# AMENDMENT NUMBER TWO\_THREE TO CONTRACT MA-060-20010309 BETWEEN THE COUNTY OF ORANGE AND STANDARD AERO LIMITED

This AMENDMENT NUMBER TWO THREE to Contract Number MA-060-20010309 (hereinafter "AMENDMENT NUMBER TWO-THREE") between the County of Orange, a political subdivision of the State of California, operating through its Sheriff's Department (hereinafter "COUNTY") and Standard Aero Limited (hereinafter "CONTRACTOR") with a business address of 707 Flight Rd, Winnipeg, MB R3H 1C6, is made and entered upon execution of all necessary signatures.

#### **RECITALS:**

WHEREAS, COUNTY and CONTRACTOR executed a Contract for Overhaul and Repair of Aircraft Engines on February 11, 2020, for a term of February 11, 2020 through and including February 10, 2022 in an amount not to exceed \$2,765,000.00, renewable for a straight two (2) year term and an additional one (1) year term (hereinafter "ORIGINAL CONTRACT");

WHEREAS, COUNTY and CONTRACTOR renewed the ORIGINAL CONTRACT on February 1, 2022 for a straight two (2) year term of February 11, 2022 through and including February 10, 2024 in an amount not to exceed \$2,765,000.00; as well as amended Attachment B, Compensation and Pricing Provisions, Section 2. Fees and Charges (hereinafter "AMENDMENT NUMER ONE");

WHEREAS, COUNTY and CONTRACTOR amended desires to amend the ORIGINAL CONTRACT on April 11, 2023 to increase the amount by \$500,000 for a new not to exceed amount of \$1,882,500; as well as amend Attachment B, Compensation and Pricing Provisions, Section 2. Fees and Charges (hereinafter "AMENDMENT NUMBER TWO") in its entirety and the CONTRACTOR has agreed to provide those services at the rates set forth in this AMENDMENT NUMBER TWO;

WHEREAS, COUNTY desires to renew the ORIGINAL CONTRACT for a one (1) year term of February 11, 2024 through and including February 10, 2025 in an amount not to exceed \$1,632,500.00, and the CONTRACTOR has agreed to continue to provide these services at the rates set forth in AMENDMENT NUMBER THREE;

NOW THEREFORE, in consideration of the mutual obligations set forth herein, both COUNTY and CONTRACTOR agree as follows:

#### 1. ARTICLES

- **a.** Additional Terms and Conditions, Section 2, Term of Contract, of the ORIGINAL CONTRACT is amendment to read in its entirety as follows:
  - 2. Term of Contract:

This Contract shall commence upon execution of all necessary signatures, and continue in effect from February 11, 2020 through and including February 10, 2025, unless otherwise

terminated by the COUNTY. This contract may be renewed as set forth in paragraph 3 below.

- b. Additional Term and Conditions, Section 3, Renewal, of the ORIGINAL CONTRACT is amendment to read in its entirety as follows:
  - 3. Renewals:

This Contract may not be renewed.

- c. Attachment B, Compensation and Pricing Provisions, Section 2, Fees and Charges of the ORIGINAL CONTRACT is amended as follows:
  - 2. Fees and Charges: County will pay the following fees in accordance with the provisions of this contract. Payment shall be as follows:

Contract shall not exceed \$1,632,500.00 for the term of February 11, 2024 through and including February 10, 2025.

- a. ATTACHMENT B, Compensation and Pricing Provisions, Section 2. Fees and Charges of the ORIGINAL CONTRACT is amended to read in its entirety as follows:
  - Fees and Charges: County will pay the following fees in accordance with the provisions of this
     Contract.
    - a. Definitions
      - Conversion: The process of changing out several components inside the engine in order to produce more horsepower.
      - Exchange: When the engine/part is removed from a County aircraft and sent to the Contractor, and a different engine/part (that is fully rebuilt/overhauled and operational) is returned to the County to be placed into the aircraft. An exchange is where the County's core component is taken by a vendor and a different part/component is supplied. The Contractor will then repair/overhaul the core for resale. If the County's core component is not in a condition deemed acceptable for repair/resale by Contractor, the core may be assigned a nil value and the County must keep the component and complete a new purchase. In the event the Contractor assigns a partial value for a non-compliant core, a revised price will be determined that would be less than a new purchase price, but possibly higher than that of an Exchange price.
      - LL: List Less the defined percentage in the price sheet
      - Not to Exceed: Not to Exceed prices are subject to Engines being operated under normal conditions and removed for reason of time expiry for scheduled event (e.g. Overhaul), or for repair if for inherent engine attributable cause. Removals for repair caused by, or any costs during repair or overhaul which are a result of, non engine attributable events are not included in Not To Exceed Pricing. Such events include but are not limited to abnormal erosion or corrosion, foreign object damage (FOD), missing parts and accessories, abuse, poor maintenance or operating practices, long term storage without OEM approved procedures, or missing or inaccurate logbooks. Costs arising from such excluded events, if any, will be provided to the County in writing

and may be over and above the Not-To-Exceed Pricing given. Contractor shall not perform work deemed necessary from an "excluded event" without first obtaining the County's written permission.

