

December 1, 2021

Premier Magnesia, LLC Tel: (610) 962-8954

Fax: (610) 962-8958 1275 Drummers Lane

Suite 102 Wayne, PA 19087

Brad Macek Assistant Director Utility Systems Department 900 S. E. Ogden Lane Port St. Lucie, Florida34983

Re: Premier Magnesia, LLC – Thioguard® Inflationary Price Increase Request

## Dear Brad:

Good morning, I hope all is good in Port St. Lucie. Premier Magnesia, LLC has experienced increases in costs of production and transportation over the last 12 months. The PPI PCU 325 index has increased from 290.7 to 335.0 since October of 2020. This represents a 15.2 % increase in the index. We have also received price increases for rail and trucking transportation this contract period.

Due to the relatively flat index last year Premier did not receive an increase from the previous year price. This year Premier finds it necessary to request an inflationary price increase for Thioguard supplied to the City of Port St. Lucie for the period of 12/15/21 through 12/14/22. The proposed new price of Thioguard is \$3.11 per gallon which represents a 13.1% increase from the 2019 price of \$2.75. This increase is still below the current market price of Thioguard of \$3.22 for new customers. We further ask for relief from the four month notification requirement in the contract due to the steep increase in the PPI PCU 325 index over the past months. The maximum increase allowed in the contract is 3.5%. Due to the excessive inflationary atmosphere Premier finds it necessary to ask for an increase above the 3.5% cap in the contract. These are very uncertain times and it would be greatly appreciated since the index has increased 15.2% since the last contract renewal and is trending higher each month. Premier requests a price increase to \$3.11.

Premier has proudly based the Florida Thioguard Business Unit and Transportation Group in the Tampa Bay Area. Premier Magnesia is owned by U. S. Partners and all products are mined and produced in the U. S. A. Premier appreciates your business and looks forward to another year as your odor, corrosion and alkalinity control provider. Thank you for your consideration of our request.

Best Regards,

J. Peter Ahl

V.P. and General Manager Premier Magnesia, LLC

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Xc: John Eason



## **U.S. BUREAU OF LABOR STATISTICS**

## Databases, Tables & Calculators by Subject

Change Output

Options:From:

2020 ▼ To:

2021 ▼ include

include

graphs □ include annual averages More Formatting Options ■

Data extracted on: November 18, 2021 (2:44:24 PM)

## **PPI Industry Data**

**Series Id:** PCU325---325---

Series Title: PPI industry sub-sector data for Chemical mfg, not seasonally adjusted

Industry: Chemical mfg
Product: Chemical mfg

**Base Date:** 198412



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	Yea												
	r	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2	2020	291. 0	291. 5	290. 4	286. 8	284. 3	285. 1	286.4	287.7	288.2	290.7	292. 0	293.8
2	2021	298. 7	303. 2	309. 5	314. 5	320. 6	324. 7	327.4(P	330.9(P	333.3(P	335.0(P		

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r	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
P: Preliminary. All indexes are subject to revision four months after original publication.												