

DECEMBER 10, 2018

ADDENDUM NO. 6

FOR

**CHICAGO DEPARTMENT OF AVIATION
REPAIR, REPLACEMENT, AND INSTALLATION OF GLASS AND GLAZIER SERVICES**

SPECIFICATION NO. 702296

For which Bids were to be opened in the office of the Chief Procurement Officer, Department of Procurement Services, Bid & Bond Room 103, City Hall, 121 N. LaSalle Street, Chicago, IL 60602 at **11:00 a.m., Central Time on December 14, 2018.**

The following additions and revisions are incorporated into the above-referenced Specification (the "Contract Documents") as noted. All other provisions and requirements as originally set forth, remain in full force and are binding. Any additional work required by this Addendum shall conform to the applicable provisions of the original Contract Documents.

BIDDER MUST ACKNOWLEDGE RECEIPT OF THIS ADDENDUM IN THE SPACE PROVIDED ON THE PROPOSAL EXECUTION PAGE.

SECTION 1. NOTICE OF REVISIONS/CHANGES/CLARIFICATIONS

BID OPENING HAS BEEN POSTPONED TO DECEMBER 21, 2018

1.	The Bid Opening Date has been postponed to December 21, 2018. For which Bids are due in the Department of Procurement Services, Bid & Bond Room, Room 103, City Hall, 121 N. LaSalle Street, Chicago, Illinois, 60602, at 11:00 a.m., Central Time.
2.	Section 5.8.1, Allowance for Overtime and Premium Time for Glaziers and Crane Operator (Bid Line2), Paragraph 5, the overtime allowance amount has been revised from \$25,000 to \$45,250. Revised Section 5.8.1, Allowance for Overtime and Premium Time for Glaziers and Crane Operator (Bid Line 2), is attached to this Addendum as Attachment 1.
3.	Section 5.8.1, Allowance for Labor Not Included in Bid Line 1 (Bid Line Item 3), Paragraph 1, Item 2, the allowance amount has been revised from \$25,000 to \$50,000. Revised Section 5.8.1, Allowance for Labor Not Included in Bid Line 1 (Bid Line Item 3), is attached to this Addendum as Attachment 2.
4.	Section 5.9, Allowance for Equipment Not Included in Bid Line Items 4-6 (Bid Line Item 7), Paragraph 5, the allowance amount has been revised from \$25,000 to \$50,000. Revised Section 5.9, Allowance for Equipment Not Included in Bid Line Items 4-6 (Bid Line Item 7) is attached to this Addendum as Attachment 3.
5.	Section 5.12, the title has been deleted in its entirety and replaced with "Materials, Parts, Components, and Assemblies for Repair, Replacement and New Installation Services NOT INCLUDED in Contract Line Items 10-49 at a Mark Up Over Contractor's Cost (Bid Line Item 50)." Revised Section 5.12, Materials, Parts, Components, and Assemblies for Repair, Replacement and New Installation Services

	NOT INCLUDED in Contract Line Items 10-49 at a Mark Up Over Contractor's Cost (Bid Line Item 50), is attached to this Addendum as Attachment 4.
6.	End of Section 5.12, the Unit for Bid Line Item Number 50 has been revised from "Mark Up Over Contractor's Cost" to "Mark Up." Revised Section 5.12, Materials, Parts, Components, and Assemblies for Repair, Replacement and New Installation Services NOT INCLUDED in Contract Line Items 10-49 at a Mark Up Over Contractor's Cost (Bid Line Item 50), is attached to this Addendum as Attachment 4.

