



**ADDENDUM 1
December 11, 2017**

**LISTED BELOW ARE THE QUESTIONS (Q) SUBMITTED BY
POTENTIAL BIDDERS FOR THE**

**JOB ORDER CONTRACT
FOR
MECHANICAL WORKS**

**COUNTY PROJECT NO. JOC-1806
COUNTY PROJECT NO. JOC-1807
COUNTY PROJECT NO. JOC-1808**

INTENT:

This Addendum is issued by the County of San Mateo to provide for modification and clarification of the Job Order Contract for Mechanical Works documents published on November 21, 2017. Bidders shall ascertain prior to submitting its Proposal that it has received all addenda issued. Please clearly note the addendum date and number on the proposal form.

In the event of a conflict between the terms and provisions of this Addendum No. 1 and the terms and provisions of the JOC documents, the terms and provisions of this Addendum No. 1 shall control. In all other respects, the JOC documents shall remain unchanged and in full force and effect.

A. ADDITION(s) TO THE JOC DOCUMENTS

Add the following language to Section 3.4 PERSONNEL AND LABOR POLICY A as a new subsection labeled A.1.

Contractor shall supervise and direct work, and shall furnish the services of all supervisors, foremen, skilled and unskilled labor, quality control and all other personnel in sufficient quantities and with sufficient skills necessary to perform the services in accordance with the Contract Documents. At Owner's request, Contractor shall replace, at Contractor's expense, any individual if it is determined by Owner and Contractor that such individual's continued presence would jeopardize the quality or timely completion of the Work.

**B. RESPONSES (R) TO THE QUESTIONS INCLUDING ANY MODIFICATIONS
BASED ON THE RESPECTIVE QUESTIONS.**

Q1. Are there any plans to reduce the initial value of the payment and performance bonds from the current \$1,000,000 requirement?

R1. No Change made to Instructions to Bidders, Sections 4.3 and 4.4 stand as written.

Q2. The proposed JOC contract requires the contractor to pay the Gordian Group 1% when a job order is released to the contractor. When can the contractor recoup (invoice the County) the 1% paid to the Gordian Group? We propose the County allow an AIA document to contain the line item of 1% and submit an invoice when the Gordian Group submits an invoice to the contractor.

R2. Please reference Special Provisions, Section 6. "Contractor License Fee". No change made to the Special Provisions, Section 6.

Q3. The proposed JOC contract allows the County Project Manager to determine Liquidated Damages. How does the County decide if the Liquidated Damages is \$300 per day or if the Liquidated Damages are \$1,000 per day? The difference is significant. We propose keeping the value as low as possible especially when the unfinished project does not interfere with the County's use of the facilities. We further propose the contractor be able to work with the County Project Manager on the size of the Liquidated Damages before the Job Order proposal is created.

R3. The County establishes Liquidated Damages on a Job Order by Job Order basis per calendar day as proper and appropriate payment for any delay in project completion. No Change made to the Special Provisions Section 3. "Liquidated Damages".

Q4. 1.7. What is the dispute process?

R4. Refer to General Conditions Section 1.7 Disputes. No change made to the General Conditions, Section 1.7.

Q5. 2.10. Is there any penalty if the preliminary estimate is less than the JOC estimate?

R5. Question is not relevant to this section. No change made to the General Conditions, Section 2.10.

Q6. 6.6. It is impossible to guess what the city will charge for permits even if we call the city. Cities are too busy to help much so all we can do is guess and overstate the cost. We propose permit fees be a supplemental cost (after the permit process) instead of putting it into the original job order Proposal. Please clarify what may be included in the cost of permits. Normally, there is considerable time required to fill out forms, business licenses, time at the building department, time in the field with inspectors, etc. It is difficult to determine if the labor required for permits is billable.

R6. In Section 6.6A, Strike the word "direct" and replace with "actual". Sentence should read as follows:

"It shall be the responsibility of the Contractor to obtain and pay for all permits, licenses, certificates, approvals, utility connections and services necessary for the proper execution and completion of the Work. Contractor will be reimbursed for the actual cost of permit only through Supplemental Job Order unless coordinated with County Project Manager for direct payment by Department of Public works. "

Q7. 6.10C. The Mechanical work we do should not require an architect unless we are considering the County Project Manager as the architect. We often submit on equipment that is not the item listed in the schedule of the plans but are often approved in the specifications. For example, is the County suggesting we owe \$300 if we submit Trane Equipment when Carrier is on the Mechanical Schedule?

