



Austin Asphalt
An Austin Industries Company

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May 27, 2021

Collin County Purchasing
2300 Bloomdale Rd., Ste. 3160
McKinney, TX. 75071

Re: Contract Name: IFB 2019-302 Asphaltic Concrete
 Contract Start Date: October 1, 2019
 First Renewal Period: October 1, 2020 – September 20, 2021 (renewal 1 of 2)
 Second (Proposed) Renewal: October 1, 2021 – September 20, 2022 (renewal 2 of 2)

Dear Ms. Zimmel,

Reference your email dated May 12, 2021 that began the discussion of contract renewal and the subsequent emails from both Austin Asphalt and yourself bringing us to this point of renewal opportunity.

In order for us to renew this contract for another year we respectfully request pricing adjustments to both our mix pricing as well as our haul/delivery component of the bid.

We have researched the material and fuel increases we have experienced since the last renewal of August 2020 and used this as the base of our price increase justification.

During this time we have experienced price increases on liquid asphalt of \$4.63 per mix ton as calculated using Poten & Partners Asphalt Monitor data as recognized by TxDot and the Texas Comptroller for pricing adjustments for commodities.

On the delivery portion of our bid we have experienced increase in fuel prices of 7.2% calculated using the Bureau of Labor and Statistics (BLS) Produce Price Index (PPI) also recognized by the Texas Comptroller and TxDot.

We have attached our excel spreadsheet that has two tabs for your review. The first tab "Price Change" depicts the Original Bid Items, Quantities and Unit Pricing. We have added columns to depict the price increase for Liquid Asphalt, Delivery & Haul, the "Proposed Change Order Unit Pricing" and Percentage of Increase of each line item.

The second tab in the spreadsheet will show you the backup data used by both Poten & Partners and PPI to justify these increases along with the methodology to calculate the price adjustments as accepted by the Texas Comptroller, TxDot state-wide and our industry as a whole.

If you have any questions or need assistance feel free to reach out to me. We thank you in advance for your consideration of this pricing increase request.

Yours sincerely,

Steve McConathy

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