

ERIE COUNTY WATER AUTHORITY

INTEROFFICE MEMORANDUM

August 25, 2021

To: Terrence D. McCracken, Secretary to the Authority

Michael W. Wymer, Senior Production Engineer From:

Subject: Contract Addendum - ECWA Project No. 201900007

Furnishing and Delivering of Liquid Chlorine in One Ton Containers To the Erie County Water Authority for the Treatment of Water

From May 1, 2019 through April 30, 2021

The Erie County Water Authority has received the attached notification from JCI Jones Chemicals, Inc. (JCI) of an immediate increase in the unit price of liquid chlorine from our current contract price of \$579.00 per ton to \$749.00 per ton. JCI has identified the increase in the price of raw materials used by the producers of the liquid chlorine as the reason for the price increase.

JCI was the only bidder on the original contract which was recently extended through April 30, 2022. Currently there are no alternate suppliers of liquid chlorine in the immediate area. Due to safety and space concerns, our treatment plants typically store no more than a 30-day supply of liquid chlorine, which is common among other water utilities.

The engineering and legal departments have met to discuss this situation, and agree that, as no alternate source of liquid chlorine is available and that liquid chlorine is necessary in the production of safe, regulatory compliant water, the Authority must move forward with the execution of the amendment to the original contract as provided by JCI.

The following documents are attached:

- Blue Authorization Form Blue Authorization Form indicating the requested Board action and approvals needed.
- Correspondence from JCI Jones Chemical Inc. regarding the price increase.
- Original Project Manual and one-year extension.

Budget Information: Unit 1010, Sturgeon Point - Operation & Maintenance Item 13 – Chemicals

Unit 1015, Van de Water - Operation & Maintenance Item 13 – Chemicals

MWW:mww Attachments cc: R.Stoll L.Kowalski

L.Lester

CHEM-164-1901-I-186



August 24, 2021

| PLEASE SIGN AND RETUR | N RV 8/25/21 |
|---|-------------------------------------|
| TO AVOID POSSIBLE SHIPM | |
| Erie County Water Authority All Locations | |
| Dear Customer: | |
| Raw material cost increases were recently issued by the Producers of chlorine and so soda). These materials are also used to manufacture sodium hypochlorite (bleach) are necessary for us to pass those increases on to our customers. | |
| Effective <u>September 1st 2021</u> your Chlorine price must increase from \$579.00 per to other terms & conditions will remain the same. | on to \$749.00 per ton . All |
| Please know that while we do everything in our power to keep increases to a minimul Producer operations or raw material cost increases. | ım, we have no control over |
| Please also note that supply remains tight- we will do our best to maintain service of | your full requirements. |
| Thank you for your cooperation and understanding. | |
| Sincerely, | |
| JCI Jones Chemicals, Inc | |
| JCI Jones Chemicals, Inc 1765 Ringling Blvd Sarasota, FL 34236 | |
| Please sign below and return via email to <u>caledonia@jcichem.com</u> or return via to | fax to (585) 538-2316. |
| Accepted by: Date: | |



July 15, 2021

Dear Customer:

Effective immediately, or as permissible by contract, Westlake is announcing a price increase for Chlorine (sold independently or as part of an ECU) by US\$ 85 per short ton in the United States, and C\$ 120 per metric ton in Canada. This increase is necessitated by a tightening supply/demand balance of chlorine and chlorine derivatives, this is in addition to previously announced price increases.

Westlake's chlorine order management program (60%) remains in effect with the standard lead time for all chlorine rail shipments at 21 days.

If you have any questions regarding this price change, please contact your sales professional. Westlake values the opportunity to supply your Chlorine requirements, and will strive to earn your business every day.

Sincerely,

David Kokowsky

Director, Commercial Chlor-Alkali

David Kakamely es

June 28, 2021

Mr. James Chappel Executive Vice President JCI Jones Chemicals Inc. 1765 Ringling Blvd. Sarasota, FL 34236

RE: Chlorine Price Increase

Dear Mr. Chappel:

Occidental Chemical Corporation is announcing today an off-schedule price increase of \$150.00 per short ton for all sales into the U.S. and \$185.00 CAD per metric ton for all sales into Canada on all grades of Liquid Chlorine (Chlorine). This increase is effective immediately for spot customers or as terms permit for contract customers. Minimum lead-time for all railcar orders will be 21 days.

