



THE CITY OF
MT. PLEASANT, MICHIGAN

CITY HALL

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PUBLIC SAFETY

804 E. High • 48858-3595
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PUBLIC WORKS

1303 N. Franklin • 48858-4682
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PRE-BID ADDENDUM NO. 2

Project Bid: 500,000 GALLON DOUBLE ELLIPSE ELEVATED TANK EXTERIOR REPAINT
with CONTAINMENT and WET INTERIOR REPAINT
and MISCELLANEOUS REPAIRS

Bid Date: January 19, 2016

Time: 1:30 p.m.

Opening: Office of the City Clerk
City Hall
320 West Broadway St.
Mt. Pleasant, MI 48858

Addendum Issued By: Division of Public Works

Date Issued: January 13, 2016

Intent:

1. Attached are the revised insurance requirements. These requirements supersede previous insurance requirements.
2. Attached are the City of Mt. Pleasant Instructions to Bidders. Where any conflict arises over previous Instructions to Bidders, the City of Mt. Pleasant Instructions to Bidders applies.

Bid Proposal: No change

Specifications: No change

City of Mt. Pleasant, Michigan

ADMINISTRATIVE MEMO NO 8-78

Issued: October 10, 1978

Revised: June 21, 1989

Subject: **MINIMUM INSURANCE REQUIREMENTS FOR CONTRACTORS**

Summary Statement

The provision of adequate insurance by persons and businesses working for the city or on street right-of-way is essential to protect the public from the costs of injury or damage and to protect the city from unnecessary liability resulting from the acts of persons and businesses working for the city. Minimum insurance requirements are needed to provide this protection.

Memo

Persons or businesses which provide professional services to the city under the terms of a written contract or provide labor and/or material to accomplish work for the city or for others on or over street right-of-way or other city property shall carry insurance and bonds to protect the public and the City from exposure to unnecessary financial risks.

Prior to signing of contracts, issuance of purchase orders or permits, or other authorization to begin work, certificates of insurance evidencing the purchase of insurance in amounts not less than required by the Administrative memo or bid specifications, whichever is greater, shall be filed with City Clerk. Such certificates shall:

- a. Show that the insurance is currently in force and termination date of each policy.
- b. State the limits of liability of the policies covered by the certificate.
- c. Show that the City of Mt. Pleasant is to be specifically named in policy as an "additional insured" and should be issued to the City of Mt. Pleasant as the certificate holder.
- d. Provide that the City will receive not less than 10 days written notice of the cancellation of any listed policy.
- e. Be issued in the name of an insurance company authorized to conduct business in the State of Michigan.

Required bonds shall be filed with the City Clerk prior to the signing of contracts or other authorizations to proceed with work.

Insurance and bonds shall meet or exceed the following requirements. Exceptions to recognize more or less hazardous operations and financial risks should be considered and with approval of the City Manager may be made in specifications or contract requirements prior to awarding contracts or issuing purchase orders.

INSURANCE REQUIREMENTS

Type	Limit of Liability	Required of: City Contractor	Contractor On R-O-W
Worker's Compensation and Employer's Liability	Statutory Coverage B \$100,000	X	X
Public Liability (including products and completed operations liability)			
Bodily Injury	\$250,000 each person	X	X
	\$500,000 each accident	X	X
Property Damage	\$250,000 each accident	X	X
	\$250,000 each aggregate	X	X
Automobile Liability (including hired cars and automobile non-ownership)			
Bodily Injury	\$250,000 each person	X	X
	\$500,000 each occurrence	X	X
Property Damage	\$250,000 each accident	X	X
	\$250,000 each aggregate	X	X
Additional Insured Clause	City of Mt. Pleasant to be specifically named in policy as an "additional insured"	X	X
Excess Liability (Required unless risk occurrence is nominal)	\$1,000,000 each	X	

Persons or businesses engaged to provide labor and material in an amount in excess of \$10,000, or who will receive partial payments as work progresses will provide labor, performance and material bonds equal to the value of the work being performed. Such bonds are not required where the work to be done is of a type in which the failure to perform will not adversely affect the city's ability to function or increase the city's cost of completing the work.

