

ADDENDUM NO. 2
TO REQUEST FOR SEALED PROPOSALS
FOR LEASE – LEASEBACK CONSTRUCTION SERVICES

RFP 2862
TERRY BRADLEY EDUCATIONAL CENTER (“Project”)

Clovis Unified School District (“District” or “Owner”)
1450 Herndon Ave.
Clovis, CA 93611

Issued: September 20, 2021

Pursuant to the Request for Sealed Proposals (“RFP”), proposers who had been prequalified to submit proposals may submit questions regarding the RFP before 4:00 p.m. on September 13, 2021. Questions were received and the District provided responses as set forth in Addendum No. 1 issued on September 16, 2021. The District subsequently extended the deadline to September 20, 2021 before 3:00 p.m. to allow for questions to be asked regarding Addendum No. 1. Owner has received questions before the aforementioned deadline.

Owner hereby provides written responses and modifies the RFP to incorporate the responses stated below. All contractors that are completing and submitting proposals to the RFP shall respond in accordance with the RFP as modified in Addendum No. 1 and this Addendum No. 2. Except as stated in Addendum No. 1 or this Addendum No. 2, all provisions in the RFP remain applicable and all proposers shall comply with the provisions contained therein.

1. In the General Conditions, Article 16 states, “The DISTRICT will provide Builder’s Risk/Course of Construction insurance on all insurable work included under the Contract Documents, but CONTRACTOR shall be responsible for the DISTRICT’s \$50,000 deductible.” The most recent draft of the Lease-Leaseback documents provides that the Contractor is to carry the builders risk coverage. Please clarify. If the District intends to carry the Builders Risk coverage, please provide the deductible amount.

RESPONSE: The language in Article 16 of the General Conditions that were emailed to proposers on September 16, 2021 states: “j. **Builder’s Risk / “All Risk” Insurance/Course of Construction Insurance.** District will provide builder’s risk/course of construction insurance on all insurable work included under the Contract Documents, but Contractor shall be responsible for District’s deductible.”

The language in Article 16.j. of the General Conditions is hereby amended to read: “j. **Builder’s Risk / “All Risk” Insurance/Course of Construction Insurance.** Contractor shall provide builder’s risk/course of construction insurance at full replacement cost and coverage for all off-site operations in accordance with the Contract Documents.” With this amendment, Article 16.j contains language consistent with Item 2 in Table C – Proposal Part I: Written Responses and Documents of the RFP.

2. Within Addendum #001 the SIM-PBK schedule was issued, this has slight differences from the RFP schedules.

SIM-PBK construction duration: 48 months
RFP Pages 5 and 6: 49 months
RFP Exhibit B (Fee Proposal): 54 months

Please confirm which construction duration proposers are to follow in preparing proposals to the RFP.

RESPONSE: The estimated construction schedule is 54 months as set forth in Exhibit B - Lease-Leaseback Proposal Form in the RFP.

3. Within Addendum No. 1, the proposed team was addressed for purposes of scoring. However, section 7 Project Team and Exhibit A General Conditions specifically call out for 5 “team members.” From our experience, the Project will require far more than 5 people at various points in time. Does the District want those additional people included within section 7 and/or Exhibit A (General Conditions / General Requirements)?

RESPONSE: Scoring is based five team members but a proposer may have more than five people on the project team.

4. Within Addendum No. 1, response to question number 10, the district states “The Sublease Payments will be paid in equal installments and calculated for each phase by dividing the Total Sublease Amount by the total number of months allotted for construction of that phase plus six months.” By changing the payment schedule to Equal Monthly Payments as opposed to a traditional schedule of values with monthly construction progress payments, each phase now has a financing component embedded within it. With this system, at times over the life of these phases, the Contractor will be ahead of the District in terms of “cash on hand” and at other times the Contractor will need to finance portions of the project. Does the district intend to establish a baseline interest rate based on a published indicator to be used over the life of the project?

RESPONSE: No. Any finance costs must be included as of the proposer’s Construction Fee in the Lease-Leaseback Proposal Form (Exhibit B) of the RFP. Please see Section III.C.3, which states: “The third component of the fee proposal shall be in the form of a percentage to be applied to the District’s estimated construction cost as determined in accordance with Education Code section 17406(a)(3) (“**Construction Fee**”). The Construction Fee is intended to cover all of the office labor costs, fringe benefits, bonds, finance costs, overhead and profit, and all other expenses the contractor will incur in providing the work. Each contractor shall provide a deductive alternate for the cost of insurance if the District provides coverage through OCIP (see the Lease-Leaseback Proposal Form, **Exhibit B**). (Underline added.)

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