## ADDENDUM NO.1 TO CONTRACT NO. <u>C1549</u> For 2013 JOB ORDER CONTRACTING FACILITIES RENOVATION AND SITE WORK DEVELOPMENT

DATE: January 25, 2013

## NOTICE OF CHANGES IN CONTRACT DOCUMENTS

The following changes are hereby made in the Contract Documents.

## Changes to Book 1 PROJECT INFORMATION, INSTRUCTIONS TO BIDDERS, AND EXECUTION DOCUMENTS:

- Change 1: Book 1, Article III. U Licensing: Delete in its entirety and replace with: "The Contractor must be licensed to do business in the state of Illinois."
- Change 2: Book 1, Article V Proposal Support Documents, A. BID FORM 2-Basis of Award (Award Criteria): DELETE in its entirety and REPLACE with the revised attachment, V Proposal Support Documents, A. BID FORM 2-Basis of Award (Award Criteria), dated January 25, 2013.

*Note:* The revised *Article V - Proposal Support Documents, A. BID FORM 2-Basis of Award (Award Criteria), dated January 25, 2013 must be submitted with the bid.* 

## **QUESTIONS & ANSWERS:**

- Q1: I think there may be a problem with the Award Criteria Figure. I believe the lines 21, 23, 25, 27, and 29 should be multiplied by line 16, which is the maximum value of the contract, not line 1 which is the normal working hours factor. With the way it is now line 30 will be less than 1, which is extremely low number.
- A1: Refer to the above Book 1, Change 2 for the revised Attachment A for a revised Article V Proposal Support Documents, **A. BID FORM 2**-Basis of Award (Award Criteria) dated January 25, 2013.
- **Q2:** On the previous contract 1505 it was required to provide 3 Non Pre-price (NPP) quotes for demolition of a building, will that still be required on this new contract C1549?
- A2: Correct. The Construction Task Catalog<sup>®</sup> (CTC) does not contain Pre-priced Tasks for the demolition of a building. Therefore, that portion of the Work will be Non Pre-priced. If there is a Pre-priced Task in the CTC for a particular item of Work, then those Pre-priced Tasks shall be used.

## LIST OF ATTACHMENTS;

Revised Article V - Proposal Support Documents, A. BID FORM 2-Basis of Award (Award Criteria), dated January 25, 2013.

# END OF ADDENDUM NO.1

### V. PROPOSAL SUPPORT DOCUMENTS

### A. BID FORM 2 - Basis of Award (Award Criteria)

To promote the intended goal of economic opportunity and maximize the use of minority personnel on this project, the Public Building Commission of Chicago has established the Award Criteria formula for the purpose of evaluating proposals and awarding the contract. A contract will be awarded to the responsible bidder(s) with the lowest Award Criteria Figure. The Public Building Commission of Chicago reserves the right to check all calculations for accuracy. In the event of discrepancy, the Adjustment Factors used on Bid Form 1 - Schedule of Prices will prevail and will be used to calculate the Combined Adjustment Factor on the Bid Form 2 - Basis of Award (Award Criteria). The fulfillment of the Award Criteria does not abrogate the responsibilities of the Contractor to comply with federal and state requirements under the *Equal Employment Act* and the *Illinois Human Rights Act*.

#### 1. Instructions

The Bidder shall complete the Award Criteria Formula and transfer the final Award Criteria Figure - Line 31 to the space provided on Bid Form 1. Failure to complete the formula may be cause for rejection of the Bidder's proposal. The successful bidder will be held responsible for adhering to the figures submitted in Lines 18, 20, 22, 24, 26, and 28 during performance of the Job Orders.

Lines 18, 20, and 22 in the formula shall not be greater than fifty percent (50%) in each category for the sole purpose of determining award of the contract. Similarly, lines 24, 26, and 28 shall not be greater than ten (10%) percent in each category for the purpose of award criteria only. The fifty percent (50%) and ten percent (10%) goals are not intended to restrict the total number of minority and female employees to be used on the project, but only to establish limiting figures for use in the formula.