City of Mt. Pleasant, Michigan
INSTRUCTIONS TO BIDDERS

1. **Proposals**

Proposals must be made upon the forms provided therefore, with the Bid amount both written and shown in figures, and all other data required submitted.

The Proposal, bound together with all Proposal Documents, must be enclosed in a sealed envelope marked as specified in the Notice to Bidders for such Bid and clearly indicating the name and address of the Bidder and must be received by the City Clerk, City Hall, 320 West Broadway Street, Mt. Pleasant, Michigan 48858, no later than the time and date specified in the Notice to Bidders. At such specified time, Proposals shall be publicly opened and read aloud.

2. **Basis of Proposals**

Proposals are solicited on the basis of unit price(s) and/or lump sum(s), as specified on the Proposal form.

The City of Mt. Pleasant (also referred to as "Owner"), reserves the right to accept any Bid, to reject any or all Bids, to waive any irregularities in the Bids, and to select the Bid considered most advantageous to the city.

3. **Comparison of Bids**

In comparing Bids, consideration shall be given to the time proposed for completion of the Contract, qualifications of Bidder, price differentials, alternate Proposals for the alternate items listed in the Proposal (if applicable), and any other pertinent factors. **The City of Mt. Pleasant grants a preference to businesses located within the Mt. Pleasant City Limits. The preference given is a differential above the low bid if the low bid is not from a City of Mt. Pleasant bidder. The differential allowed is 3% of the total for bids between \$5,000 and \$9,999 and 2% of the total for bids over \$10,000. The maximum credit allowed is \$1500.00.** The Owner reserves the right to make an award to the Bidder whose Proposal is deemed to be in the best interest of the Owner.

4. **Time**

Time is of the essence in the performance of the Contract, and each Bidder, by submitting a Proposal, certifies his/her acceptance of the time allowed by the Contract for the completion of the work specified.

5. **Indemnification**

The Contractor shall save and hold harmless the city and its employees from and against all claims, damages, losses, or expenses, including attorney's fees, arising out of or resulting from the performance of the work; provided that any such claim, damage, loss or expense is caused in whole or in part by any negligent or willful act of omission of the contractor, subcontractor, employee, or anyone under their direction. The Contractor shall at his/her own expense, defend any and all such actions and shall pay all attorney's fees, costs, and expenses pertaining thereto.

6. **Bid Deposits**

Each Proposal shall be accompanied by a certified check, or a Bid Bond by a recognized Surety Company similar to a U. S. Government Standard Form Bid Bond, in the amount of five percent (5%) of the total amount of the Bid, made payable to the City of Mt. Pleasant, subject to forfeiture to the Owner in the event of failure on the part of the successful Bidder to enter into the attached form of agreement to do the work specified by said Proposal at the price and within the time stated therein. The Bid Deposit of all Bidders, except the three (3) lowest acceptable Bidders, shall be returned within two (2) weeks after opening of bids. The bid deposits of the three (3) lowest acceptable bidders shall be returned within 48 hours after the executed Contract(s) have been finally approved by the Owner.

7. **Liquidated Damages**

A liquidated damage clause, as given in the Contract form, provides that the Contractor shall pay the Owner as liquidated damages, and not as a penalty, the amount as indicated in Section 108.11 of the 2003 MDOT Standard Specifications for Construction for each and every calendar day that the Contractor may be in default of substantial completion of the work required under said Contract.

8. **Insurance and Bonds**

The successful Bidder will be required to execute (2) Bonds, in the form attached hereto, with Surety acceptable to the Owner and insurance, as follows:

- a. Bond in the amount of 100% of the Estimated Contract Price running to the City of Mt. Pleasant, Michigan, to insure the completion of the entire work, according to the statutes of the State of Michigan in effect at that time.
- b. Bond in the amount of 100% of the Estimated Contract Price running to the People of the State of Michigan for the protection of Subcontractors and Labor and Material Men, according to the statutes of the State of Michigan in effect at that time.
- c. Insurance in the amounts required by City Ordinance as specified in the Section 1 - General Construction Specifications, attached hereto.

