



August 2, 2021

Mr. John Fawcett
WTP Superintendent
City of Hallandale Beach
215 N.W. 6th Avenue
Hallandale Beach, Florida 33009

Re: **PROPOSAL TO SUPPLY BULK SODIUM HYPOCHLORITE TO THE
CITY OF HALLANDALE BEACH UTILITIES DEPARTMENT** (2055 Sodium Hypochlorite)

Encl: (1) PPI Index PCU325180325180S

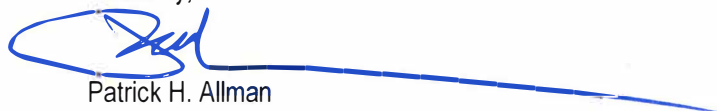
Dear John,

Odyssey Manufacturing Co. has been supplying the City of Hallandale Beach sodium hypochlorite for the past four years. Currently, the City of Hallandale Beach is being served under a piggyback arrangement using the City of Leesburg's sodium hypochlorite contract which expires on September 30, 2021. Effective October 1, 2021, Odyssey proposes to sell the City of Hallandale Beach its Ultrachlor 12.5 Trade Percent sodium hypochlorite for the firm lump sum price of \$.835 per gallon using a piggyback from Bay County Utilities. This price is fixed and there are no fuel surcharges or delivery fees. This contract expires September 30, 2022 and has two more one-year renewals. I have attached a copy of the original bid package, our bid, the contract, and the renewal letter. The point of contact for Bay County to validate any of this information is Wendi Nation, Purchasing Director, and she can be reached at (850) 248-8270. This proposal to piggyback is made with the understanding that Odyssey Manufacturing would continue to supply your utility's bulk sodium hypochlorite needs. As part of the chemical supply, Odyssey will continue to provide technical assistance to your facilities as required as we have done in the past.

As you are probably aware, we have been in a period of unprecedented hyper-inflation in the chemical business. In the past five months, our fuel costs have gone up over \$1.25 per gallon (our delivery tankers get 5 – 6 mpg), our muriatic acid price has almost doubled, and our caustic pricing has gone up almost 50%. In addition, our we recently had to increase our labor costs by \$600,000 per year just to retain our employees (most of which went to our tanker drivers as there is a massive CDL driver shortage in this country). There is no specific Producer Price Index (PPI) Data Table for sodium hypochlorite, but it is a secondary product of the basic inorganic chemical manufacturing index since it is made from chlorine and caustic. In the past year of the most currently available data (the index lags 30 – 60 days), the index has gone up 69.3% in the past 12 months (see Enclosure (1)). Odyssey's proposed increase is only 45.1%.

Thanks for your consideration. Please do not hesitate to contact me at (813) ODYSSEY or cellular (813) 335-3444 if I can be of further assistance. We appreciate your support and continued business.

Sincerely,



Patrick H. Allman
General Manager

MANUFACTURERS OF **ULTRA CHLOR** (800) ODYSSEY
THE CLEAR SOLUTION www.odysseymanufacturing.com

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Databases, Tables & Calculators by Subject

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From: 2011 To: 2021

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Data extracted on: August 2, 2021 (6:30:46 PM)

PPI Industry Data

Series Id: PCU325180325180S

Series Title: PPI industry data for Other basic inorganic chemical manufacturing-Secondary products, not seasonally adjusted

Industry: Other basic inorganic chemical manufacturing

Product: Secondary products

Base Date: 201012

Download: [xlsx](#)

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|------|-------|-------|----------|----------|----------|----------|-------|-------|-------|-------|-------|-------|
| 2011 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 99.0 |
| 2012 | 99.8 | 102.7 | 102.7 | 102.7 | 102.7 | 102.7 | 102.4 | 102.3 | 102.3 | 102.3 | 102.4 | 102.4 |
| 2013 | 102.8 | 102.3 | 102.6 | 102.2 | 102.0 | 101.5 | 101.7 | 101.6 | 102.3 | 102.3 | 102.3 | 102.4 |
| 2016 | | | | | | | | | | | 109.3 | 109.7 |
| 2017 | 110.9 | 111.1 | 111.0 | 111.8 | 113.7 | 114.1 | 113.8 | 118.8 | 119.4 | 121.0 | 121.5 | 121.6 |
| 2018 | 123.3 | 123.8 | 123.9 | 123.6 | 127.6 | 127.6 | 131.5 | 131.5 | 131.5 | 131.5 | 128.3 | 128.3 |
| 2019 | 130.9 | 130.9 | 134.0 | 133.9 | 117.3 | 117.3 | 117.3 | 108.7 | 108.7 | 108.7 | 107.1 | 107.1 |
| 2020 | 109.4 | 109.4 | 109.4 | 109.4 | 109.4 | 109.4 | 108.2 | 107.7 | 107.7 | 144.0 | 156.0 | 156.0 |
| 2021 | 154.1 | 154.1 | 154.1(P) | 158.7(P) | 176.4(P) | 176.5(P) | | | | | | |

P : Preliminary. All indexes are subject to revision four months after original publication.

Post 12 months = $\frac{176.5 - 109.4}{109.4} = 61.3\%$

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