



2748 SW Casella Street
Port St. Lucie, FL 34953
Ph (772) 418-0803 / Fax (772) 340-7099

December 17, 2021

City of Port St. Lucie
Robyn Holder, PMD
121 SW Port St. Lucie Blvd.
Port St. Lucie, FL 34984

RE: 20190069 – Citywide Stormwater & Rights of Way Preventative Maintenance & Repairs
Material Price Increase / 15” - 60” Poly Pipe (Air Chambered) and
12” – 48” Polypropylene Pipe

Dear Ms. Holder,

Southern Underground, Inc., has reviewed the new price increases from the supplier of the ADS Poly Pipe and the Polypropylene Pipe. Construction material suppliers have been continuously receiving price increases, that they are not able to honor their previously quoted contract prices.

Due to the high price increases, at this time we are asking the City of Port St. Lucie for an increase in the Poly Pipe material. Please review the attached list of the Poly Pipe items, with the new installed unit prices for contract #20190069.

To keep the cost down to an affordable rate, this increase pertains only to the material cost per liner foot for the 15” to 60” Poly Pipe (Air Chambered) and the 12” – 48” Polypropylene Pipe, it does not include any other cost increase to the labor, machinery or any other material associated to the installation of the pipe.

We are providing the same documentation that we provided for the price increase of the 60” Polypropylene Pipe. Please see attached documents from the pipe manufacture ADS and the pipe supplier, Core & Main with the increased pipe prices. Should you need any additional documents, please let me know.

Sincerely,

Kevin Bush

Kevin Bush, President
Southern Underground, Inc.

Southern Underground, Inc.

12/17/2021

Contract # 20190069

Citywide Stormwater & Rights of Way Preventative Maintenance and Repair Projects

Price Increase / Poly Pipe

ITEM NO.	DESCRIPTION	UNIT	CURRENT UNIT PRICE	PRICE INCREASE	NEW UNIT PRICE - PER / LF
Schedule "A"					
1	Culvert - Corrugated Poly Pipe 24" (Air trained)	LF	\$ 56.00	\$ 23.00	\$ 79.00
2	Culvert - Corrugated Poly Pipe 30" (Air trained)	LF	\$ 74.00	\$ 30.00	\$ 104.00
Schedule "B"					
26	Culvert - Corrugated Poly Pipe 15" (Air trained)	LF	\$ 31.00	\$ 11.00	\$ 42.00
27	Culvert - Corrugated Poly Pipe 18" (Air trained)	LF	\$ 39.00	\$ 14.00	\$ 53.00
28	Culvert - Corrugated Poly Pipe 36" (Air trained)	LF	\$ 95.00	\$ 39.00	\$ 134.00
29	Culvert - Corrugated Poly Pipe 42" (Air trained)	LF	\$ 112.00	\$ 52.00	\$ 164.00
30	Culvert - Corrugated Poly Pipe 48" (Air trained)	LF	\$ 133.00	\$ 68.00	\$ 201.00
31	Culvert - Corrugated Poly Pipe 54" (Air trained)	LF	\$ 211.00	PIPE NO LONGER AVAILABLE	
32	Culvert - Corrugated Poly Pipe 60" (Air trained)	LF	\$ 220.00	\$ 140.00	\$ 360.00
33	Culvert - Corrugated Poly Propylene Pipe 12"	LF	\$ 28.00	\$ 9.00	\$ 37.00
34	Culvert - Corrugated Poly Propylene Pipe 15"	LF	\$ 31.00	\$ 11.00	\$ 42.00
35	Culvert - Corrugated Poly Propylene Pipe 18"	LF	\$ 35.00	\$ 14.00	\$ 49.00
36	Culvert - Corrugated Poly Propylene Pipe 24"	LF	\$ 57.00	\$ 22.00	\$ 79.00
37	Culvert - Corrugated Poly Propylene Pipe 30"	LF	\$ 76.00	\$ 35.00	\$ 111.00
38	Culvert - Corrugated Poly Propylene Pipe 36"	LF	\$ 92.00	\$ 38.00	\$ 130.00
39	Culvert - Corrugated Poly Propylene Pipe 42"	LF	\$ 115.00	\$ 49.00	\$ 164.00
40	Culvert - Corrugated Poly Propylene Pipe 48"	LF	\$ 144.00	\$ 65.00	\$ 209.00



February 19, 2021

Dear Valued Partner;

Market conditions continue to be extremely volatile and several resin suppliers have declared force majeure. The extreme weather impact on infrastructure, demand outpacing supply, strong export demand and rail transportation delays has put continued upward pressure on resin pricing and availability. Inflationary and transportation costs are also playing a significant factor in our cost to serve.

