

February 24th, 2015

City of Deerfield Beach, FL 401 SW 4<sup>th</sup> Street Deerfield Beach, FL 33441 Attn: Patrick Bardes

RE: Quarterly Pricing Adjustment - Rehrig Pacific Recycling Roll Carts (35, 65, and 95 Gallon) - RFP #2011-12/18

Patrick,

Rehrig Pacific appreciates the continued business and partnership with the City of Deerfield Beach. Rehrig Pacific is notifying the City of Deerfield Beach that the pricing below will change for the next three months due to the cost of resin being \$0.735/lb. This section states that the original bid pricing, after held firm for 90 days, can be adjusted quarterly comparing original resin pricing to current resin pricing. At the time of bid, Rehrig submitted base pricing for our raw material, HDPE resin, at \$0.635/lb as published in the Chem Data Index (CDI) for June 2012. The current pricing of HDPE resin is \$0.735/lb as published in the most recent CDI for February, 2015 which represents a \$0.10/lb increase in raw material costs for TL order quantities.

Back in August of 2013, we modified the contract via an amendment to allow for LTL order quantities. Resin at that time was \$0.775/lb. Therefore the change in price for that part of the contract is \$0.04/lb and its impact is outlined below as well. I have attached the CDI documents for reference. The new pricing structure will go into effect on March 16th to allow 20 days per the contract and will be held firm for at least the next three months. At that time both the city and Rehrig can review the current resin market and adjust pricing accordingly as detailed in the RFP.

TL quantities, delivered pricing, includes tag.

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Product Description	Bid Pricing	HDPE Resin \$/lb June '12	HDPE Resin \$/lb (Current)	Resin \$/lb Increase	Resin Weight Per Container	Total \$ Increase	New Cart Price
95 Gallon							
Roll Out Cart	\$45.40	\$0.635	\$0.735	\$0.10	34 lbs	\$3.40	\$48.80
65 Gallon Roll Out Cart	\$39.43	\$0.635	\$0.735	\$0.10	27.5 lbs	\$2.75	\$42.18
35 Gallon Roll Out Cart	\$36.48	\$0.635	\$0.735	\$0.10	17.9 lbs	\$1.79	\$38.27



LTL quantities, plus freight, includes tag.

Product			HDPE		Resin		
Description/minimum	Bid	HDPE Resin	Resin \$/lb	Resin \$/lb	Weight Per	Total \$	New Cart
order quantity	Pricing	\$/lb Aug '13	(Current)	Decrease	Container	Decrease	Price
95 Gallon							
Roll Out Cart (150							
units)	\$45.98	\$0.775	\$0.735	\$0.04	34 lbs	\$1.36	\$44.62
65 Gallon							
Roll Out Cart (150							
units)	\$39.23	\$0.775	\$0.735	\$0.04	27.5 lbs	\$1.10	\$38.13
35 Gallon					-		
Roll Out Cart (500							
units)	\$35.13	\$0.775	\$0.735	\$0.04	17.9 lbs	\$0.71	\$34.42

Thank you for your time and consideration of Rehrig Pacific Company. If you have any questions or would like additional information, please contact me at 954-415-0539 or via email at dafonso@rehrigpacific.com.

Respectfully submitted,	Accepted by:
Dave Afonso	
Dave Afonso	Authorized Representative Signature
Sales Representative	
dafonso@rehrigpacific.com	Patrick Bardos, Business Manager 2/25/15 Authorized Name and Title Date
954-415-0539	Authorized Name and Title Date

cc: Lisa Perkins, Eric Voss, Donna McGowan