



CITY OF NORTH PORT

CONTRACT/AGREEMENT AMENDMENT FORM

Amendment No.: 1

City's Contract No./ Agreement No.: 2021-28

Commission Meeting Date: 7/26/2022

Purchase Order No.: Click or tap here to enter text.

Project Name: City Hall Backup Generator Installation

Originating Department/Division: Fire Rescue

Point of Contact/Project Manager: Deputy Chief Nick Herlihy

Contractor: OAC Action Construction Corp

Amendment required as a result of:

- Changed/Unforeseen Conditions
- Errors and Omissions
- Change in Scope
- Time Extension/Deletion
- Change in Price (+/-)
- Owner's Request

Please complete the following sections, and attach additional pages as necessary:

Explanation of Request (What is changing? Include effect on completion time):

The city's selected contractor for this project was notified of a price increase from the manufacturer. The manufacturer canceled all quoted sales orders and updated pricing to current market rates. This increased the overall cost of the city's selected generator and transfer switches.

Reason for Amendment (Why is it changing?):

There is an increased cost to the project which exceeds the contract amount between the City of North Port and the contractor

Attachments (list documents supporting change):

- OAC Action Construction change order proposal
- Manufacturer (Kohler) Urgent Pricing Notice
- Distributor (Power Depot) Pricing update letter

Please fill in the information below as applicable. You must double-click the chart to open in Excel before entering data.		
Account Number	Project Number	Amount
306-2222-522-62.00	CF19EO	107,647.35

CHANGE IN CONTRACT PRICE		CONTINGENCY FUNDS	
Please fill in the information below as applicable. You must double-click the chart to open in Excel before entering data.			
Original Contract Amount:	\$844,826.95	Use of Contingency Funds? (Yes or No)	Yes
Last Approved Amendment #		Original Contingency Amount:	\$79,258.05
Last Approved Change Order #		Approved Use of Contingency Amount:	
Prior Approved Amount: Amendments		This (Decrease)/Increase:	
Prior Approved Amount: Change Orders		Contingency Balance w/ this change approved:	\$79,258.05
Current Contract Price:	\$844,826.95		
This Change Add/(Deduct):	\$107,647.35		
Total Contract Amount w/ this change (pending approval):	\$952,474.30		

CHANGE IN CONTRACT TIME				
Please fill in the Initial & Final Dates of the Original Contract, and the Difference (days) for each subsequent amendment (the date will auto-fill for the amendment). Then fill in the corresponding Action and Basic Description. You must double-click the chart to open in Excel before entering data. There are extra rows hidden, and extra rows may be added if necessary.				
Initial Date	Final Date	Difference (days)*	Action	Basic Description
		0 days	Original	Initial Execution
1/1/00	1/0/00			
Total		0 days		
* Calendar days (not working days)				

RECOMMENDED:

By:  7/12/2022
 Contractor Date

By: _____
 City POC/Project Manager Date

APPROVED:

By: _____
 Department Director Date

By: _____
 Budget Administrator Date

By: _____
 Purchasing Date

By: _____
 Finance Director Date

By: _____
 Assistant City Manager Date

By: _____
 City Manager Date

By: _____
 City Clerk Date

By: _____
 City Attorney Date


CHANGE ORDER

PROJECT: **Installation of City Hall Back-up Generator**
Contract
Homestead Air Reserve Base

CHANGE ORDER NUMBER: **001**

INITIATION DATE: **07-13-2022**

TO OWNER :

City of North Port
4970 City Hall Blvd
North Port, Fl 34286

CONTRACT DATE: **07-12-2021**

CONTRACT #: **2021-28**

You are directed to make to following changes in this Contract:

Additional cost of back-up Generator as per attached documentation. This change order also includes the additional time needed to complete the scope of work due to delays in delivery of generator, fuel tank and electrical transfer switches.

Total for this Change Order \$ 107,647.35

Not valid until signed by the Owner .

Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract Time.

The original (Contract Sum) was\$	844,826.95
Net change by previously authorized Change Orders	\$	0
The (Contract Sum) prior to this Change Order was	\$	844,826.95
The (Contract Sum) will be (increased) (decreased) (unchanged) by this Change Order	\$	107,647.35
The new (Contract Sum) (Guaranteed Maximum Cost) including this Change Order will be	\$	952,474.30

The Contract Time will be (increased) **(decreased)** (unchanged) by **(0)** Days
The Date of Substantial Completion will remain as-is for now and an additional modification will be issued for a no cost time extension once electrical gear and tank delivery dates are known.