As a result of these increases, ADS must raise prices on all pipe, fittings and Allied Products. The increase will be implemented as follows:

- AASHTO and ASTM F2648 pipe prices will increase 10%
- High Performance Pipe (HP) and StormTech will increase 15%
- Single Wall Pipe and all Pipe Fittings will increase 10%
- Poly Pipe and small diameter sewer and drain pipe will increase 10%
- Geosynthetics prices will increase (Non-Woven 20%, Wovens 10% and Biaxial Geogrids 30%)
- Inserta Tee prices will increase 6%
- Nyloplast Products will increase (Basins and Inline Drains 6% and Fittings 10%)
- Duraslot prices will increase 10%
- Water Quality prices will increase 10%

Effective immediately, ADS will increase pricing on all new quotes. Existing quotes will be honored for the customary 30-day period. Existing purchase orders will be honored for 30 days. After the 30-day period, both quotes and orders will be subject to this increase.

All new stock pricing will be effective March 1, 2021. We will honor all current stock prices if orders are placed prior to March 1, 2021 and delivered by March 31, 2021. However, due to volatility and supply, you will only be able to purchase a maximum of (stock pipe purchase orders only) 1/12th of your calendar year 2020 stock pipe purchases.

We appreciate your understanding as we work through these volatile times. We look forward to continuing to build a mutually beneficial relationship and truly appreciate your business. Please work with your local sales professional for any additional questions or needs.

Sincerely,

Mike Huebert

Mike Huebert
SVP Sales

Our reason is water.™





April 23, 2021

Dear Valued Partner,

Market conditions continue to be extremely volatile and resin suppliers continue to struggle with supply. Market dynamics such as demand outpacing supply, extremely low inventory levels and strong export demand has put continued upward pressure on resin pricing and availability. Inflationary, labor and transportation costs are also playing a significant factor in our cost to serve.

As a result of these increases, ADS must raise prices on all pipe a minimum of 5%.

- AASHTO and ASTM F2648 pipe
- HP Storm and HP Sanitary pipe
- Single Wall Pipe
- PolyFlex and small diameter sewer and drain pipe

Effective immediately, ADS will increase pricing on all new quotes. Existing quotes will be honored for the customary 30-day period. Existing purchase orders will be honored for 30 days. After the 30-day period, both quotes and orders will be subject to this increase.

All new stock pricing will be effective immediately. Existing stock purchase orders will be honored for 30 days.

We appreciate your understanding as we work through these volatile times. We look forward to continuing to build a mutually beneficial relationship and truly appreciate your business. Please work with your local sales professional for any additional questions or needs.

Sincerely,

Mike Huebert

Mike Huebert
SVP Sales

Our reason is water.™





June 3, 2021

Dear Valued Partner,

Market conditions continue to be extremely volatile and our resin suppliers continue to increase pricing. Market dynamics such as demand outpacing supply, extremely low inventory levels and strong export demand has put continued upward pressure on resin pricing and availability. Inflationary costs such as labor and transportation are also playing a significant factor in our cost to serve.

As a result of these increases, ADS must raise prices on all pipe and fittings a minimum of 10%.

- AASHTO and ASTM F2648 pipe
- HP Storm and HP Sanitary pipe
- Single Wall Pipe
- PolyFlex and small diameter sewer and drain pipe
- All Fittings

Effective immediately, ADS will increase pricing on all new quotes. Existing quotes will be honored for the customary 30-day period. Existing purchase orders will be honored for 30 days. After the 30-day period, both quotes and orders will be subject to this increase.

All new stock pricing will be effective immediately. Existing stock purchase orders will be honored for 30 days.

We appreciate your understanding as we work through these volatile times. We look forward to continuing to build a mutually beneficial relationship and truly appreciate your business. Please work with your local sales professional for any additional questions or needs.

Sincerely,

Mike Huebert

Mike Huebert
SVP Sales

Our reason is water.™





July 1, 2021

Dear Valued Partner,

Market conditions continue to be extremely volatile and our resin suppliers continue to increase pricing. The market dynamics such as exceptional levels of demand outpacing supply, extremely low inventory levels and strong export demand has continued to put upward pressure on resin pricing and availability. Inflationary costs, such as labor and transportation, are playing a greater factor in our cost to serve and these additional costs are at unprecedented levels.

As a result of these increases, ADS must raise prices on all pipe and fittings a minimum of 10%.

