



Addendum # 2

New Jersey Schools Development Authority
Office of Procurement
32 East Front Street
Trenton, NJ 08625
Phone: 609-858-2982
Fax: 609-656-4608

Date: January 13, 2014

PROJECT #: PA-0024-M01
Construction Management Services for
New Public School #16

DESCRIPTION: Addendum # 2

This addendum shall be considered part of the Request for Qualifications/Request for Proposals issued in connection with the above-referenced project. Should information conflict with Request for Qualifications/Request for Proposals, this Addendum shall supersede the relevant information in the Design-Build Information Package.

A. CHANGES TO THE PROCUREMENT PROCESS:

1. Not applicable

B. CHANGES TO THE PROJECT MANUAL:

1. Modifications to the CM Agreement:
 - a. **MODIFY:** Section 10.1.1 (Subrogation) shall be modified as follows to delete references to OCIP (additions in **bold and underlined** text, deletions in *strikethrough and italics*):

- 10.1.1 Waiver of Subrogation. CM waives all rights of subrogation and recovery against the Authority, the Design-Builder, the Design Consultant, any Professional Services Consultants, agents or employees of the Authority and Subconsultants of all tiers to the extent of any loss or damage suffered during construction, ~~including damage to any property or equipment insured under OCIP. CM shall require all Subconsultants of all tiers enrolled in OCIP to include in their contracts with CM the same waiver of their rights to subrogation and recovery.~~

- b. **DELETE:** Section 10.1.2 (No Release) shall be deleted in its entirety, as follows (additions in **bold and underlined** text, deletions in ~~strikethrough and italics~~):

~~10.1.2 **No Release.** The provision of OCIP by the Authority shall in no way be interpreted as relieving CM of any other responsibility or liability under this Agreement or any applicable law, statute, regulation, including, but not limited to, the indemnification obligations under Section 10.14.~~

- c. **MODIFY:** Section 10.1.3 (Insurance Requirements of CM and Subconsultants) shall be modified as follows (additions in **bold and underlined** text, deletions in ~~strikethrough and italics~~):

10.1.3 **Insurance Requirements of CM and Subconsultants.** CM and its Subconsultants of every tier providing **services or** labor on the Project must supply to NJSDA certificates of valid insurance evidencing current coverage for the exposures enumerated below. The Authority shall compensate CM and its Subconsultants for the cost of such required Insurance. CM's Price Proposal shall reflect CM's costs for Insurance for the Basic Services and any Contingent Additional Services identified at contract execution. Subconsultant costs for such ~~Supplemental~~ Insurance, and any CM costs for ~~Supplemental~~ Insurance relating to Additional Services, shall be reimbursed by the Authority upon submission of documentary proof of such costs, in a form satisfactory to the Authority, and the Authority's approval of such costs. Insurance binders are not acceptable as proof of insurance coverage. Such coverage must be purchased and maintained from insurance companies authorized to transact the business of insurance in the State of New Jersey and are rated "A-VIII" or better by A.M. Best Company. In accordance with the laws of New Jersey, the Certificates of Insurance and insurance policies must provide for thirty (30) Days written notice to the Authority prior to a change in coverage and/or cancellation of coverage of any policy. **The terms and conditions of this Section 10.1 addressing CM insurance requirements shall apply during the term of this Agreement and for five (5) years after Final Completion of the Project is achieved by the Design-Builder.** The following are the exposures for which CM and Subconsultants must obtain insurance coverage.

- d. **MODIFY:** Section 10.1.3.2 (Business Automobile Liability) shall be modified as follows (additions in **bold and underlined** text, deletions in ~~strikethrough and italics~~):

~~10.1.3.2~~ **Business Automobile Liability.** Business Automobile Liability, and, if necessary, Commercial Umbrella Insurance covering the operations, maintenance and use, loading and unloading of all owned, hired, and non-owned vehicles used for or in connection with the Project. The limits of liability shall not be less than \$1,000,000 combined single limit each accident. Pollution Liability coverage at least as broad as that provided under ISO Pollution Liability-Broadened Coverage for covered autos endorsement, CA 99 48, shall be provided, and, **if required by law,** the Motor Carrier Act endorsement (MCS-90) shall be attached. ~~The policy shall include, as additional insureds, using ISO Designated Insured endorsement~~

~~CA 20-48 (or a substitute form providing equivalent coverage), the Authority, the EDA, the New Jersey Department of Education, the State, the Design Consultant, and the Project School District, and their respective directors, officers, members, employees and agents. CM agrees to name other parties as additional insureds as required prior to the initiation of its work.~~

