



**NEPTUNE**  
TECHNOLOGY GROUP

January 20<sup>th</sup>, 2023

Ms. Patty Hall  
Contract Compliance Officer  
Hernando County Purchasing & Contracts  
15470 Flight Path Drive  
Brooksville, FL 34604

Dear Ms. Hall,

Please note that Ferguson Waterworks, Inc., is the sole authorized Neptune Distributor with a resell supply agreement in the State of Florida.

The geographical area of responsibility assigned to them includes all Counties within the State of Florida.

Types: Classes of customers exclusively assigned are: Municipalities, private water companies, contractors, and plumbers.

Hence, our Distributor(s) are required to maintain a sufficient inventory of Neptune Water Metering Products to provide customer field servicing.

Thank you in advance for your cooperation.

Sincerely,

*Terry D. Gullett*

Terry D. Gullett  
Senior Territory Manager  
Neptune Technology Group, Inc.



February 3, 2023

Ms. Patty Hall  
Contract Compliance Officer  
Hernando County Purchasing & Contracts  
15470 Flight Path Drive  
Brooksville, FL 34604

Dear Ms. Hall,

Thank you for your continued trust and faith in Neptune solutions. As always, we are committed to providing you with the best products and solutions in the water industry.

Since mid-2020 Neptune, like all businesses, has seen ever increasing costs for the key materials and inputs required to manufacture best in class water solutions. These increases have affected the costs of providing service to our customers. As such, this is a notice that there will be an overall average increase of 27% for our products effective April 11, 2023.

As with our last price increase notice on January 11, 2021, we are including with this letter an updated Frequently Asked Questions (FAQs) document that will explain how our business has been affected by inflationary pressures. If you have any questions not addressed in the FAQs, please feel free to contact your Neptune sales representative.

This was a difficult, but necessary decision to make; and we understand how it impacts our customers. Therefore, we would like to express our appreciation for your ongoing support, and we are confident these changes will help us to continue providing you with the quality products and services that help you, our valued customers, #WinYourDay.

Regards,

Terry D. Gullett  
Senior Territory Manager  
Neptune Technology Group, Inc.

## Neptune Price Increase Frequently Asked Questions (FAQs)

***Your price increase letter references “rising costs in raw materials, shipping, and operating costs” can you explain to what extent you are affected?***

As reported by the [Bureau of Labor Statistics](#), the average annual inflation rate for the United States has risen to 8.3%. This number is an aggregate of all economic activity in the United States. [Note: inflation has risen 3.8% since our last price increase notification in October of 2021.]

In Neptune’s sector, we are primarily driven by the following economic areas: raw materials, wages, and freight. Let’s drill down into examples from each of these areas (as found at [US Bureau of Labor Statistics](#) and [Cass Information Systems](#)):

- Raw materials – PPI Index for Metal Products Copper Base Castings - USBLS
  - **Inflation April 2020 – April 2022 is 71.6%**
  - Copper inflation since our last price increase communication (October 2021 – March 2022) is 8%
- Raw materials – PPI for Electronic Component Manufacturing – USBLS
  - **Inflation April 2020 - April 2022 is 11.8%**
  - New data reference – not in last price communication.
- Wages – Employment Cost Index - Wages and salaries for private industry workers in all industries and occupations - USBLS
  - **Inflation March 2022 versus March 2020 was 8%**
  - Wage inflation since our last price increase communication (October 2021 – March 2022) was 1.4%
- Freight – Cass Freight Index - [Cass Information Systems](#)
  - **Inflation April 2020 – April 2022 is 49.3%**
  - Freight inflation since our last price increase communication (October 2021 – March 2022) was 11%

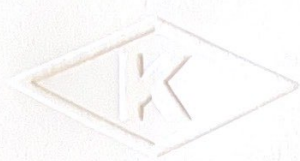
As you can see, our business environment has been significantly affected by inflationary pressure. The aggregate increase in the example areas we have provided above is 32.2% since our last increase communication. This pressure is much higher than the 8.3% reported as the aggregate inflation rate.