Owner
City of North Port

Contractor
**OAC Action Construction,
Corp.**

Address
4970 City Hall Blvd
North Port, Fl 34286

Address
11980 SW 144 Ct, Suite 101.
Miami, Fl 33186

BY

BY 
Ozzie Cruz
President

DATE

DATE
07-13-2022



Urgent Pricing Notice

Unprecedented market conditions over the last 18-months have resulted in constraints on upstream supply and unforeseen price escalations on raw materials, components, and freight. While we have sought to mitigate the impact and shield our downstream customers, it has become unfeasible for Kohler to perform as anticipated under these conditions.

Recent examples of Cost Pressures -

- Electrical Components - 20% - 29%
- Alternators - 20% - 35%
- Radiators 10% - 15%
- Engines 5% - 10%
- Plus 1000s of small components (plastics, hoses, cables, electronics, gauges, with similar increases that add up to significant impacts

- Metal price increases since the end of 2020
 - Hot Rolled Steel: 290% increase
 - LME Aluminum: = 60% increase
 - LME Copper: 37% increase

- In addition to the raw material costs, we are seeing escalated conversion and freight costs as well

Accordingly, Kohler must take the following pricing action:

All open orders placed with Kohler prior to January 1, 2022 will be adjusted to current pricing effective immediately. Orders placed with Kohler may be cancelled without penalty by 2/4/2022.

Kohler holds the reputation of its brand and the value of its relationships with distribution, contractors, specifiers, and end-users above all else. Please understand that this decision has not been taken lightly and it is given with a forward-looking view; intending to correct the current course and allow us all to continue the path we have forged over the last 101 years.

KOHLER.

January 10, 2022

Letter Number 22-02S

To: All Kohler Power Systems Distributors

Attn: Industrial Principals, Sales Managers & Kohler Sales Representatives

Effective Immediately – change in quote validity dates

Kohler Power Systems is changing the validity dates on all quotes from 90 to 30 days effective immediately. This will apply to all new and existing quotes going forward. The 30-day validity period will appear on all quotes starting January 9, 2022.

Any existing quote run before November 1, 2021, is considered cancelled. Orders will not be accepted on these quotes, and they are not allowed to be renewed without being updated to reflect current pricing.

Quotes run between November 1, 2021, and January 2, 2022, will be valid through January 31, 2022.

Any existing quote outside of the 30-day period from inception will need to be repriced after February 1, 2022.

While this change is a departure from past practices it does position Kohler in line with our competitors. This change will help alleviate business risks identified over the past year for both Kohler and our distributors going forward.

Please keep in mind that Kohler account managers, internal sales administrators, ESMs, and others you would routinely interact with do not have any additional information to share beyond what is shown here. Please direct all necessary discussion around these topics to the sales directors, Sean Kenefick, or myself. Thank you.

Sincerely,

Jim Rummel
Assc. Director – Marketing PS Americas
Kohler Power Systems
james.rummel@kohler.com

Attention: Alvaro Hernandez

Friday, April 23, 2021

Phone: 305-772-7613

Email: alvaro@cruzelectrical.com

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Project / Reference: North Port Generator (21-04-26)

One (1) New **KOHLER** Stand-By **Diesel** Generator model **KD900** rated at **900kW/1125kVA**, at **277/480 Volts, 3 ϕ** , 60Hz, **1354 Amps w/KH04830TO4D, 3Ph Alternator**, skid-mounted, with the following accessories:

- UL2200 Listing
- KD900, 60Hz, EPA, Tier 2
- Nameplate Rating: Standby 130 Rise
- Voltage: 60Hz, 277/480V, Wye, 3Ph, 4W
- KH04830TO4D Alternator
- Unit Mounted Radiator 50C
- Skid, High Iso Mount
- Standard Duty Air Intake
- APM802 Controller
Digital I/O
- Sound LVL 2 Aluminum Enclosure
- Internal Silencer
- Basic Electrical Pkg, 1Ph:
100A Service, Wire Generator Heater,
Wire Block Heater, Battery Charger,
Controller Heater, DC Lights
- Enclosure E-Stop Switch, Qty. 1
- Aluminum Gravity Outlet
- Aluminum Motorized Inlet
- Block Heater (6000W, 208V, 1Ph)
- Battery Rack & Cables
- Battery Charger, 24V-20AMP
- Generator Heater
- Ground Fault Relay Indication
- 1600Amp LCB 100% Rated, LSIG
- 100kA @ 480V Interrupt Rating
- Aux Contact, Qty.1
- Shunt Trip, w/Wiring
- 600Amp LCB 100% Rated, LSIG
- 35kA @ 480V Interrupt Rating
- Aux Contact, Qty.1
- Shunt Trip, w/Wiring
- 600Amp LCB 100% Rated, LSIG
- 35kA @ 480V Interrupt Rating
- Aux Contact, Qty.1
- Shunt Trip, w/Wiring
- Flexible Fuel Lines
- Fuel/Water Separator
- Air Cleaner Restriction Indicator
- Coolant in Genset
- Oil in Genset
- Remote E-Stop Switch (NEMA3R)
- RSA III, Annunciator
- Literature Kit, Gen. Maintenance
- Factory Power Factor Test
- **Warranty, 5 Year Comprehensive**
- **Authorized Distributor Start-Up**
- **Batteries Provided at Start-Up**
- **Delivery to Jobsite**
- **4 Hour Load Bank Test**

