

## 20-49 Summary

Approve price increases for "ITB #20-49 Road Materials – Flexible Base" to the following vendor, as per the attached spreadsheet.

- Vernor Materials and Equipment Company Inc. of Freeport, Texas

The 6.14% - 35.09 % increases are due to the increased costs in labor and materials.

Further, in Purchasing's review of the percentage increases submitted by the vendor, it has been determined that the percentages shown on the attached Consumer and Producer Price Indices (CPI & PPI) do not support the percentage increases submitted by the vendor. The indexes only support increases as shown below:

- Cement manufacturing – 4.9%
- Construction sand gravel – 8.2%
- Crushed limestone – 8.1%
- Diesel fuel – 6.2%
- Freight Trucking – 5.5%
- Labor manufacturing - .18%
- All items – 3.4%
- Rail transportation freight - .83%
- Transportation wages - .47%

In speaking with Matt Hanks, County Engineer, due to the need for road materials to avoid work stoppage on their various on-going and future road constructions projects, it is our recommendation that the Engineering Department and Commissioners Court make the determination to approve the price increases to Vernor Materials & Equipment Company Inc.