

ADDENDUM NO. 1

Tuesday, June 8, 2021

PROJECT: Priority Line Replacement Price Agreement, CIP # 3058, ITB '21/43/B

OWNER: City of Santa Fe –Water Division

ITB Due By: **2:00 PM, Thursday, June 17, 2021**, electronic submission only to:

<https://www.purchasing@santafenm.gov>

Questions and Answers

Q. Can you clarify that you said there will be no Bid Bonds submitted to begin with, but there will be Performance and Labor Bonds later, is that your intention?

A. **That is correct they have determined after we did all of this and even before when we did the City Wide contract either right after it was received or just before it was due they (purchasing) decided that a Bid Bond was not applicable to that one either, so there are no Bid Bonds but the Performance Bond and Payment Bond will be required, per contract or specifically per Work Order issued, not for the Bid Amount. The Bid Amount is going to come out to be a fairly large number by the time you bid all the Line Items, but the big quantities are based on our past experience of what we run through in a contract year, typically, on this one it may be over a couple years actually. But it is also to show you which items we're more concerned about potential replacing, they will have a higher Bid Quantity. We want to get a bid on each item so that if that comes up we have that we have that covered. We don't anticipate using all the items that you bid.**

Q. I was wondering looking at the Bid Schedule this looks like the same Bid Items as the repair contract that just went, is that correct?

A. **Yes.**

Q. How does this contract differ from that contract?

A. **That contract is typically for either smaller replacements or emergency response, in general the City Wide contract handles main breaks and things like that for us. This contract typically should not ever deal with a main break, but we have past experience that while we are replacing mains in a neighborhood we've had main breaks and they have had to jump on handling that at the same time, that is why there is the Emergency Response section in this as well.**

Q. Yeh Bill, is there a deadline for questions as far as e-mailing you?

A. **Ten calendar days before the 16th (Bid Due Date) which is already happened. We'll make a deadline five calendar days before the 16th for questions. Questions are due no later than 5:00 PM on Saturday, June 12th.**

Q. Do you have a budget amount for the first year?

A. **Up to \$1.6 million plus NMGRT.**

Q. Can I ask a specific question about service transfer? Earlier that if it is galvanized then the whole thing needs to be replaced the whole way from the new main to the water meter, to the front of the meter.

A. **Correct. Typically we will replace the can at that time.**

E-mailed questions received before Wednesday, June 9, 2021.

Q. As we prepare for this solicitation, we have a few questions concerning the bonding requirements for this price agreement submittal.

Section 6.5 states that any contract over \$25,000 will require full 100% Performance and labor and materials bonds. I am assuming this will be based on the actual project value that will be awarded to the selected contractor? We understand that the entire scope listed on the Bid form will not be awarded all at the same time. We also understand the Bid bond will be issued for 5% of the anticipated total of the bid tabulation items.

Question: Will each awarded project under this agreement have a separate bond amount based on each project's value and not for the overall total based on the bid bond?

A. **Correct, except the Bid Bond will also be for the Work Order (project) amount. Purchasing Answer: It will be based on each project the contractor is selected to perform that is over \$25,000.**

There should not be a bid bond required for this Price Agreement. [Note: this answer only applies to the Initial Bid, not future applicable Work Orders.]

The bid bond, if one was required, is only to cover the bid until it is awarded. Yes, each project will have a separate bond based on the value.

Q. Question: For bonding/surety clarification, can the COSF provide an estimated dollar value of the Maximum amount anticipated for each separate project contract to be awarded to the selected contractor? The Federal Government will issue an anticipated Maximum total anticipated contract cost and an anticipated number of contracts to be awarded for the overall year duration? They do not bond each separate contract for the full bid tabulation amount listed under the bid bond, please clarify?

A. **Work Orders/projects have not yet been selected, so there is currently no value associated. The maximum value could be the yearly contract budget, but that is not likely. Historically there have been between 10 and 20 Work Orders issued per year. Purchasing Answer: No, this contract will be used for regular work the Water Division has and for emergencies. The Water Division has to work within a budget and schedule jobs accordingly and jobs are cancelled or moved to a later date as emergencies and other concerns come to light.**

The Federal Government does things a little different that each State. We follow the Procurement Code:

13-4-18. Construction contract performance and payment bonds.

- A. *When a construction contract is awarded in excess of twenty-five thousand dollars (\$25,000), the following bonds or security shall be delivered to the state agency or local public body and shall become binding on the parties upon the execution of the contract.*

Q. Question: For Surety clarification. Under this agreement, does the contractor have the ability to decline acceptance of a specific contract if various unforeseen circumstances arise for the selected contractor? Or is the awarded Contractor obligated to accept all anticipated contracts, no matter what circumstances arise? Please Clarify?

A. **Assuming there are more than one Contractor selected under this invitation, a Contractor could decline a project. With sufficient reason, they may be offered additional work in the future.**
Purchasing Answer: The award of multiple contractors will be decided after the bids are opened. If this is a multiple award and if a contractor declines a particular job, the City has other contractors to turn to. The reasons have to be viable in order to avoid being cancelled off the contract. But if it is awarded to one contractor, then that contractor would not be able to decline any work.