Automatic Transfer Switch:

One (1) New **Kohler** Automatic Transfer Switch, model **KEP-DMVC-1600S-TQ** rated at **480 Volts**, 60Hz, 4 Pole, 3 Phase, 4 Wire, Switched Neutral, **NEMA3R** enclosure, **1600 Amps**, UL 1008 listed with the standard accessories.

Service Entrance Rated.

Input/Output Module, Qty. 2

Warranty, 5 Year Comprehensive.

Lit Kit Production.

Attention: Alvaro Hernandez

Friday, April 23, 2021

Phone: 305-772-7613

Email: alvaro@cruzelectrical.com

Page 2 of 2

Project / Reference: North Port Generator (21-04-26)

Automatic Transfer Switch:

One (1) New **Kohler** Automatic Transfer Switch, model **KSS-AMVC-0600S** rated at **480 Volts**, 60Hz, 4 Pole, 3 Phase, 4 Wire, Switched Neutral, **NEMA3R** enclosure, **600 Amps**, UL 1008 listed with the standard accessories.

Input/Output Module, Qty. 2

Warranty, 5 Year Comprehensive.

Lit Kit Production.

UNIT NET F.O.B. Warehouse, MIAMI, FL

US \$ 275,815.00

Plus Florida 7% State Sales Tax

US \$ 19,307.05

Delivery: Estimate. 22-24 weeks; **After Receipt of Approved Submittals**

Terms: 30% Deposit, **Balance due prior to delivery.**

Valid: **30 days.**

Quote does not include the following (unless otherwise noted)

Equipment Unloading / Storing

Additional Exhaust Equipment Installation & Thimbles

Insulation of Silencer & Exhaust Pipe.

Installation Equipment, Materials & Labor

Installation Engineering

Installation Permits

Installation of genset and/or ATS

Diesel Fuel and additional Piping or Ventilation

Foundation Concrete Pad

Equipment Anchoring and Anchor

Equipment Rental

Offloading of equipment from delivery truck.

Conditions: Terms of this sale are subject to credit approval. Cancellations will not be accepted except on terms that will indemnify Power Depot Inc. against any loss. The conditions of this quotation become part of any order resulting here forth and any purchase order submitted in response to this quotation. Modifying, altering, or adding to these conditions shall not be binding unless accepted by Power Depot Inc. in writing. There are no agreements, understandings or stipulations relative to this quotation other than those expressed herein.

Regards,

Maximiliano Mauna
Sales Engineer

Customer Signature:



Dear Cruz Electrical,

Please see the attached announcement from Kohler Power Systems regarding all orders place prior to January 1, 2022. This is an unprecedented time in history and unfortunately the continued supply chain shortages have resulted in rising costs implemented by vendors and raw material sources globally.

While the uncertainty of delivering high quality Generators, Switchgear, and Automatic Transfer Switches in a timely basis has affected nearly every project throughout the pandemic, the goal throughout the entire organization has been to absorb as much of these rising costs as possible to keep these constantly changing dynamics absorbed and as seamless as possible to the customer and end user owner without this type of unavoidable action.

Subsequently, the ongoing supply chain disruption has created extended lead times so far out that by the time the component suppliers and raw material producers are able to acquire the goods and materials, the price and cost of doing so have risen exponentially, paralyzing them.

Your order # **21 – 04 - 26** is subject to a price increase resulting in a new final price of **\$376,420.00**. Your Power Depot salesperson will be in contact with you for further discussion of this topic, along with updated delivery schedules, and in the case where cancellation is the only option, execution of that process.

Power Depot does not take this unavoidable action lightly, and will be here to answer questions and continue to provide service and support.

Regards,

Niko Baeza

Vice President of Power Depot Inc.



(305) 592 7100

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www.powerdepot.com

KOHLER
IN POWER. SINCE 1920.
Authorized Distributor

Atlas Copco