- OEM: Original Equipment Manufacturer.
- Overhaul: When the engine is removed from the County's aircraft, completely rebuilt by Contractor, and the same engine is returned to County to be placed into the aircraft.
- Repair: A repair is maintenance provided to the County's existing part and reinstalled.

## b. Payment shall be as follows:

## **Safran Engine**

	Item/Description		Overhaul Price (not to exceed)	Exchange Price (not to exceed)
1	One (1) complete engine overhaul		<del>\$950,000.00</del>	\$950,000.00
2	One (1) Fuel Control		<del>\$120,000.00</del>	\$120,000.00
<del>3a</del>	Rental of turbine engine (Contract	tor's asset), rate per flying hour	<del>\$300.00</del>	NA
<del>3b</del>	Rental of turbine engine (OEM's asset), rate per flying hour		Per OEM (Safran) list price	NA
<del>4a</del>	Rental of turbine engine (Contractor's asset), monthly rate		Minimum 30- hours/month	NA
4b	Rental of turbine engine (OEM's asset), monthly rate		Per OEM (Safran) list price	NA
5	New Parts: Percent Discount off Safran Helicopter Engines List Price		0%	
<del>6a</del>	Repair: Hourly Labor Rate (work performed at County Hangars)		<del>\$215.00</del>	
<del>6b</del>	Repair: Hourly Labor Rate (work performed at Contractor's facility)		<del>\$14(</del>	<del>).00</del>
7	Other Subcontracted Parts or Services		Contractor cost + 15%	
<del>8a</del>	Varranty on engine overhaul:  Parts: 365 days or 500 hours. Please refer to Attachr Labor: 365 days or 500 hours. Please refer to Attachr			
<del>8b</del>	Warranty on engine repair:  Parts: 365 days or 500 hours. Plea  Labor: 365 day or 500 hours. Plea			

## **Honeywell Engine**

	Item/Description	Overhaul Price (not to exceed)	Exchange Price (not to exceed)
1	One (1) complete engine overhaul	<del>\$598,400.00</del>	\$696,900.00
2	T53-L 13 to T53-L 703 engine conversion price	<del>\$978,500.00</del>	<del>\$915,200.00</del>

<del>3a</del>	One (1) Fuel Control (P/N 1-170-780-01)		<del>\$116,200.00</del>	<del>\$116,200.00</del>
<del>3b</del>	One (1) Fuel Control (P/N 1-170-240-93)		\$125,900.00	\$125,900.00
4	New Parts: Percent Discount off Honeywell List Price		35	<del>%</del>
5	Repair: Hourly Labor Rate		<del>\$160.00</del>	
6	Other Subcontracted Parts or Services		Contractor cost + 15%	
<del>7a</del>	Warranty on engine overhaul:	Parts: Engine 24 months or 1,6 Labor: Engine 2	000 hours whicheve 4 months or 1,000	er comes first
<del>7b</del>	Warranty on engine repair:	Parts: Engine 12 months or 600 hours whichever comes first Labor: Engine 12 months or 600		

# Notes re Honeywell Engine:

- Standard Aero reserves the right to use overhauled serviceable material where new material is not procurable, there is a long lead time, or it is cost prohibitive based on County consent. This Honeywell engine has been out of OEM production for over 20 years.
- The engine overhaul pricing does not include fuel control unit or overspeed governor accessories.
- This price is for a 3,000 hour Time Between Overhauls (TBO) engine.

# Airbus Helicopters: Overhaul, Repair, Parts and Components

	Percentage Discount off Manufacturer's List Price	Unit Price (Discount %)
4	New Parts: Percent Discount off Airbus Helicopters List Price	4% for regular orders (not applicable to AOG or Rushorders)
	Warranties Warranties	<del>Days</del>
2	New Parts	<del>365</del>
3	Exchange	<del>Repair 90</del> <del>Overhaul 180</del>
4	Overhaul	<del>180</del>
5	Repair	<del>90</del>
	Components	Unit Price (Discount %)
6	Rental	<del>NA</del>
7	Exchange	OEM LL 4% items Contractor authorized to supply
8	Overhaul	OEM LL 4% items Contractor authorized to supply
<del>9a</del>	Repair: Hourly Labor Rate (work performed at County Hangars)	<del>\$215.00</del>
<del>9b</del>	Repair: Hourly Labor Rate (work performed at Contractor's facility)	<del>\$140.00</del>

<del>10</del>	Other Subcontracted Parts or Services	Contractor cost + 15%	

# Bell OEM Helicopter: Overhaul, Repair, Parts and Components

	Percentage Discount off Manufacturer's List Price	Unit Price (Discount %)
1	Bell OEM New Parts from the following authorized distributors: DART, Aeronautical Accessories or Standard Aero. The new parts or components must be equal to or less than the list price from each of these OEM distributors.	<del>0%</del>
	<del>Warranties</del>	Flight Hours and/or Days
2	New Parts	<del>365 Days</del>
3	Exchange	300 Hours or 365 Days, whichever comes first
4	Overhaul	300 Hours or 365 Days, whichever- comes first
5	Repair	300 Hours or 365 Days, whichever comes first
<del>6a</del>	Repair: Hourly Labor Rate (work performed at County Hangars)	<del>\$215.00</del>
<del>6b</del>	Repair: Hourly Labor Rate (work performed at Contractor's facility)	<del>\$140.00</del>
7	Other Subcontracted Parts or Services	Contractor cost + 15%