R7. Yes. No change made to the General Conditions, Section 6.10C.

Q8. 6.15. We propose adding language allowing the County Project Manager and the contractor to determine the training requirement for the project-before the job order is estimated.

R8. No change made to General Conditions, Section 6.15.

Q9. 8.3A. This paragraph discusses a "certificate" of payment and an "application" for payment. *a)* Are these one and the same? *b)* Where do we find the definitions and or samples of the required certificate of payment/application for payment? The third sentence is stating "the owner may require any such information including but not limited to receipts, releases, and other evidence of payment. " This is not acceptable. The requirement for progress payments has to be clear and not discretionary.

We suggest clearing this up by stating the contractor will submit unconditional lien releases for the previous months billing along with the current months certificate of payment I application for payment. The payment bond is in place to cover non-payment by the contractor to subcontractors and vendors. The contractor will not submit receipts and I or evidence showing contractors payments for materials, labor, etc.

- R9. *Question 9 includes multiple questions; therefore, each question has been demarked as a) & b) and answered as such below.*
a) No
b) Refer to AIA Document G703
No change made to General Conditions, Section 8.3A.
- Q10. 8.3B. The County should pay for material on site without discretion. a) How do we validate when the owner has previously approved the payment for equipment? b) What is considered a local location? Language has been added referencing a mutually acceptable bonded and insured warehouse. In order for mutual acceptance, a definition of a bonded warehouse needs to be provided so both parties have a basis of understanding. c) Is Therma LLC considered a local location, mutually acceptable bonded and insured warehouse?
- R10. *Question 10 includes multiple statements and questions; therefore, each question has been demarked as a), b), & c) and answered as such below.*
a) *Approved payment(s) for equipment shall be made in writing.*
b) *Terms such as "local location" is determined when a mutually acceptable bonded and insured warehouse is agreed to by both parties.*
c) *Hypothetically speaking, yes providing Therma LLC can protect the County in the event Therma LLC fails to fulfill its contractual obligations, for example if Therma LLC becomes insolvent. No change made to General Conditions, Section 8.3B.*
- Q11. 8.3C. A discussion with the contractor should occur before the architect arbitrarily determines what is "properly" due if the contractor does not submit a timely billing for that pay period.
- R11. *Information requested is unclear and not in a question form. No change made to General Conditions, Section 8.3C.*
- Q12. 8.4. Should the word be "owed" instead of "owned" in the first sentence of 8.4?
- R12. *Section 8.4, strike the word "owned" and replace with "owed". Sentence should read as follows:*
"Except as provided in paragraph 8.5, below, should the Owner fail to issue payment for approved amounts owed under the Contract within 30 calendar days after the Architect received the application for payment from Contractor, then the Contractor may, upon fourteen days written notice to the Owner and provided the Owner does no pay the Contractor within said fourteen days, stop Work only until Contractor received the approved amount owed.
- Q13. 8.5A.1. Defective work is covered under warranty.
- R13. *Information requested is unclear and not in a question form. No change made to General Conditions, Section 8.5A.1.*

Q14. 8.5A.3. The performance and payment bond is to cover said claims.

R14. Information requested is unclear and not in a question form. No change made to General Conditions, Section 8.5A.3.

Q15. 8.5A.4. The county should not hold payment when the contractor is going to take a loss on the job. The project is required to be completed by contract and is covered by the payment and performance bond.

R15. Information requested is unclear and not in a question form. No change made to General Conditions, Section 8.5A.4.

Q16. 8.5A.10. What is the difference between owed to the owner or claimed by the owner?

R16. These terms are self-defined. No change made to General Conditions, Section 8.5A.10.

Q17. 8.5A.11. This is what retention is for.

R17. Information requested is unclear and not in a question form. No change made to General Conditions, Section 8.5A.11.

Q18. 8.5A.12. What is the ultimate vehicle to clearly state what the contract requirements are?

R18. The executed contract documents. No change made to General Conditions, Section 8.5A.12.

Q19. 8.6B. The owner should not file a notice of completion if the work is not complete.

R19. Information requested is unclear and not in a question form. No change made to General Conditions, Section 8.6B.