included price sheets from our supplier verifying the cost of the raw material (EMFL).

Ergon Asphalt and Emulsions would agree to an extension providing Williamson County would agree to an Economic Adjustment as listed below.

<u>ITEM#</u>	<u>PRODUCT</u>	<u>CURRENT PRICE</u>	<u>PROPOSED PRICE</u>	<u>DELIVERED PRICE</u>
1	AE-P	*\$2.85	*\$2.96	\$3.0799

* This price is for product only and does not include the freight of \$0.1199 per gallon.

Any consideration to this Economic Adjustment, not only for the requested extension, by the Williamson County would be greatly appreciated to help offset our increase in raw materials costs in the event the County wanted to extend the current contract.

Sincerely your,



Cary P. Brownlee
Regional Marketing Manager

Enclosures: Valero Letter dated May 25, 2011
Valero Letter dated April 13, 2012