# Continental Engine: Overhaul, Repair, Parts, Components

	Item/Description	Overhaul Price (not to exceed)	Exchange Price (not to exceed)
1	One (1) complete engine overhaul	NA	\$78,700.00
2	Repair: Hourly Labor Rate	NA	NA
3 New Parts: Percent Discount off Continental List Price NA		A	
	Warranties	Flight Hours	and/or Days
4	New Parts	Eighteen (18) a expiration of	months or until CCMI's TBO
5	Exchange	N	A
6	Overhaul	N	A
7	Repair	N	A
8	Other Subcontracted Parts or Services	Contractor cost + 15%	

# Lycoming Engine: Overhaul, Repair, Parts, Components

	Item/Description	Overhaul Price (not to exceed)	Exchange Price (not to exceed)
4	One (1) complete engine overhaul	<del>NA</del>	\$155,800.00, plus \$30,100 core charge
2	One (1) complete rebuilt engine	NA NA	\$168,300, plus- \$30,100 core- charge
3	One (1) complete new engine	NA	<del>Quote</del>
4	Repair: Hourly Labor Rate	NA	NA
5	New Parts: Percent Discount off Lycoming List Price	N	<del>A</del>
	Warranties	Flight Hours	and/or Days
4	New Parts	•	4) months or the define TBO
5	Exchange	N	A
6	Overhaul	N	A
7	Repair	N	A
8	Other Subcontracted Parts or Services	Contractor	cost + 15%

- c. Additional terms and conditions applicable to all helicopters, engines, parts and components:
  - Based on a written estimate from Contractor to County, County shall be given the
    option to determine if a part or component can be overhauled, exchanged, or repaired
    for less than the list price of a new component.
  - County shall authorize the cost of a rental component as long as the total cost of the repair and rental is less than the price of a new part or component.
  - Repairs, installation, inspections and maintenance are authorized at County Aircraft Hangars when the County determines it is more cost effective to have repairs or installation made at the County Hangars. If the Contractor desires to invoice the County for travel costs, the labor estimate shall include all estimated travel costs and must be provided to and approved by the County prior to work being performed. During invoicing, the Contractor shall provide the County copies of all relevant travel cost receipts showing actual costs incurred. Travel costs invoiced to the County shall not be greater than the Federal Travel Regulations and then current GSA per diem reimbursement rates. If the Contractor does not desire to invoice the County for travel costs, the labor estimate provided to the County is not required to include any travel cost details and the Contractor is not required to provide copies of travel cost receipts upon invoicing. Repairs, installation, inspection and maintenance may be approved for

#### Attachment B

an off-site facility if advantageous to the County and with prior approval from the County. The parts and components used in the repairs must be authorized as part of the approved quote and do not need to be invoiced as a separate parts list. The off-site facility must be located within 25 miles of John Wayne Airport.

- Miscellaneous like items not listed above can be purchased against this Contract at a
  not to exceed price of \$1,000.00 per line per item. The Contract terms and conditions
  contained herein shall apply to these miscellaneous items as if they were specified in
  the Scope of Work.
- Shipping/freight charges are authorized against this Contract.
- Orange County Sales Tax of 7.75% (or most current rate) is authorized against this
  Contract. If the Contractor is not registered to collect and remit sales tax in the state of
  California, the Contractor may invoice the County without any such taxes itemized or
  listed in the invoice.

Contract shall not exceed \$1,882,500.00 for the term ending on 2/10/24.

2. All other terms and conditions in this Contract shall remain unchanged and with full force and effect.

(Signature page to follows)

IN WITNESS WHERE OF, the Parties have executed AMENDMENT NUMBER TWO THREE to ORIGINAL CONTRACT MA-060-20010309.

*Contractor:	Standard Aero Limited	
Ву:		
Print Name:		_Date:
*Contractor:	Standard Aero Limited	
Ву:		_Title:
Print Name:		_Date:
of the Board,		ignatures are required: (1) signature by the Chairman and one (1) signature by the Secretary, any Assistant ant Treasurer.
offices in each	ch of the two categories described ab	nd a corporation, as long as he or she holds corporate pove. For County purposes, proof of such dual office gn the instrument twice, each time indicating his or her ission.
	ative, a single corporate signature is ac ag the legal authority of the signature to	exceptable when accompanied by a corporate resolution o bind the company.
County Of O	range	
A political su	abdivision of the State of California	
S	Sheriff-Coroner Department	
By:		_Title:
Print Name:		_Date:
Approved by	the Board of Supervisors:	
	to Form County Counsel nty, California	
By:		

Deputy