We appreciate the confidence you have placed in OxyChem as your supplier. Should you have any questions regarding this increase, please contact your OxyChem Account Manager.

Sincerely,

Jason A. Welch

General Manager Sales - Basic Chemicals

JAW/mme

cc: Judson Crawley





May 26, 2021

Dear Customer:

Effective immediately, or as permissible by contract, Westlake is announcing a price increase for Chlorine (sold independently or as part of an ECU) by US\$ 85 per short ton in the United States, and C\$ 120 per metric ton in Canada. This increase is necessitated by a tightening supply/demand balance of chlorine and chlorine derivatives, this is in addition to previously announced price increases.

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Sincerely,

David Kokowsky

Director, Commercial Chlor-Alkali

David Kakamaky es

AMENDMENT NO. 1 TO MATERIAL & SUPPLY CONTRACT FOR FURNISHING & DELIVERING OF LIQUID CHLORINE

AMENDMENT, effective May 1, 2021, to the Material & Supply Contract for Furnishing & Delivering, entered on April 1, 2019, by and between

ERIE COUNTY WATER AUTHORITY

295 Main Street, Room 350 Buffalo, New York 14203

hereinafter referred to as the "Authority", and

JCI JONES CHEMICALS, INC.

100 Sunny Sol Blvd. Caledonia, New York 14423

hereinafter referred to as "Supplier".

WHEREAS, on March 26, 2019, the Authority awarded the Supplier a material and supply contract for the furnishing and delivering of liquid chlorine to the Authority's treatment plants (the "Contract"); and

WHEREAS, the Contract, executed on April 4, 2019, provides services until April 30, 2021; and

WHEREAS, in accordance with paragraph 15 of the Contract, the parties may agree to extend the Contract on the same terms and conditions for one year; and

WHEREAS, the Supplier has agreed to extend this Contract until April 30, 2022 based on the same terms and conditions including but not limited to furnishing and delivering liquid chlorine to the Authority's treatment plant at the price of \$579.00 per ton; and

NOW, THEREFORE, in consideration of mutual promises herein set forth, the parties agree to the following:

- (1) The term and conditions of the Contract shall continue in effect until April 30, 2022;
- (2) This Amendment may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement; and

(3) The parties agree to accept electronic signature pages, signed in conformity with the Governor's Executive Order No. 202.8, allowing any notarial action to be performed utilizing audio-video technology.
IN WITNESS WHERETO, the parties hereto have caused this Amendment No. 1 to be by their respective duly constituted officers, attested and sealed pursuant to proper

signed by their respective duly constituted officers, attested and sealed pursuant to proper authority. ERIE COUNTY WATER AUTHORI JCI JONES CHEMICALS, INC. By Debarah Stella Jeffrey C. Jones, CEO DEBORAH STELLA, SALES COORDINATOR STATE OF NEW YORK) ss: COUNTY OF ERIE On the day of day, in the year 2021, before me personally came Jerome D. Schad, to me known, who, being by me duly sworn, did depose and say that he resides in the Amherst, New York, that he is the Chair of the Board of Commissioners for the Erie County Water Authority described in the above instrument, and he signed his name thereto by the authorization of the Board of Commissioners for the Erie County Water Authority. Notary Public, State of New York

Qualified in Eric County

My Commission Expires October 16, 26

Notary Public STATE OF New York)
COUNTY OF Livingston) ss: On the 23 day of February, in the year 2021, before me personally came to me known, who, being by me duly sworn, did depose and say that he resides in _______ that he is Sales Coordinator of the Corporation described in the above instrument; and that he signed his name thereto by order of the Board of Directors of said Corporation. Elabeth M Syns1 Notary Public ELIZABETH M. LYNESS Notary Public, State of New York Reg. No. 01LY6343666 Qualified in Livingston County My Commission Expires 06/13/





JCI JONES CHEMICALS, Inc. Consent to Shareholder Action

January 2, 2019

I, the undersigned shareholder, being the holder of all share of stock of the above company now outstanding, hereby resolve as follows:

RESOLVED, that all Corporate Officers generally,

- 1. Cody DeGroff, Acting Branch Manager
- 2. Debbie Stella, Office Manager

Of JCI's Caledonia, New York facility are hereby authorized to submit and sign bids, contracts and other documents pertaining thereto of this Corporation, to municipalities and other for the sale of company products.

Jeffrey W. Jones

Chief Executive Officer & President

ATTEST:

Laura Webb