

**ADDENDUM No. 1 to
BIDDING DOCUMENTS**

For

**IFB No. B21004
ASPHALT PAVING SERVICES**



AMSTERDAM HOUSING AUTHORITY

May 10, 2021

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IFB No. B21004 ASPHALT PAVING SERVICES
AMSTERDAM HOUSING AUTHORITY

I. REVISION TO IFB DOCUMENT, Table No. 2, IFB Information At a glance.

A. Revision of BID SUBMITAL RETURN & DEADLINE Date,

1. *Thursday, May 20, 2021, at 3:30 PM ET

52 Division Street, Amsterdam, NY at which all sealed bids will be publicly read aloud. Bids received after this time will not be accepted and returned to the bidder unopened. All interested parties are invited to attend.

2.

II. ADDITION TO IFB DOCUMENT, ATTACHMENT G-8, THAT IS HEREIN SECTION 3.3.4 OF IFB DOCUMENT

A. HUD MAINTENANCE WAGE RATE DECISION (MWRD)

1. Please refer to attachment G-8 for the HUD FORM 52158 of the wage rates.

III. ADDITION TO IFB DOCUMENT, SECTION 3.9 BONDS

A. Bonds. As this solicitation pertains to public works or construction, the bonds that are required include (each required for construction bids and/or contracts in excess of \$40,000):

1. **Bid Bond.** The bid bond or guarantee shall be included in the bid package submitted by each bidder for any proposed fee that is greater than \$40,000 (please see the preceding Section 3.1.1.1.3 herein). This bond ensures that if awarded the contract, the bidder will accept and perform the work under the contract. It also ensures that the bidder will not attempt to withdraw or otherwise not fulfill the contract. Finally, the bid bond ensures that the bidder will execute the contractual documents that are required within the time specified in the solicitation or forfeit all or part of the guarantee. A certified check, bank draft, U.S. Government Bonds at par value, bid bond secured by an acceptable surety company, or other negotiable instrument may be accepted as a bid guarantee. If the successful bidder refuses to sign the contract after award, the bid bond is forfeited, and award will go to the next lowest responsive and responsible bidder. If a bid bond or guarantee is not submitted with the bid, the Agency will reject the bid as non-responsive. The Agency anticipates that it will not return any bid bonds until the contract has been awarded and the required performance and payments bonds have been furnished; until all bids have been rejected; or the time specified for acceptance of bids has expired. In fairness to the other bidders, the

Agency may also choose to return the bid bonds if the Agency has a firm and reasonable assurance that the responsive and responsible bidder who submitted the lowest cost will execute the contract.

2. **Performance Bond.** The performance bond is meant to ensure that the contract is successfully completed. The performance bond guarantees that if the Contractor is unable to complete the contract, the surety company will step in to finish the work. In the case of a letter of credit or cash escrow, the Agency may use these funds to complete the contract work.
3. **Payment Bond.** The payment bond is a method of ensuring that the Contractor pays the subcontractors and suppliers. By requiring payment bonds, the Agency avoids becoming entangled in disputes concerning payment of subcontractors and suppliers by the general contractor. The surety underwriting the payment bond ensures the contractors and suppliers will be paid. Often, performance and payment bonds are combined into a single document. Failure to pay subcontractors for work performed in commercial contracts may often lead to the subcontractor filing a mechanic's lien against property owners to obtain payment for services rendered. The Agency contract requires the payment bond to prevent this problem and ensure that no liens will be filed against any Agency building or lot of ground. As a reminder, Clause 24 of form HUD-5370, *General Conditions of the Contract for Construction*, clearly forbid the placement of liens and is binding on any contractor, subcontractor, and material supplier.
4. **Bonding Companies.** An acceptable surety (bonding) company is one that is authorized to do business in the State of New York and is acceptable to HUD and the Agency. The surety must be listed on the most recently published U.S. Treasury Circular 570 (often referred to as the T-List). Individual sureties are not permitted. Circular 570 is available from the U.S. Department of the Treasury, Financial Management Service, Surety Bond Branch, Room #262C, 401 14th Street, S.W., Washington, D.C. 20227. The T-List may also be accessed on the Internet at: <http://www.fms.treas.gov/c570/index.html>.
5. **Bonding Requirements.** In order to encourage participation by a broad range of competitors, including small and minority firms, HUD has provided for alternate bid and contract guaranties. These apply to all construction projects greater than \$100,000 (though, at the Agencies discretion, may apply to smaller projects), whether development or modernization, funded pursuant to the U.S. Housing Act of 1937, as amended. As a result, the contractors for all construction projects shall be required to submit the following bid and contract guarantees. Please note that only the bid bond is required at time of bid; however, one of the purposes of the bid bond is to provide the Agency with assurance that the successful bidder will indeed obtain the necessary performance and

payment bonds. Required bonds include a bid guarantee from each bidder, equivalent to 5% of the bid price and, from the successful bidder, one of the following:

- a. A performance and payment bond for 100% of the contract price; or
- b. Separate payment and performance bonds each for 50% or more of the contract price; or
- c. A 20% cash escrow; or
- d. A 25% irrevocable letter of credit.

6. **Inadequate Surety.** If the low bidder fails to provide an acceptable assurance of completion (payment and performance bonds) after award of the contract, the Agency may consider the bid guarantee forfeited and notify the surety company. The contract is then terminated for default. The amount to be recovered from the bid bond or guarantee will typically equal at least the difference between the defaulted bid and the next higher acceptable bid or the amount by which the bid accepted by re-soliciting exceeds the defaulted contract.

Maintenance Wage Rate Decision		U.S. Department of Housing and Urban Development Office of Labor Relations		HUD FORM 52158 (06/2006)	
Agency Name: Amsterdam Housing Authority		LR 2000 Agency ID No: NY060		Wage Decision Type: <input type="checkbox"/> Routine Maintenance <input checked="" type="checkbox"/> Nonroutine Maintenance	
		Effective Date: 5/10/2021		Expiration Date: 5/10/2022	
<p>The following wage rate determination is made pursuant to Section 12(a) of the U.S. Housing Act of 1937, as amended, (public housing agencies), or pursuant to Section 104(b) of the Native American Housing Assistance and Self-determination Act of 1996, as amended, (Indian housing agencies). The agency and its contractors may pay to maintenance laborers and mechanics no less than the wage rate(s) indicated for the type of work they actually perform.</p>					
/Cory Chu/ Cory Chu, Labor Standards Specialist HUD Labor Relations (Name, Title, Signature)		5/10/2021 Date			
WORK CLASSIFICATION(S)		HOURLY WAGE RATES			
		BASIC WAGE		FRINGE BENEFIT(S) (if any)	
Laborer		\$18.23		<input type="checkbox"/> The agency employee benefit program has been determined by HUD to be acceptable for meeting the prevailing fringe benefit requirements. (HUD Labor Relations: If applicable, check box and initial below.) _____ LR Staff Initial	
Heavy Equipment Operator		\$27.74			
Asphalt Pavers		\$18.23			
Asphalt Rakers/Rollers/Sealer		\$18.23			
Truck Operator		\$27.59			
				FOR HUD USE ONLY LR2000: Log in: Log out:	