- AASHTO and ASTM F2648 pipe
- HP Storm and HP Sanitary pipe
- Single Wall Pipe
- PolyFlex and small diameter sewer and drain pipe
- All Fittings

- StormTech will increase 15%

Effective immediately, ADS will increase pricing on all new quotes. Existing quotes will be honored for the customary 30-day period. Existing purchase orders will be honored for 30-days. After the 30-day period, both quotes and orders will be subject to this increase.

All new stock pricing will be effective immediately. Existing stock purchase orders will be honored for 30-days.

We appreciate your understanding as we work through these volatile times. We look forward to continuing to build a mutually beneficial relationship and truly appreciate your business. Please work with your local sales professional for any additional questions or needs.

Sincerely,

Mike Huebert

Mike Huebert
SVP Sales

Our reason is water.™





July 30, 2021

Dear Valued Partner,

Market conditions continue to be extremely volatile, and our resin suppliers continue to increase pricing. Our resin suppliers have successfully implemented price increases 10 of the last 12 months. The market dynamics such as exceptional levels of demand outpacing supply, extremely low inventory levels and strong export demand has continued to put upward pressure on resin pricing and availability. Inflationary costs, such as labor and transportation, are playing a greater factor in our cost to serve and these additional costs are at unprecedented levels.

As a result of these increases, ADS must raise prices on all pipe and fittings a minimum of 10%.

- AASHTO and ASTM F2648 pipe
- HP Storm and HP Sanitary pipe
- Single Wall Pipe
- PolyFlex and small diameter sewer and drain pipe
- All Fittings

- StormTech a minimum of a 5% increase
- Inserta Tee a 5% increase
- Nyloplast a 5% increase

Effective immediately, ADS will increase pricing on all new quotes. Existing quotes dated July 1, 2021 or later will be honored for the customary 30-day period. After the 30-day period quotes will be subject to this increase.

All new stock pricing will be effective immediately. Existing stock purchase orders dated July 1, 2021 or later will be honored for 30-days. After the 30-day period orders will be subject to this increase.

Any Pipe & Fittings orders older than 30-days or dated prior to July 1, 2021 will need to be repriced at the current market price as of July 30, 2021 or the order will be canceled by August 6, 2021. At this time, this policy **will not** affect any open StormTech orders. Your local sales representative will be in contact with you to review your purchase orders dated older than 30-days.

We appreciate our partnership with you and are committed to navigating through these challenging and turbulent times in our industry.

Sincerely,

A handwritten signature in black ink that reads 'Mike Huebert'.

Mike Huebert
SVP Sales

Our reason is water.TM





2748 SW Casella Street
Port St. Lucie, FL 34953
Ph (772) 418-0803 / Fax (772) 340-7099

February 2, 2022

City of Port St. Lucie
Robyn Holder, PMD
121 SW Port St. Lucie Blvd.
Port St. Lucie, FL 34984

RE: 20190069 – Citywide Stormwater & Rights of Way Preventative Maintenance & Repairs
Material Price Increase / Corrugated Aluminum Pipe

Dear Ms. Holder,

Southern Underground, Inc., has received new price increases from CONTECH Engineered Solutions, the supplier of the Corrugated Aluminum Pipe. Construction material suppliers have been continuously receiving price increases, that they are not able to honor their previously quoted contract prices.

Due to the high price increases, at this time we are asking the City of Port St. Lucie for an increase in the Corrugated Aluminum Pipe material used for culvert pipe replacements.

To keep the cost down to an affordable rate, this increase pertains only to the material cost per liner foot for the Corrugated Aluminum Pipe, it does not include any other cost increase to the labor, machinery or any other material associated to the installation of the pipe.

Please see attached documents from the pipe manufacture CONTECH Engineered Solutions, along with the list of increased pipe prices. Should you need any additional documents, please let me know.

Sincerely,

Kevin Bush

Kevin Bush, President
Southern Underground, Inc.

Southern Underground, Inc.