#### 2. Award Criteria Formula

### FOR JOB ORDERS LESS THAN OR EQUAL TO \$300,000.00

- Line 1. Normal Working Hours Adjustment Factor
- Line 2. Multiply Line 1 by (.40 X .70) = .28
- Line 3. Other Than Normal Working Hours Adjustment Factor
- Line 4. Multiply Line 3 by (.40 X .30) = .12

#### FOR JOB ORDERS GREATER THAN \$300,000.00 AND EQUAL TO OR LESS THAN \$1,000,000.00

- Line 5. Normal Working Hours Adjustment Factor
- Line 6. Multiply Line 5 by (.30 X .70) = .21
- Line 7. Other Than Normal Working Hours Adjustment Factor
- Line 8. Multiply Line 7 by (.30 X .30) = .09

#### FOR JOB ORDERS GREATER THAN \$1,000,000.00

- Line 9. Normal Working Hours Adjustment Factor
- Line 10. Multiply Line 9 by (.20 X .70) = .14
- Line 11. Other Than Normal Working Hours Adjustment Factor
- Line 12. Multiply Line 11 by (.20 X .30) = .06

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Line 13.	Non Pre-priced Adjustment Factor		
Line 14.	Multiply Line 13 by .10		
Line 15.	Add lines 2, 4, 6 8, 10,12 and 14		
Line 16.	Maximum Value of Contract, Base Contract Term	\$6,000,000	
Line 17.	Multiply Line 15 by Line 16 (Total Base Bid)		
Line 18.	Percentage of the Journeyworkers hours that the Contractor proposes to be worked by minority Journeyworkers during construction of the project. (Maximum figure 0.50)		
Line 19.	Multiply Line 18 by Line 17 by 0.04		
Line 20.	Percentage of total Apprentice hours that the Contractor proposes to be worked by minority Apprentices during construction of the project. (Maximum figure 0.50)		
Line 21.	Multiply Line 20 by Line 17 by 0.03		
Line 22.	Percentage of the total Laborer hours that the Contractor proposes to be worked by minority Laborers during construction of the project. (Maximum figure 0.50)		
Line 23.	Multiply Line 22 by Line 17 by 0.01		
Line 24.	Percentage of total Journeyworker hours that the Contractor proposes to be worked by female Journeyworkers during the construction of the project. (Maximum figure 0.10)		
Line 25.	Multiply Line 24 by Line 17 by 0.04		
Line 26.	Percentage of total Apprentice hours that the Contractor proposes to be worked by female Apprentices during construction of the project. (Maximum figure 0.10)		
Line 27.	Multiply Line 26 by Line 17 by 0.03		
Line 28.	Percentage of the total Laborer hours that the Contractor proposes to be worked by female Laborers during construction of the project. (Maximum figure 0.10)		
Line 29.	Multiply Line 28 by Line 17 by 0.01		
Line 30.	Summation of Lines 19, 21, 23, 25, 27, and 29		
Line 31.	Subtract Line 30 from Line 17 (= "Award Criteria Figure")		
Award Criteria Figure (Insert Line 31 of Award Criteria Formula): \$			

### 3. Community Hiring Bonuses

In order to encourage maximum employment of interested and available residents of the project community on this project, the following bonus calculations shall apply:

- a. In calculating the hours worked by minority and women journeyworkers, apprentices, and laborers under the Award Criteria set out in Part V.A. "Basis of Award (Award Criteria)," all hours worked by minority and women journeyworkers, existing apprentices, and laborers who are residents of the project community as may be defined in the request for Proposal Pricing or Job Order shall be multiplied by 1.5.
- b. In calculating the hours worked by minority and women apprentices under the Award Criteria set out in Part V "Proposal Support Documents," all hours worked in new apprenticeships by minority and women apprentices who are residents of the project community shall be multiplied by 2.0.

#### Definitions

"City of Chicago Residents" means persons domiciled within the City of Chicago. Salaried superintendents are excluded from coverage in this section. Domicile is an individual's one and only true, fixed, and permanent home and principal establishment.

"Project Community Residents" means persons domiciled within the "Project Community" as may be defined in the Request for Price Proposal or Job Order.

"New Apprenticeship" shall mean an apprenticeship begun for a person who has not held an apprenticeship card within ninety (90) days prior to beginning the project.

#### 4. Liquidated Damages

The Contractor hereby consents and agrees that, in the event that it fails to comply with each of the minimum commitments submitted with this Proposal on Lines 18, 20, 22, 24, 26, and 28 of the Award Criteria Formula, covering minority and female Journeyworkers, apprentices, and laborers respectively, the following shall apply.

