



Building Community®

Procurement Bid Office
Customer Center 1st Floor, Room 002
21 W. Church Street
Jacksonville, Florida 32202

May 10, 2019

ADDENDUM NUMBER: Two (2)

JEA ITN NUMBER: 97210

RESPONSE DUE DATE: May 24, 2019

TIME DUE: 12:00 PM

THIS ADDENDUM IS FOR THE PURPOSE OF MAKING THE FOLLOWING CHANGES OR CLARIFICATIONS:

1. Section 2.4.6 is deleted in its entirety and replaced with the language listed below.

Contract prices (also referred to as “Unit Prices”) for the Work will remain firm fixed through the first year of the Contract. For the purposes of this clause, the end date of the first year of the Contract shall be referred to as the “Anniversary Date”, and the term “Anniversary Date” shall also apply to the end date of any renewals.

Thirty (30) days prior to the Anniversary Date, the Company may propose an decrease or increase in unit price the percentage change in the Producer Price Index (PPI) as described and calculated below.

The Producer Price Index by Index for Electrical Equipment Manufacturing (PCU3353) will be utilized to measure the adjustment. The PPI index used will measure the percent change for the previous twelve (12) months beginning with the last published index month closest to the Anniversary Date as the based index.

In the event the applicable price index publication ceases, the Company and JEA shall mutually agree on a replacement index. If the Company and JEA fail to agree on a replacement index, the Contract may be mutually terminated if in the best interest of JEA.

Price Increase/Decrease Formula = ((Latest BLS Index – Base BLS Index)/ Base BLS Index)) X 100 = Percent Change (%)
(Truncated at the nearest hundredth of a percent)

Example:

Contract Effective date of 3/22/2017; Contract Expiration Date 3/21/2019 (the “Anniversary Date”)

Term: One (1) Year Contract with One (1) One (1) Year renewal which was executed on February 1, 2018.

Price Adjustment Calculation Methodology: Using the PPI table below, the figures used to calculate the year two (2) price adjustment would be the Base BLS Index, which would then be compared to the latest BLS Index to determine the applicable percent price adjustment.

Price Increase/Decrease Formula = ((Latest BLS Index– Base BLS Index)/ Base 12 BLS Index)) X 100 = Percent Change (%) (Truncated at the thousandth of a percent)

Applying above formula to this example:

Latest BLS Index (March 2018) = 248.991

Base BLS Index (February 2017) = 243.603