Q. ...in addendum 1 you re-issued the bid quantity sheets but they are not numbered and you are missing the space to write the bid amount in words plus paragraph 4 sub-items A, B, and C.

A. **I will attach a corrected sheet for the last page of the Bid Items (originally page 26) at the end of these questions.**

Q. During today's Zoom meeting, I asked for clarification on the project bonding required. Since some of the line items are large and they may never be utilized, it seems unusual to apply bid bonding to this type project. You indicated that the bid bond may be dropped and only performance and labor bonds issued by the awarded contractor based on the individual work order amount. Can you please clarify this bonding requirement, so we know what we will need to submit, if anything?

A. **Yes, for the ITB the Bid Bond is/has been dropped. All other bonding will be based on each assigned Work Order.**

Q. Should we include embedment material with the Water Main line items or use the bid item 170 for imported backfill?

A. **For the typical water lines installed in the City, the backfill material in place is suitable for reuse and no additional embedment material is needed. Bid Item 170 is for the situations where the bedding material is unsatisfactory and can be used after prior approval by the Engineer.**

Q. For this proposal is there emergency repair or is it scheduled work?

A. **All work will be scheduled and performed under a properly signed Work Order. There may be instances while carrying out this work that the main being replaced fails. If this happens then under the Emergency Repair section the Contractor will repair that line.**

Q. How will material price increase be handled with the contractor?

A. **See ITB section 12.1.6 on page 102.**

Q. Do items 435-460 include the vault or are vaults paid by one of the vault bid items?

A. **Vaults are a separate Bid Item when they require installation.**

Q. Do items 435-460 include a bypass or would a bypass be taken care of by item 490?

A. **Bid Item 490 is the bypass installation.**

Q. Does item 490 include the vault or would the vault be covered by one of the vault items 520-540?

A. **Vaults are separate and will be installed under the appropriate Bid Item. This Bid Item is for the installation of 2-inch by-pass used to test large meters.**

870	3	EA	Service Saddle, 1 1/2" Tap, 4"-12" Main	\$	\$
875	3	EA	Service Saddle, 2" Tap, 4"-12" Main	\$	\$
880	100	LF	Service Tubing, 3/4"	\$	\$
885	100	LF	Service Tubing, 1"	\$	\$
890	100	LF	Service Tubing, 1 1/2"	\$	\$
895	25	LF	Service Tubing, 2"	\$	\$
900	1	EA	Air and Vacuum Valve (individual)	\$	\$
905	1	GROUP OF 10	Air and Vacuum Valves	\$	\$
910	1	EA	Automatic Flushing Valve	\$	\$
915	\$20,000	%	Materials Mark-Up Over Invoice – Flat Rate	\$	\$
920	\$8,000	%	Traffic Control Mark-Up Over Invoice – Flat Rate	\$	\$
925	1	Allow.	Street-Cut Permits	\$	\$
930	1	EA	Project Signs	\$	\$
935	10	HR	Archeological Required Delay (after 2 hrs.)		\$
940	1	LS	Archeological Required Mob/Demob		\$
EMERGENCY REPAIR					\$
9000	175	HR	Supervisor's Truck with tools		\$
9100	80	HR	Backhoe/Skid Steer	\$	\$
9200	8	HR	Compressor with tools	\$	\$
9300	16	HR	Dump Truck	\$	\$
9400	4	HR	Pump	\$	\$
9500	300	HR	Laborer	\$	\$
9600	200	HR	Pipe Fitter	\$	\$
9700	200	HR	Equipment Operator	\$	\$
9800	175	HR	Foreman	\$	\$
9900	\$5,000	%	Rental Items Mark-Up Over Invoice (\$5,000 + your Flat Rate for Item Price)	%	\$
9950	\$20,000	%	Materials Mark-Up Over Invoice (\$20,000 + your Flat Rate for Item Price)	%	\$

Total of all Item Prices (last column): _____.

Base Bid – Contractor shall be chosen based on the total of all Bid Items Item Price, as Bid, exclusive of Gross Receipts Tax:

_____ (\$ _____)
(use words)

4. The Bidder agrees that:

- A. For all “normal” Work Orders (WO) the work to be performed under the WO shall commence not later than ten (10) consecutive calendar days after the date of written Notice to Proceed. All work shall be completed by the end of the Fiscal Year (June 30), except as hereafter extended by valid written “Change Order” by the City of Santa Fe.
- B. Should the Contractor neglect, refuse, or otherwise fail to complete the work within the time specified, the Contractor agrees, in partial consideration for the award of this Contract, to pay the City of Santa Fe the amount of Two Hundred Fifty Dollars (\$250) per consecutive calendar days, not as a penalty, but as liquidated damages for such breach of the Contract.

The above process shall include all labor, profit, insurance, taxes, etc., to cover the finished work of the several kinds called for. Changes shall be processed in accordance with the Contract Documents