***Why is this price increase happening now?***

In the time since our last price increase Neptune has absorbed the further pricing pressure that we documented above. We absorbed that pricing pressure so we would not impact your vital business. However, we have reached a point where we are required to raise pricing so that we can maintain the same levels of quality and service that you, as our valued partner, appreciate.

***Should I expect further price increases from Neptune?***

Economists generally agree that we will continue to see higher than average inflationary pressure throughout 2022 and into 2023. Our current price increase anticipates short-term inflationary pressure, and we will re-evaluate pricing levels as it becomes necessary.



# H. KRAMER & CO.

1345 WEST 21<sup>ST</sup> STREET · CHICAGO, ILLINOIS 60608  
TEL: (312) 226-6600 · FAX: (312) 226-4713

December 22, 2021

Mr. Tom Crawford  
Neptune Technology Group, Inc.  
1600 Alabama Hwy 229 South  
Tallasse, AL 36078

Via Email: [tcrawford@neptunetg.com](mailto:tcrawford@neptunetg.com)

Dear Tom,

Please see the chart below showing the intrinsic markets for 89836 Ingot that you purchase. As you can see, there has been a significant increase in all markets from November of 2020 to today.

## Neptune Commodity Markets 2021

	<u>20-Nov</u>	<u>12/22/2021</u>	<u>% Change</u>
Cu	3.55	4.37	23.10%
Sn	9.54	17.8	86.58%
Zn	1.26	1.61	27.78%
Bi	2.75	5.35	94.55%
Ingot Price	3.28	4.63	41.16%

Thank you. Should you have any questions, please do not hesitate to call us.

Very truly yours,  
H. Kramer & Co.

Howard Chapman  
President/CEO



Meter & Automation Group

Feb. 3, 2023

**Hernando County BOCC**

<u>Description</u>	<u>Unit Price</u>
ProCoder R900i Pit Register Only – Any Size or Model	\$175.00
ProCoder Wired Pit Register Only – Any Size or Model	\$86.25
5/8"x3/4" T10 Meter W/Pl. Bottom Complete W/PC R900i Pit Register	\$209.00
5/8"x3/4" T10 Meter W/Pl. Bottom Complete W/PC Wired Pit Register	\$144.00
3/4"x3/4" T10 SL Meter W/Brz. Bottom Complete W/PC R900i Pit Register	\$250.65
3/4"x3/4" T10 SL Meter W/Brz. Bottom Complete W/PC Wired Pit Register	\$185.65
1" T10 Meter W/Brz. Bottom Complete W/PC R900i Pit Register	\$331.25
1" T10 Meter W/Brz. Bottom Complete W/PC Wired Pit Register	\$266.25
1 1/2" T10 Meter Complete W/PC R900i Pit Register	\$593.75
1 1/2" T10 Meter Complete W/PC Wired Pit Register	\$528.75
2" T10 Meter Complete W/PC R900i Pit Register	\$765.00
2" T10 Meter Complete W/PC Wired Pit Register	\$700.00
Neptune, 3" Bronze Flanged Meter Strainer	\$965.00
Neptune, 4" Bronze Flanged Meter Strainer	\$1665.00
Neptune, 6" Bronze Flanged Meter Strainer	\$2522.50
Neptune, 8" Bronze Flanged Meter Strainer	\$4287.50
Neptune, 3" Strainer Installation Acc. Kit	\$40.00
Neptune, 4" Strainer Installation Acc. Kit	\$76.00
Neptune, 6" Strainer Installation Acc. Kit	\$124.00
Neptune, 8" Strainer Installation Acc. Kit	\$152.00
UME, 3" Tru-Flo Compound Meter Complete with PC R900i Pit Registers	\$2,744.00
UME, 4" Tru-Flo Compound Meter Complete with PC R900i Pit Registers	\$3,544.00
UME, 6" Tru-Flo Compound Meter Complete with PC R900i Pit Registers	\$3,544.00
4"x1" HP Protectus III Fire Service Compound Meter Complete With PC R900i Pit Registers	\$9,513.50
4"x1" HP Protectus III Fire Service Compound Meter Complete With PC Wired Pit Registers	\$9,383.50
6"x1 1/2" HP Protectus III Fire Service Compound Meter Complete With PC R900i Pit Registers	\$15,502.50
6"x1 1/2" HP Protectus III Fire Service Compound Meter Complete With PC Wired Pit Registers	\$15,372.50