SECTION 2. QUESTIONS AND RESPONSES

Question 1:	In Glazier, for parts, the text states "mark-up must not exceed 8%." I assume that this is not an Allowance line but a straight estimate plus set mark-up as bid by bidder. However, Section 5.12 is titled "Allowance for Materials, Parts, Components, [etc.] NOT INCLUDED in Contract Lines 10-49 (Bid Line Item 50)." I think there is some confusion here. But it may show that the Allowance concept does not really solve the issue of determining low bidder.
Response:	<i>The word "Allowance" used in Section 5.12 should not be used as this is not an Allowance line item as the proposal page UOM is "Mark Up". It is a mark up over Contractor's cost for parts not already specified on other line items where we limit the mark up bidders may propose to, in this case, 8%. On this type of line item bidders often bid less than the max markup percentage we would allow. The mark up amount (based on the line item qty) plus the line item estimated qty is then put in the extended price column by the bidder. See Attachment 4, 5.12 of this Addendum.</i>
Question 2:	In Glazier, the allowance for Lift Equipment text states there is a \$25,000 allowance, and the text excludes any mark-up ("cost with no mark-up"). (Note, however, that the Line uses a \$50,000 allowance.)
Response:	<i>The discrepancy between what is in the spec for line 7 Section 5.9 noting \$25K allowance for the equipment rental line and what is on the proposal page (\$50K) is an error. They should match. It should be \$50K in the spec verbiage. This is also the case on the labor allowance noted in section 5.8.1 for bid lines 2 and 3 (line item 2 which the proposal page notes \$45,250 and line 3 \$50,000). See Attachments 1 - 3, Sections 5.8.1 and 5.9 of this Addendum.</i>
Question 3:	I would like to figure out when the Bid Document will be available either online or in physical form?
Response:	<i>The Bid Documents are currently available for download from the following website:</i> https://www.cityofchicago.org/city/en/depts/dps/provdrs/contract/svcs/current_bid_opportunities.html . <i>The Bid Documents are also currently available for pick-up from Bid & Bond, Room 103, City Hall, 121 North LaSalle Street, Chicago, IL 60602.</i>
Question 4:	I need to understand if this project is subject to Union Contractors specifically, or all contractors regardless of their Union/ Non-Union affiliation?
Response:	<i>You must comply with the Multi Project Labor Agreement. Please see Section 4.6, "Multi Project labor Agreement (PLA)."</i>

END OF ADDENDUM NO. 6

CITY OF CHICAGO
DEPARTMENT OF PROCUREMENT SERVICES

SHANNON E. ANDREWS
CHIEF PROCUREMENT OFFICER

ATTACHMENT 1

Section 5.8.1, Allowance for Overtime and Premium Time for Glaziers and Crane Operator (Bid Line 2)

Allowance for Overtime and Premium Time for Glaziers and Crane Operator (Bid line 2)

Bid Line Item 2 allowance shall be used when the Commissioner requires the Contractor to work outside of straight time hours. Overtime compensation only applies to Journeyman Glaziers and Crane Operators associated with the overtime / premium work. Pursuant to the provisions of this contract, prevailing wage rates shall be paid; labor costs should be included in price for the various repair items. Overtime / premium to be paid under this allowance shall be the difference between the prevailing wage rate for overtime or holiday work and the prevailing wage rate for regular time.

Contractor must have the written authorization of the City prior to commencing any work that would call for payment under this Allowance. Failure to obtain authorization may result in disallowance of overtime payment. Any work requiring payment of \$5,000 or more from this allowance shall additionally require approval of the Chief Procurement Officer.

The Contractor is not entitled to any remaining balance from the Allowance upon completion or termination of the contract.

Overtime / Premium - Commissioner approved overtime payment will be based on labor costs recorded on daily work reports supported by Certified Payroll provided by the Contractor.

Overtime - All cost will be paid for work performed as approved by the Commissioner. Invoices must be submitted with Certified Payroll, daily work reports and any other supporting documentation.

An overtime allowance amount of **\$45,250** has been included on the proposal pages. Bidder is not to remove or change this figure. This allowance shall be used when the CDA requires that Glazier journeyman labor under this Contract work overtime or premium time. Overtime/ Premium compensation only applies to all journeyman Glaziers or Crane Operators associated with the overtime work. Pursuant to the provisions of this Contract, prevailing wage rates shall be paid. Overtime / Premium to be paid under this allowance shall be the difference between the prevailing wage rate for overtime or holiday work and the prevailing wage rate for regular time. The Contractor is not entitled to any remaining allowance after the conclusion of the Contract term.

Total bid price under "Extended Price" column must include this allowance as shown on the proposal pages. Bidder is not to remove or change this figure under "Extended Price" column.

ATTACHMENT 2

Section 5.8.1, Allowance for Labor Not Included in Bid Line 1 (Bid Line Item 3)

Allowance for Labor Not Included in Bid Line 1 (Bid Line Item 3)

This allowance shall be used when labor does not have a separate bid item under the Contract but it is encountered in the performance of needed work. The Commissioner shall provide written request to the Contractor listing the work items and any special requirements that must be complied with the Contractor in completing the work in order to allow the Contractor to complete a cost proposal for approval by the Commissioner. This Section may include furnishing all labor and equipment required to satisfactorily complete the following repairs but the following list is not all inclusive of all possible repairs/testing/certification encountered in the required work elements:

1. Manufacturer representation when needed
2. Other trades included but not limited to:

-Iron Workers and Traffic Control Workers for an allowance of \$50,000 have been included on the proposal pages.