If the total hours in any category for which a percentage is assigned in Lines 18, 20, 22, 24, 26, and 28 of the Award Criteria equals zero at the completion of the work, then a net deficiency of the entire percentage assigned will be deemed to exist. For any net deficiency in each category, the following amounts shall be deducted as liquidated damages from monies due the Contractor and the Contract Sum modified accordingly:

a. For each full one (1%) percent deficiency of minority Journeyworkers not utilized – four cents per each hundred dollars of the base bid calculated as follows:

Each one (1%) percent deficiency toward the goal for female Journeyworkers (Line 24) shall be calculated in the same way.

b. For each full one (1%) percent deficiency of minority apprentices not utilized – three cents per hundred dollars of the base bid calculated as follows:

Each one (1%) percent deficiency toward the goal for female apprentices (Line 26) shall be calculated in the same way.

c. For each one (1%) percent deficiency of minority laborers not utilized – one cent per each hundred dollars of the base bid calculated as follows:

<u>Line 17 x 01</u>

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Each one (1%) percent deficiency toward the goal for female laborers (Line 28) shall be calculated in the same way.

- d. Liquidated damages, if any, will be calculated for the first pay requests reflecting fifty percent (50%) completion, seventy-five percent (75%) completion, and ninety percent (90%) completion, respectively, based upon the Contractor's pay request together with all attendant certified payrolls and other required documentation of minority and women employment. The accrued liquidated damages and interest will be added to the retention provided elsewhere in this contract. The amount of liquidated damages due to the Commission under this provision will bear compound interest at the rate of 5% per annum, compounded monthly from the date of the Notice to Proceed to the date of approval of a deductive change order for liquidated damages. Should the total amount of liquidated damages due under all provisions of this contract exceed the amount of the Commission's retainage, compound interest on the amount over and above the retainage will continue to accrue until the entire amount of liquidated damages and compound interest is paid to the Commission.
- e. The Commission is aware that certain subcontract agreements under this contract may require subcontractors to contribute to payment of liquidated damages assessed under this provision. Should enforcement of subcontract liquidated damages provisions result in an aggregate total of subcontractor liquidated damages greater than the liquidated damages assessed hereunder against Contractor, then Contractor must pay the excess pro rata as a bonus to each subcontractor exceeding its subcontract commitments for minority or women employment, or both.

#### 5. Reporting

In accordance with this commitment, the Contractor must submit both the Contractor's Payroll Record Form and the Contractor's Recapitulation of Minority and Female Worker Hours and Percentages Form on a monthly basis. All Subcontractors shall be listed on the Contractor's Recapitulation Form whether active or not. For the purpose of this report, the following group categories will be used:

- a. The classification "White" includes person of Indo-European descent.
- b. The classification "Black" or "African-American" includes persons having origins in any of the black racial groups of Africa.
- c. The classification "Hispanic" includes persons whose origins are from Mexico, Puerto Rico, Cuba, Central or South America, the Caribbean Islands or other Spanish culture or origin, regardless of race.
- d. The classification "Native American" includes persons who are Native Americans by virtue of tribal association.
- e. The classification "Asian-Pacific" includes persons whose origins are from East Asia, Southeast Asia, the Pacific Islands or the Indian sub-continent.
- f. The classification "Other" includes qualified individuals with disabilities who meet legitimate skill, experience, education or other requirements of employment positions held or sought and who perform the essential function with or without reasonable accommodation and other groups or other individuals found by the Public Building Commission of Chicago to be socially and economically disadvantaged and to have suffered actual racial or ethnic discrimination and decreased opportunities to compete in Chicago area markets.

### 6. Major Trades

Asbestos Workers Boiler Makers Bricklayers Carpenters Cement Masons Operating Engineers Painters Pile Driver Mechanics Pipe Fitters/Steam Fitters Plasterers

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Electricians Elevator Construction Glaziers Machinists Machinery Movers Ornamental Iron Workers Lathers Plumbers Roofers Sheet Metal Workers Sprinkler Fitters Technical Engineers Truck Drivers Tuck Pointers

For approval of other trades for consideration in the Award Criteria Formula, written approval should be requested from the Commission.

#### 7. Trade Participation - For Information Only

The following information must be supplied by the Contractor for the purposes of evaluating figures supplied in the Award Criteria Formula. It is understood that these figures are estimates only and are not to be considered as limiting in any manner actual participation on the project.

Anticipated levels of minority participation, to be expressed as percentages, must be supplied for each trade, whether attributable to the Contractor's work force or any Subcontractor which will be active on this project.

TRADE PARTICIPATION	PERCENT OF MINORITY

Revised Article V - Proposal Support Documents, A. BID FORM 2-Basis of Award (Award Criteria), dated January 25, 2013.