- e. **MODIFY:** Section 10.1.3.5 (Design-Builder's Equipment) shall be modified as follows (additions in **bold and underlined** text, deletions in *strikethrough and italics*):

10.1.3.5 ~~*Design-Builders'*~~ **CM's Equipment**. CM shall purchase and maintain CM's property insurance covering ~~*construction machinery, whether or not the capital value of the machinery has been included in the Contract,*~~ equipment, **personal property**, and tools used by CM in the performance of the ~~*Work*~~ **Services**. Such coverage shall be written on a policy form at least equivalent to that provided by a **Business Personal Property Policy or** "Contractor's Equipment Floater," as such is customarily defined within the insurance industry. CM shall notify all tiers of Subconsultants of their obligation to insure any ~~*machinery,*~~ equipment, **personal property** and tools used by the Subconsultants in the performance of the ~~*Work*~~ **Services**.

- f. **MODIFY:** Section 10.1.4 shall be modified as follows (additions in **bold and underlined** text, deletions in *strikethrough and italics*):

10.1.4 Any deductible or self-insured retention (SIR) applicable to the aforementioned insurance shall be declared to and approved by the Authority and written using ISO endorsement CG 03 00 (or a substitute providing equivalent terms and conditions). CM shall not be permitted to have a SIR larger than \$100,000 unless it obtains the express, written consent of the Authority to the larger SIR. FAILURE TO COMPLY WITH **THIS SECTION** ~~*10.1.13*~~ IS A MATERIAL BREACH OF CONTRACT.

- g. **MODIFY:** Section 10.1.10 shall be modified as follows (additions in **bold and underlined** text, deletions in *strikethrough and italics*):

10.1.10 By executing this Agreement, CM expressly agrees that any insurance protection required herein ~~*or by the Design-Build Contract Documents*~~ shall in no way limit CM's obligations under this Agreement and shall not be construed to relieve CM from liability in excess of such coverage, nor shall it preclude the Authority from taking such other actions as are available to it under other provisions of this Agreement or otherwise in law or equity.

- h. **MODIFY:** Section 10.1.11 (Right to Remedy) shall be modified as follows (additions in **bold and underlined** text, deletions in *strikethrough and italics*):

10.1.11 **Right to Remedy**. If CM fails to obtain and/or maintain the insurance as required in this Section ~~*10.1.12*~~ **10.1**, fails to renew any of its insurance policies as necessary, or in the

event any policy is canceled, terminated or modified so that the insurance does not meet the requirements of this Agreement, the Authority may: (i) purchase insurance at CM's expense; (ii) refuse to make payment of any further amounts due under this Agreement; (iii) refuse to make payments due or coming due under other agreements between CM and the Authority; (iv) suspend performance by CM under this Agreement; or (iv) terminate this Agreement. Any funds retained pursuant to this Section ~~10.1.12~~ **10.1** may be used, at the Authority's discretion, to renew or purchase CM's insurance for the periods and amounts as set forth in this Agreement. In the event the Authority purchases said insurance the Authority may, at its discretion, reduce CM's compensation under this Agreement by the amount paid for such insurance plus reasonable attorney's fees. By requiring insurance herein, the Authority does not represent that coverage and limits will necessarily be adequate to protect CM and such coverage and limits shall not be deemed as a limitation on CM's liability under this Agreement.

C. CHANGES TO THE DRAWINGS:

1. Not applicable.

D. BIDDER'S QUESTIONS, REQUESTS FOR INFORMATION AND RESPONSES:

1. Not applicable.

E. CHANGES TO PREVIOUS ADDENDA:

1. Not applicable.

F. ATTACHMENTS

1. Not applicable.

G. SUPPLEMENTAL INFORMATION

1. Not applicable

Any bidder attempting to contact government officials (elected or appointed), including NJSDA Board members, NJSDA Staff, and Selection Committee members in an effort to influence the selection process may be immediately disqualified.

End of Addendum No. 2


NJSDA Director

1/13/14
Date

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Project #: PA-0024-M01

Project Name: New Public School #16

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Date: January 13, 2014

PROJECT #: PA-0024-M01
Construction Management Services for
New Public School #16

DESCRIPTION: Addendum # 2

Acknowledgement of Receipt of Addendum

Contractor hereby acknowledges the receipt of this Addendum by signing in the space provided below and returning via fax to (609-656-4608) or E-mail (jmcelhenny@njsda.gov). Signed acknowledgements must be received prior to the Bid Due Date. Acknowledgement of the Addendum must be made in the Technical Proposal Submission.

Signature

Print Name

Company Name

Date