



THE COUNTY OF GALVESTON

FRANK RODRIGUEZ
PURCHASING AGENT
AGENT

ASHLEY CLARK
ASST. PURCHASING

COUNTY COURTHOUSE
722 Moody (21st Street) Fifth (5th) Floor
GALVESTON, TEXAS 77550
(409) 770-5371

Clayton Moore, Sales Representative
Cleveland Asphalt Products, Inc.
PO Box 1449
Shepherd, TX 77371

Re: Temporary Price Adjustment – ITB 25-065 Asphalt, Oils & Emulsions

Mr. Moore,

Galveston County acknowledges receipt of your correspondence dated **March 31, 2026**, in which Cleveland Asphalt Products requested an immediate price adjustment due to the rapid increase in liquid asphalt costs. Your letter states that *“liquid asphalt pricing increased from \$450 per ton in early March to \$500 per ton later in the month, and has now risen further to \$625 per ton heading into April.”* You further noted that if a price adjustment is not feasible, Cleveland Asphalt would *“need to discontinue ITB 25-065... effective April 30, 2026.”*

After review of your request and the supporting Valero rack price documentation, the County will approve a **temporary price increase for a period of six (6) months**, subject to the following conditions:

1. Temporary Price Adjustment (Six-Month Term)

The County approves the revised delivered pricing requested in your March 31, 2026, submittal for the period **May 01, 2026, through November 01, 2026**. This approval applies only to the following rates:

- SS-1: \$3.05/GL
- CRS-2: \$2.95/GL
- EAP&T: \$3.05/GL
- Crystal Beach SS-1/EAP&T: \$3.30/GL
- CRS-2P: \$3.40/GL

(As listed in your attached pricing table.)

2. Mandatory Reassessment Before Expiration

No later than **October 1, 2026**, Cleveland Asphalt must provide updated market data, including current rack pricing and any cost-basis justification, for the County’s review.

At that time, the County will determine whether:

- pricing will revert to the original contract rates,
- the temporary increase will be extended, or
- a different adjustment is warranted.

3. Contract Terms Remain Unchanged

Consistent with Section 6 of the Contract, all terms and conditions remain unchanged except for pricing during the temporary adjustment period. The contract states that renewal-year pricing may change while all other terms remain in full force and effect.

4. County’s Right to Cancel

This temporary approval does not limit the County’s right to cancel the contract with **thirty (30) days’ written notice**, as provided in Section 7 of the Contract.

5. Continuity of Service

This temporary increase is approved with the understanding that Cleveland Asphalt will continue to perform all obligations under ITB 25-065 without interruption during the six-month period.

Please indicate your acceptance of these terms by signing below and returning the executed copy to the Galveston County Purchasing Department.

We appreciate your continued partnership and your timely communication during these market disruptions.

Accepted and Agreed:

Cleveland Asphalt Products, Inc.

Clayton Moore, Sales Representative

Date: _____