



Purchasing Department

## Summary Agreement for Renewal of Williamson County Contract

<b>Contract Number:</b>	22IFB31	<b>Department:</b>	ROAD AND BRIDGE
<b>Vendor Name:</b>	CRAFCO INC		
<b>Purpose/Intended Use of Product or Service (summary):</b>			
RENEWAL #1 WITH PRICE INCREASE			
<b>Type of Contract:</b>	IFB	<b>Start Date:</b>	12/06/22
<b>Purchasing Contact:</b>	KIM CHAPPIUS	<b>End Date:</b>	12/05/23
<b>Department Contact:</b>	KELLY MURPHY		
<ul style="list-style-type: none"><li>Williamson County wishes to extend this bid/proposal with a price increase (as detailed in the attached spreadsheet) and same terms and conditions as the existing contract with Crafcoc Inc</li><li>PLEASE INCLUDE THE FOLLOWING:<ul style="list-style-type: none"><li>COMPLETED 1295 FORM; AND</li><li>RENEWED INSURANCE CERTIFICATE IF IT WAS REQUIRED IN BID/PROPOSAL.</li></ul></li><li>Extend Contract for the 1st of two (2) one (1) year renewal option periods:</li></ul>			
Renewal Option Period 2			
Renewal Option Period 1		December 06, 2022 – December 05, 2023	
Initial Contract Period		December 06, 2021 – December 05, 2022	
<b>BY SIGNING BELOW, THE PARTIES AGREE TO THE TERMS OF EXTENSION SET FORTH AS STATED ABOVE</b>			
Vendor <u>Crafcoc, Inc.</u>		Williamson County, 710 Main St., Georgetown, TX 78626	
Name <u>N. Thomas Kelly</u>		Bill Gravell, Jr	
Title <u>Vice President Sales and Marketing</u>		Williamson County Judge	
Signature <u>[Signature]</u>		Signature <u>[Signature]</u>	
Date <u>10/7/2022</u>		Date <u>Nov 1, 2022</u>	



July 15, 2022

Attn: Williamson County Purchasing Department  
Finance Dept. - Purchasing Division  
100 Wilco Way, Suite P101  
Georgetown, TX 78626

RE: Reference Bid # 221FB-31

With the current economic and ongoing pandemic situation, there has been a struggle with shortages of raw materials, inability to secure trucking, as well as labor shortages all directly related to this unforeseen economic trouble.

Up to this point in time, Crafco has made every effort to continue supplying under this contract. Between November 2021 and September 2022, the cost to supply product to Williamson County under this contract has increased at an unprecedented rate. Additionally, the forecast for the foreseeable future is that all the costs for items has not peaked and will continue to climb.

Material	Percent Cost Increase
Polymer	108%
Process Oil	50%
<b>Freight Cost</b>	<b>25%</b>
Sealant Box	20%
Sealant Bag	31%
Pallet & Wrap	36%
Wage Increases for direct labor in sealant manufacturing	3%
Total Increase in \$	\$0.09

With the current raw material shortages and the existing pricing on this contract, Crafco, Inc. is selling sealant to the Williamson County below the cost to manufacture.

Current Price: \$0.509  
Requested Price: \$0.61

To supply these products at the cost of raw materials, we will need to increase prices \$0.101 per pound for boxed sealant. In addition, with the shortages, we can only assure delivery within 15 days based on our current projection for our suppliers of several raw materials. Accounting for the materials we currently have in inventory this price increase will take effect September 21, 2022.

We have enjoyed a wonderful working relationship with the Williamson County for many years. This request is very distressful for Crafco, Inc. to make, however, the current world economic situation has us all working with unprecedented events and challenges. Should the Williamson County require any further documentation of these costs, please let me know to whom within the department it should be sent.

Please advise us if we should continue securing raw materials and production of the sealant needed to supply this contract.

Sincerely,

Mike Romano  
Territory Manager  
Crafco, Inc.

22IFB31 Rubber Asphalt Crack Sealer							
Bid Items and Estimate of Quantities							
Item #	Description	Estimated Quantity	Pounds per Box FY22	Price per Box FY22	Pounds per Box FY23	Price per Box FY23	Percentage of Increase
300	Rubber-Asphalt Crack Sealer (TxDOT Item 300.2H Table 15)	200,000 lbs	30	\$15.29	30	\$18.30	19%