Date 2/02/2022

Contract # 20190069

Citywide Stormwater & Rights of Way Preventative Maintenance and Repair Projects

Price Increase / Corrugated Aluminum Pipe

CONTRACT ITEM NO.	DESCRIPTION	UNITS	UNIT PRICE	PRICE INCREASE	NEW UNIT PRICE
	Schedule "B"				
2	Culvert - Corrugated Aluminum Pipe 15"	LF	\$ 43.00	\$ 12.00	\$ 55.00
3	Culvert - Corrugated Aluminum Pipe 18"	LF	\$ 51.00	\$ 15.00	\$ 66.00
4	Culvert - Corrugated Aluminum Pipe 21"	LF	\$ 59.00	\$ 17.00	\$ 76.00
5	Culvert - Corrugated Aluminum Pipe 24"	LF	\$ 69.00	\$ 19.00	\$ 88.00
6	Culvert - Corrugated Aluminum Pipe 30"	LF	\$ 93.00	\$ 30.00	\$ 123.00
7	Culvert - Corrugated Aluminum Pipe 36"	LF	\$ 113.00	\$ 35.00	\$ 148.00
8	Culvert - Corrugated Aluminum Pipe 42"	LF	\$ 156.00	\$ 56.00	\$ 212.00
9	Culvert - Corrugated Aluminum Pipe 48"	LF	\$ 179.00	\$ 64.00	\$ 243.00
10	Culvert - Corrugated Aluminum Pipe 54"	LF	\$ 236.00	\$ 92.00	\$ 328.00
11	Culvert - Corrugated Aluminum Pipe 60"	LF	\$ 310.00	\$ 116.00	\$ 426.00
12	Culvert - Corrugated Aluminum Pipe 66"	LF	\$ 347.00	\$ 130.00	\$ 477.00
13	Culvert - Corrugated Aluminum Pipe 72"	LF	\$ 382.00	\$ 142.00	\$ 524.00
14	Culvert - Corrugated Aluminum Pipe Arch 13" x 17"	LF	\$ 43.00	\$ 14.00	\$ 57.00
15	Culvert - Corrugated Aluminum Pipe Arch 15" x 21"	LF	\$ 53.00	\$ 17.00	\$ 70.00
16	Culvert - Corrugated Aluminum Pipe Arch 18" x 24"	LF	\$ 63.00	\$ 20.00	\$ 83.00
17	Culvert - Corrugated Aluminum Pipe Arch 20" x 28"	LF	\$ 78.00	\$ 15.00	\$ 93.00
18	Culvert - Corrugated Aluminum Pipe Arch 24" x 35"	LF	\$ 96.00	\$ 33.00	\$ 129.00
19	Culvert - Corrugated Aluminum Pipe Arch 29" x 42"	LF	\$ 118.00	\$ 39.00	\$ 157.00
20	Culvert - Corrugated Aluminum Pipe Arch 33" x 49"	LF	\$ 166.00	\$ 62.00	\$ 228.00
21	Culvert - Corrugated Aluminum Pipe Arch 38" x 57"	LF	\$ 192.00	\$ 70.00	\$ 262.00
22	Culvert - Corrugated Aluminum Pipe Arch 43" x 64"	LF	\$ 251.00	\$ 105.00	\$ 356.00
23	Culvert - Corrugated Aluminum Pipe Arch 47" x 71"	LF	\$ 328.00	\$ 130.00	\$ 458.00
24	Culvert - Corrugated Aluminum Pipe Arch 52" x 77"	LF	\$ 374.00	\$ 145.00	\$ 519.00
25	Culvert - Corrugated Aluminum Pipe Arch 57" x 83"	LF	\$ 414.00	\$ 160.00	\$ 574.00

July 30, 2021

Going on for over a year now, we have seen significant price increases in aluminum from our supplier. This is driven by an increase in overall demand and limited availability. Lead times are extended, and raw material costs continue to increase.

There are two main indexes that impact the cost of aluminum pipe – LME and Midwest Premium. The LME reflects the cost of the aluminum material and the Midwest Premium reflects freight and duties. Both have increased significantly in the last year resulting in higher landed material cost. The LME is up 71% (from 0.66 to 1.13) and the Midwest Premium is up over 211% (from 0.098 to 0.305) since April 2020.

We have worked diligently to mitigate and absorb the impact as much as possible. However, given the continued and significant increase in costs over this period, we've had to increase prices in the market. We will continue to monitor aluminum costs and adjust prices as needed.

Sincerely,



Doug Witten, P.E.

Senior Vice President - Pipe

January 25, 2022

Over the past year we saw a significant increase in the cost of Aluminum on the LME. As we start the year those increases have continued and as a result, our supplier of aluminum coil has also increased their pricing to Contech. This increase is driven by tight supply relative to the overall demand for aluminum.

There are two main indexes that impact the cost of aluminum pipe – LME and Midwest Premium. The LME reflects the cost of the aluminum material and the Midwest Premium reflects freight and duties. Both have increased significantly in the last year resulting in higher landed material cost. The LME is up 55% and the Midwest Premium is up 127% since January of 2021.

Just in the last 30 days the LME is up 15% and the Midwest Premium is up 24%.

We have worked diligently to mitigate and absorb the impact as much as possible. However, given the continued and significant increase in costs over this period, we've had to increase prices in the market. We will continue to monitor aluminum costs and adjust prices as needed.

Sincerely,



Doug Witten, P.E.

Senior Vice President - Pipe