*Meter & Automation Group*

8"x2" HP Protectus III Fire Service Compound Meter Complete With PC R900i Pit Registers	\$19,875.00
8"x2" HP Protectus III Fire Service Compound Meter Complete With PC Wired Pit Registers	\$19,745.00
10"x2" HP Protectus III Fire Service Compound Meter Complete With PC R900i Pit Registers	\$22,999.35
10"x2" HP Protectus III Fire Service Compound Meter Complete With PC Wired Pit Registers	\$22,869.35
5/8"x3/4" T10 Bare Meter (less register)	\$57.75
3/4"x3/4" T10 Bare Meter (less register)	\$99.40
1" T10 Bare Meter (less register)	\$180.00
1 1/2" T10 Bare Meter (less register)	\$442.50
2" T10 Bare Meter (less register)	\$613.75
2" MACH 10 Stand Alone Meter ( <i>Any Length Available</i> )	\$917.30
2" MACH 10 R900i Meter ( <i>Any Length Available</i> )	\$982.30
3" MACH 10 Stand Alone Meter ( <i>Any Length Available</i> )	\$3,041.70
3" MACH 10 R900i Meter ( <i>Any Length Available</i> )	\$3,106.70
4" MACH 10 Stand Alone Meter ( <i>Any Length Available</i> )	\$3,721.65
4" MACH 10 R900i Meter ( <i>Any Length Available</i> )	\$3,786.65
6" MACH 10 Stand Alone Meter ( <i>Any Length Available</i> )	\$6,333.90
6" MACH 10 R900i Meter ( <i>Any Length Available</i> )	\$6,398.90
8" MACH 10 Stand Alone Meter ( <i>Any Length Available</i> )	\$10,513.05
8" MACH 10 R900i Meter ( <i>Any Length Available</i> )	\$10,578.05
10" MACH 10 Stand Alone Meter ( <i>Any Length Available</i> )	\$13,099.45
10" MACH 10 R900i Meter ( <i>Any Length Available</i> )	\$13,164.45
12" MACH 10 Stand Alone Meter ( <i>Any Length Available</i> )	\$15,039.25
12" MACH 10 R900i Meter ( <i>Any Length Available</i> )	\$15,104.25
Optional R900 Short Antenna, 6'	\$38.35
Optional R900 Long Length Antenna, 20'	\$54.75
R900 Pit Style MIU Only W/Pit Lid Antenna	\$139.90
R900 Wall Style MIU Only	\$123.15
R900 Cellular Wall Style MIU Only	\$146.70
R900 Cellular Pit Style MIU Only W/Internal Antenna	\$154.00
R900 Cellular Pit Style MIU Only W/External Antenna	\$181.35
R900 Cellular Pit Style External Antenna Only	\$48.00
R900 Belt Clip Transceiver	\$5,250.00
MRX920 Mobile Data Collector Complete	\$13,650.00



*Meter & Automation Group*

<u>Neptune 360 Advanced Module Annual SaaS Subscription – AMR</u> Connected Customers 50,000-100,000 (per endpoint/per year)	\$ .75
<u>Neptune 360 Advanced Module Annual SaaS Subscription – AMI + FirstNet Cellular Data</u> Connected Customers 50,000-100,000 (per endpoint/per year)	\$7.20
Neptune 360 Advanced Set-Up Fee (one-time fee)	\$3,700.00
Neptune 360 Remote Training (4-hour window)	\$852.00
Neptune On-Site Training (8 hours)	\$1,704.00
Neptune Professional Services (per hour fee)	\$433.00
Neptune 360 History Data Conversion	\$3,466.67

Freight Allowed

Pricing Term: April 11, 2023 – April 10, 2024

We appreciate the past business we have received from Hernando County and look forward to meeting your metering needs in the future. If you have any questions of if I can be of any further assistance, please do not hesitate to contact me.

Respectfully submitted,

*Tyler Stargel*

Tyler Stargel  
AMR/AMI Specialist – West Florida  
Ferguson Waterworks, Inc.  
Meter & Automation Group  
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Newberry, Fl. 32669  
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