The Contractor must submit a detailed written proposal estimating labor cost for completion of the work to the Commissioner for review and if the proposal is accepted, the Commissioner will provide written approval to the Contractor. The Contractor's proposal must be detailed and address the special requirements noted in the Commissioner's request. Items that are inclusive to complete the work not covered by existing line items shall not be a higher unit price in detailed proposal than the cost of the work element covered within this Contract. Upon written approval, the Contractor must proceed to complete that work not covered by a specific line item **and the contractor will be compensated at five (5) percent mark-up over the Contractor's cost of labor to complete the work.** The Contractor must submit to the Commissioner certified payrolls for work completed by its forces, including subcontractors, with their invoices to allow for review and processing of payment for the work done.

This line item can only be used when completing work related to this Contract and must be used only in conjunction with specified line items on the Contract. The cost of work under this line item may not exceed 10% of the cost of the job for which this line item is being used.

Work performed under this line item will be included in the actual value of the contract for purposes of MBE/WBE participation requirements.

A Contractor may not bid a lesser percentage markup on this line item. The dollar value of the allowance on the proposal page must be added to the Base Bid by the Contractor when completing the proposal pages.

Any work requiring payment of \$5,000 or more from this allowance shall additionally require approval of the Chief Procurement Officer. The Contractor is not entitled to any remaining balance from the Allowance upon completion or termination of the contract.

ATTACHMENT 3

Section 5.9, Allowance for Equipment Not Included in Bid Line Items 4-6 (Bid Line Item 7)

Allowance for Equipment not included in Bid Line Items 4-6 (Bid Line Item 7)

Lift equipment that is required to perform glass replacement/installation or window film replacement/installation or caulking services and is not included in bid line items 4 through 6, may be provided under this allowance Bid Line item 7. The equipment must be justified and preapproved by the Commissioner. The Contractor will be allowed to invoice the City at their cost with no markup under this allowance pursuant to the following requirements:

For mechanical lift equipment that the Contractor or its subcontractor does not own, the Contractor will charge their actual cost of rental. The Contractor must use its best efforts to obtain no less than three (3) quotes from qualified providers, where the request for quote is presented to each equipment provider under the same terms and conditions to rent the same equipment, in the same quantity, and within the same delivery time. The Contractor must include a copy of the invoice from their equipment provider as well as the other proposals they obtained to substantiate their billing.

For mechanical lift equipment needed that is owned by the Contractor or its subcontractor, the Contractor must use its best efforts to obtain no less than three (3) quotes from qualified providers, where the request for quote is presented to each equipment provider under the same terms and conditions to rent the same equipment, in the same quantity, and within the same delivery time). The Contractor must then provide the mechanical lift equipment to the City at the lowest of the obtained quotes and must maintain complete records of all such transactions in an organized and professional manner. These records must be included with the Contractor’s invoice in order to substantiate their cost as well as their compliance with the aforementioned requirements. Please note the Contractor or subcontractor may elect to use its own equipment but can charge no more than the lowest rental quote they received.

Rental of mechanical lift equipment provided under this Contract must be at the most economical of daily, weekly, or monthly rates as applicable to each work assignment (and in consideration of work assignments being efficiently scheduled so that the rented piece can be used concurrent with or subsequent to an existing work assignment). For example, in the event the Contractor rents mechanical lift equipment for use on the other jobs and for which they are paying for an extended rental period, the Contractor may only charge the City the prorated fee for the equipment based on the number of days the equipment is being operated at the City work site.

An allowance amount of \$50,000 for rental of lift equipment not included in Bid Lines 4-6 has been included on the Proposal Pages. Bidder is not to remove or change this figure. The Contractor is not entitled to any remaining allowance at the conclusion of the Contract.

