

Issue Date: November 26, 2018

## **ADDENDUM NO. 1**

### **FACILITIES CONSTRUCTION, RENOVATION & REPAIR PROJECT #MI-1161**

#### **I. PURPOSE:**

- A. Addenda shall make revisions, additions and/or deletions, and clarifications to the bidding documents dated November 13, 2018, for the project referenced above. Bidders shall review the Addendum in detail and incorporate any effects the Addendum may have in their bid price.
- B. Acknowledgement: Bidders must acknowledge receipt of any and all Addenda in the space provided on the Bid Form. Failure to do so may result in rejection of the Bid. All requirements of the bidding documents remain unchanged except as cited herein.

#### **II. PROJECT MANUAL CHANGES:**

- A. Section 012200 – Unit Prices: Re-issued
  - 1. Delete original section issued and replace with new.

#### **III. QUESTIONS/CLARIFICATIONS:**

- A. Question: In the specifications, material mark- up percentage is addressed but there is no line on the bid form to list material or the percentage of mark-up being charged. For instance see Part 3-Execution 3.1 B. Please clarify.

Response: Revised specification section attached.

#### **IV. ATTACHMENTS:**

- A. Section 012200.

END OF DOCUMENT

## SECTION 012200 – UNIT PRICES

### PART 1 - GENERAL

#### 1.1 RELATED DOCUMENTS

- A. Drawings and General Provisions of the Contract, including Special Requirements, General Conditions and other Division 1 Specifications Sections apply to this Section.

#### 1.2 SUMMARY

- A. This section includes administrative and procedural requirements for unit price bid items.
- B. Unit Prices/General: An amount proposed by bidders, as stated on the Bid form, as a price per unit of measurement for material, equipment, labor and/or services used to calculate the Project's Individual Work Order. Mileage is not reimbursable.
  - 1. The purpose of unit prices is to establish prices for work for which the specific quantity is not known at the time of bid.
  - 2. A Unit Price may be for work fully-anticipated to be part of the contract, but for which the actual quantity is not known at the time of bid. This type of unit price has an estimated quantity of one (1) or more. The Extended Price will be included as part of bid evaluation, and the Unit Price will be part of the contract price at time of contract award.
- C. For Unit Prices identified in paragraph 1.2.B above, the following apply.
  - 1. If on the bid form submitted by the Contractor there is a discrepancy in correlation between a Unit Price and an Extended Price, the unit price shall govern.
  - 2. The Contractor will be paid for Unit Price work on the basis of actual measured quantities of work satisfactorily performed. Quantities of work different than the estimated quantity shall be ordered in writing by the University.
- D. The University reserves the right to reject the contractor's measurement of work associated with Unit Priced work, and may have the work measured by an independent agent acceptable to the Contractor at the University's expense.

#### 1.3 PROCEDURES

- A. Projects may be done either on a Not to Exceed Time & Material basis, or a Lump Sum Price, whichever is clearly more advantageous for the University.
- A. Labor Unit Price Rates:
  - 1. Hourly labor rates shall be based upon non-prevailing wage rates. Rates shall include payroll, overhead, profit, and insurance.
  - 2. The University anticipates that most of the work under the Contract will be repair/maintenance in nature with some renovation and new construction. Maintenance projects above \$25,000, as defined by PA Department Labor & Industry are not subject to prevailing wage rate.

3. If a renovation and/or new construction project cost is \$25,000 or higher, the University will request a Prevailing Wage Determination from the PA Department of Labor & Industry. The Contractor will then supply their fully burdened prevailing wage labor rates to the Contract Specialist for approval to be utilized on a particular project work order. The prevailing wage labor rates must be fully burdened to include (FICA, SUI, FUTA, Worker's Compensation, Liability Insurance, Health & Welfare, Fringes, etc.), and must include all overhead and profit.
  4. Should the Contractor be asked to perform work for which there is not a contracted Unit Price rate (labor or equipment), the University shall pay the Contractor their cost plus 10% markup. However, if a Unit Price is listed in the Contract, the Contractor shall only be paid at the Contract rate with no markup.
- B. Subcontracted work is subject to prior approval by the University. Should the Contractor be asked to perform work, for which there is not a unit rate and a subcontractor is used, the University shall reimburse the Contractor the cost of the subcontracted labor plus 10% markup. Small tools (under \$1,000) are considered overhead and property of the contractor and will not be reimbursable.
- C. Material Unit Price: Material shall be paid on a cost plus 10% calculation. A copy of Contractor's paid invoices must be submitted with payment applications for any material line item when the cost to the contractor is \$500 or greater. The 10% markup shall be applied to the total material cost of each project IWO.
- D. Equipment Unit Price:
1. The rate for a piece of equipment that is Contractor-owned or rented will be the same. The equipment rate includes overhead, profit, administrative/maintenance services associated with the equipment as well as fuel, oil, and its transportation to and from the site (including multiple times if necessary based on Contractor's schedule).
  2. Hand-held tools used in the everyday performance of contract work (such as hammers, ladders, concrete mixer, trowels, wheelbarrows, etc.) are not considered equipment and must be included in other overhead.
  3. Company vehicles, cell phones, computers, and other field administrative items are not considered equipment and must be included in other overhead.
  4. Equipment must be used through-out the day to be chargeable. University will not be charged for equipment stored on site and not used on a given day. University will not be charged for weekends/holidays unless the Contractor actually works on the project and uses the equipment those days.
  5. Equipment will be charged on standard rates – no premium rates permitted.
  6. The Contractor is required to get prior written approval from the University Project Manager for the use of any equipment not listed in the Contract Unit Price Schedule.

PART 2 - PRODUCTS – Not Applicable

## PART 3 - EXECUTION

### 3.1 UNIT PRICE SCHEDULE

- A. The Contractor understands that the quantities on the Bid Form are estimates and are presented solely for the purpose of determining a total base bid. The Contractor understands the University may increase or decrease the quantities of work to be done, without any adjustment in the Unit Price quoted. If the Contractor's bid proposal is accepted by the University, the Unit Price quoted is the only payment that the Contractor will receive for completed work as described in contract documents.
- B. Unit Price Category 1: Labor
1. General Description: Include all payroll, overhead, profit, insurance, and any other cost found to be pertinent to the labor indicated. Labor rates shall be non-prevailing wage.
  2. Unit of Measurement: Dollar/Cents per Hour – in half-hour increments.
  3. Subgroups – Refer to Bid Form for each Prime Trade labor categories  
*Note: General Construction, Unit Price for Superintendent. Only utilized upon request by the University, when the technical nature or size of the project deems appropriate.*
- C. Unit Price Item Category 2: Material
1. 10% Mark-Up
- D. Unit Price Item Category 3: Equipment
1. General Description: Major equipment used on the project on a per day basis.
  2. Subgroups – Refer to Bid Form for each Prime Trade for equipment list.

END OF SECTION 012200