



16215 Piuma Ave. Phone: 562-402-8335

Cerritos, CA. 90703

US: 800-422-6827

Fax: 562-924-2233

[HTTP://WWW.EIDEINDUSTRIES.COM](http://www.eideindustries.com)

9 August 2022

Teach Public Schools
Matt Brown
10000 South Western Avenue
Los Angeles, CA 90047
323 872-0808
mbrown@teachps.org

Subject: Shade Canopy Price Increase

Ref: (A) Eide Proposal Rev. A dated 9 August 2022

(B) Cor # 9 Revised Pricing

Dear Mr. Brown:

The following narrative is provided relative to the price increase of the Shade Canopy Structure. Our pricing is developed for each department involved in manufacturing and installation.

S-1 Sewing Department

The labor hours in this department actually went down but the labor rate went up by \$20/hr. The labor reduction was \$70. Our material cost almost doubled due to fabric price increase, from \$2,910 to \$5,673.

The net change in this department is + \$3,314.

Sales tax net change is +\$315

F-2 Frame Department

The labor hours for Frame fabrication went up by 140 hours and the labor rate went up by \$10 per hour. The significant increase in hours is due to the size and weight of the steel members. Our initial bid was based on a standard, heavy duty "Shady" which utilizes 2 7/8 and 2 3/8 diameter tubing weighing about 2 pounds per fit. The permitted structure utilizes 2.875" as well as 5" and 6" tubing. The new tubing weighs as much as 5 1/2 pounds per ft some as much as 9 pounds per foot. Steel prices are relative to the weight. Heavier tubing weighs significantly more by a factor of 2 or 3. Fabrication costs more as well because the heavier material takes longer to process. Another labor factor is the number of individual pieces we have to fabricate. The truss members themselves account for additional labor.

The net change in this department is + \$40,436.

Sales tax net change is + \$3,942

F-2P Paint/Finishing

We subcontract our painting and finishing services. Here we experienced an increase in our vendor quotation from \$14,833 to \$22,000.

Adding our mark-up, the net change in this department was \$8,273.

Sales tax net change is + \$786

PM-7 Project Management

We reduced our costs by \$5,000 because the permit has already been acquired.

The net change in this department is - (\$5,251)

The net change in sales tax is: +\$200

E-8 Engineering

Although the actual engineering has been done, we still need to make shop drawings for fabrication of the pieces, assemblies and installation. Credit has been given for the actual structural engineering resulting in a reduced price.

The net change in this department is -(\$4,002).

The net change in sales tax is – (\$380)

C-O Corporate

Corporate consists administration of the order, co-ordination of departments and other misc. costs, some of which were completed in the permitting phase of the project.

The net change in this department is -(\$1,281)

The net change in sales tax is \$ 0

Subcontract

This expense is for the concrete services. Our vendor for the project has significantly raise his price based on the latest drawings and concrete requirements as well as his rate increases.

The net change in the subcontract price is + \$12,534

The net change in sales tax is \$0

Freight

The current estimated freight rates for shipment to the job site resulted in a slight increase.

The net change in this expense is + \$280.

The net change in sales tax is \$0

I-5 Installation

Due to the weight and number of pieces of frame, we have added one person to the installation crew, one additional day at site and additional equipment. There has also been a \$15/hour labor rate change in that department. Further contributing to the department price increase is the fact that our original bid had a few significant errors (days at site and equipment rental).

The net change in this expense is + \$14,924

The net change in sales tax is \$484

Teach Public Schools
9 August 2022
Page 3

C-0 Corporate Other

This department expense has been deleted.

The net change in this expense in -(\$838)

The net change in sales tax is \$0

Please note that the pricing described above DOES NOT include Overtime, Night or Weekend work and changes to the project.

The sales tax changes for each element (department) are separately listed.

Once you have had a chance to review these items we will modify COR#9 to the correct amount of \$73,636.00

Thank you for this opportunity to explain these cost increases.
Please call if you have any questions or need additional information.

Sincerely,
Eide Industries, Inc.

Don Araiza
President
800-422-6827 Ext 132
Cell: 562-577-9761
don@eideindustries.com