Bid Item Number	Division Description	Unit
7	THE CONTRACTOR SHALL FURNISH AND DELIVER ALLOWANCE FOR RENTAL OF LIFT EQUIPMENT	Allowance

ATTACHMENT 4

5.12, Materials, Parts, Components, and Assemblies for Repair, Replacement and New Installation Services NOT INCLUDED in Contract Line Items 10-49 at a Mark Up Over Contractor's Cost (Bid Line Item 50)

5.12 Materials, Parts, Components, and Assemblies for Repair, Replacement and New Installation Services NOT INCLUDED in Contract Line Items 10-49 at a Mark Up Over Contractor's Cost (Bid Line Item 50)

While the City has listed all major items on the bid solicitation which are utilized by the City airports in conjunction with its operation, there may be additional items that must be purchased by the City during the term of this contract to complete glass repair and installation services. Under these circumstances, all materials will be compensated at the Contractor's cost plus the percentage markup bid on the Proposal pages. The mark-up may not exceed eight percent (8%).

All parts furnished by the Contractor for repair services and emergency repair services, as ordered and accepted by the Commissioner, will be billed by the Contractor at the marked-up costs as proposed on **Bid Line Item 50** of the proposal pages. **The percentage mark-up must not exceed eight percent (8%). The percentage mark-up will remain constant throughout the contract term and any extension periods that the City may elect to exercise.**

All costs associated with supplying of parts for repair and emergency repair services are included in the mark up. The Contractor shall submit a proposal to the Commissioner for any Repair Work required. The Contractor shall not proceed with any repair work until authorized by the Commissioner in the form of a written Purchase Order Release **unless** the work is of an emergency nature and does not contain a part in excess of \$5,000, in which case the Commissioner may provide verbal approval to proceed with the emergency repair and then follow up with a written Purchase Order Release within three (3) calendar days of the emergency request.

In the event any individual part or component exceeds \$5,000 in Contractor's cost, the Contractor must obtain written authorization from both the Commissioner and Chief Procurement Officer prior to ordering the part. The Contractor must supply a written proposal to the Commissioner requesting such approval which must include documentation to show the Contractor's cost and contain multiple price quotes or in the case that multiple proposals are not possible to obtain, explain why only one supplier quote is being provided. The City approval will be in the form of a letter signed by both the Commissioner and Chief Procurement Officer listing the part and its approved price. The City will include a copy of this executed letter in its Purchase Order Release for that work.

Parts, components, assemblies and/or accessories furnished under this Contract must be genuine parts as manufactured or supplied by the Original Equipment Manufacturer (OEM) unless OEM replacement parts, components, assemblies and/or accessories are no longer available. All parts, components and/or assemblies furnished that are not OEM must be considered "Generic" and must be compatible and interchangeable with existing City-owned equipment.

Materials, replacement parts, components, and/or accessories will be invoiced by the Contractor at a mark-up over actual verifiable costs, paid by the Contractor to the Supplier. The Contractor will furnish with its bid the percentage mark-up.

The Contractor's cost for materials, replacement parts, components and/or accessories charged to the City cannot exceed any retail or commercially published price list or any price quoted to the City for the same or equal material, replacement part, component and/or accessory from a bona fide supplier. The Contractor must provide invoices from their suppliers to substantiate pricing.

The Contractor's cost for materials, replacement parts, components and accessories, i.e. the actual price the Contractor paid for the specific materials, replacement parts, components and accessories must accompany the invoice sent to the Using Department in the form of an invoice from the Contractor's supplier to the contractor. However, if, for example, the Contractor's cost for materials, replacement parts, components and accessories purchased or used was part of a bulk purchase made by the Contractor for the Contractor's own inventory, then the Contractor must provide a copy of that bulk purchase invoice. When invoicing, the Contractor's cost billed to the City may include the part supplier's cost to have the item shipped from the part supplier to the Contractor's facility, however if the part is shipped directly to the Airport by the supplier the City will not pay the shipping cost.

The City reserves the right to buy parts, components and assemblies either without or without service to be installed by the City's employees or other contractors.

It is the Contractor's responsibility to ensure the City is getting the most competitive price available for materials, replacement parts, components and/or accessories that the Contractor purchases or uses in conjunction with this Contract.

Bid Item Number	Division Description	Unit
50	THE CONTRACTOR SHALL FURNISH AND DELIVER - INCIDENTAL GLAZING TYPES AND MATERIALS NOT OTHERWISE SPECIFIED - PARTS AND MATERIALS AT A MARK-UP OVER COST VERIFIABLE BY SUPPLIER INVOICE.	Mark Up