The successful bidder shall be required to furnish for each set of executed Contract Documents, and conformed copies thereof, an original conformed Performance Bond, Labor and Materials Bond, Maintenance Bond, and Insurance Certificates.

9. **Permits and Local Codes**

The Owner shall procure the required permits for municipal sanitary sewer construction, municipal water system construction, and soil erosion control.

The Contractor shall obtain, at his/her expense, all other required local construction permits and shall comply with local building code and inspection requirements.

10. **Qualifications of Bidders**

It is the intent of the Owner to award the Contract to a Bidder fully capable, both financially and with regard to experience, to perform and complete all work in a satisfactory and timely manner. Evidence of such competency must be furnished on the forms included in the proposal, listing projects of similar difficulty, scope of work, and size, which the Bidder has satisfactorily undertaken and completed.

It is the intention of the City to award the contract to a Contractor whose ability and financial resources are fully equal to the task of performing the work in a satisfactory manner. With this in view, the Proposal calls for at least five (5) references, using specific names of persons to contact concerning the Contractor's ability to do this particular class of work. References from municipalities are preferred. The mere ability to furnish a Performance Bond shall not be accepted as sufficient evidence of responsibility on the part of the Bidder. The Bidder may also be required to furnish evidence of his current financial status.

11. **Interpretation of Documents**

If any Bidder is in doubt as to the true meaning of any part of the Plans, Specifications or any Contract Document, he/she may submit to the Owner a written request for an interpretation thereof. Any interpretation made in response to such a query shall be made only by Addendum, duly issued, and a copy of such Addendum shall be mailed or duly delivered to each prospective Bidder. The Owner shall not be responsible for any other explanation or interpretation of the Contract Documents. Alternative proposals that are suggested by bidders will be given consideration, if presented before the bid opening. If accepted, an addendum will be issued and sent out to all potential bidders, so that they may bid on the alternatives that have been identified.

12. **Execution of Bid Proposal**

A Bid Proposal, which is not signed by the individual making it, should have attached thereto a Power of Attorney evidencing authority to sign the Bid Proposal in the name of the person for whom it is signed.

A Bid Proposal, which is signed by a partnership, shall be signed by all of the partners or by an Attorney-in-Fact. If signed by an Attorney-in-Fact, there should be attached to the Bid a Power of Attorney evidencing authority to sign the Bid Proposal in the name of the partnership and such Power of Attorney shall be signed by all partners of the partnership.

A Bid Proposal, which is signed for a corporation, should have the correct corporate name thereof and the signature of the President, or other authorized officer(s) of the corporation, manually written below the corporate name and on the line indicating "By: _____." If such a Bid Proposal is manually signed by an officer other than the President of the corporation, a certified copy of a Resolution of the Board of Directors evidencing the authority of such officer(s) to sign the Bid Proposal should be attached thereto. Such a Bid Proposal should also bear the attested signature of the Secretary of the corporation and an impression of the corporate seal.

13. **Execution of Contract**

The successful Bidder to whom an award is made shall be required to enter into a written agreement, in the form attached hereto, within ten (10) days after receipt of a Notice of Award and copies of the documents to be executed. In the event the successful Bidder fails to comply with this provision, he/she may be considered by the Owner to have abandoned all his/her rights and interests in the award and his/her certified check or amount of the Bid Bond may be declared to be forfeited to the Owner, and the Contract may be awarded to another.

14. **Bidder Responsibility For Conditions of Work and Site**

The Bidder, or his/her representative, shall make personal investigation of the site of work and of existing structures and shall determine to his/her own satisfaction the conditions to be encountered, the nature of the ground, the difficulties involved in making connections to existing structures and pipes, and any and all other factors affecting the work proposed under the Contract.

The Bidder to whom the Contract is awarded shall not be entitled to any additional compensation by reason of conditions being different from those anticipated or by reason of his/her failure to fully acquaint himself/herself with the conditions at the site affecting the work of the Contract.

15. **Changes in Work**

If any change is required to be made in the work of the Contract, a payment adjustment therefore shall be determined as specified in Section 103 of the 2003 MDOT Standard Specifications for Construction.

Revised: March 2011