

Supplementary Instructions to Bidders

Cover Sheet and Instructions

APPROVED DOCUMENT – This document is approved by the Office of the President and Office of the General Counsel for use by the Facility and is available on electronic media.

PURPOSE OF DOCUMENT:	Provides bidders with bid submittal information that varies project by project; provides a means for modifying the Instructions to Bidders without revising the text of that document.		
CROSS-REFERENCE TO FACILITIES MANUAL:	FM4[1]:4.5.2		
CONTENTS:	Supplementary Instructions to Bidders		
FOR USE WITH:	CM/Contractor Contract Documents		
COMPLETED BY:	✓	Filling in	✓ Adding Text
ITS USE IS:	✓	Required	Optional
			No Data Required

NOTE: To use the electronic file of this document, you must go to the “Tools” pull down menu in Microsoft Word, select “Options,” select the “View” tab, and then put a check in the box “Hidden text.” Most instructions and alternate language is displayed in hidden text. Do not print the hidden text for the final document.

Completion Instructions:

- Notes, suggested text, instructions and other information is formatted using the following methods:
 - Hidden text within brackets. {This is an example of the format.} Read the material within the brackets and take the appropriate action (usually inserting text or selecting from a choice of texts.) When printing this document, the default print property will not print the hidden text.
 - Coded instruction within brackets. {This is an example of the format.} The instructions and shading will disappear when the required information is typed.
 - Suggested text is shaded in gray without brackets (see Modification and Additions below.)
- Design/Construction Overlap Duration.** Facility should insert a duration of at least 30 days even if Facility does not anticipate fast-tracking. There may be unanticipated circumstances where the Facility desires to exercise its option for Phase 2 and begin construction prior to completion of Phase 1.
- Phase 1 Contract Sum.** Facility should insert an amount of at least \$100,000 to cover schedule development and bid package preparation, coordination, and bidding which represent the minimum required services of CM/Contractor during Phase 1. The amount inserted as the Phase 1 Contract Sum should be increased to reflect additional services to be performed by CM/Contractor during the Pre-Construction Phase.
- Phase 1 Time.** Facility should begin select and award contract to CM/Contractor at some point during Design Development to take full advantage of services of CM/Contractor. At a minimum, if the

CM/Contractor will perform only the minimum required services of schedule development and bid package preparation & coordination, Facility should insert a duration of at least 70 days as the Phase 1 Time. The duration inserted as the Phase 1 Time should be increased to reflect additional services to be performed by CM/Contractor during the Pre-Construction Phase.

Please note that if the Phase 1 duration is greater than 120 days, modifications are required to the Contract Documents (see below).

5. **Maximum Anticipated Contract Value.** Facility should insert an amount that is sufficiently higher than the Anticipated Contract Value to provide a margin such that the amount inserted is not easily exceeded. The amount inserted should normally be at least 15% more than the Anticipated Contract Value after taking into account the magnitude of the contract value in establishing the margin. For example, small contract values may require a larger margin and large contract values may require a smaller margin. At the same time, the amount inserted should not be set so high that bidders include additional general conditions in their bids. You may wish to consult with OP for additional guidance.

Modifications and Additions:

1. Areas shaded in gray, without brackets, represent suggested text that may be modified by the Facility to meet the needs of the Project. **This is an example of the format.** Ensure that any modified or added text is consistent with the Contract Documents.
2. Areas not highlighted in gray, without brackets, shall not be altered without approval of the Office of the President.
3. **Phase 1 Time Greater Than 120 Days.** For contracts having a Phase 1 duration greater than 120 days, the Bidder may be allowed to submit a Bid Bond in the form of either Version A or Version B. See detailed instructions under Article 5.2 of these Supplementary Instructions to Bidders and also Article 11.3 of the Supplementary Conditions.
4. **Irrevocable Bid Period, Changing.** The Instructions to Bidders states that bids are irrevocable for a period of 60 calendar days after the bid deadline unless the Facility consents to a different time period. If a period other than 60 days is selected, add an instruction revising the 60-day period stated in the Instructions to Bidders. (See [I]:4.5.1 and [I]:5.4.15 for guidance.) The number of days shown here must be the same as the number shown in the Bid Form Article 1. (Note: the number on the Bid Bond is a default and need not be changed).
5. **Posting of Bid Results.** The Bidding Documents may specify a *web* address for posting of bid results in a public place rather than the *physical* address where the Bids were received. For example, a Facility could state the following in the Supplementary Instructions to Bidders:

{#}. "Bid results will be posted at the following address: {INSERT ADDRESS}."

Comments:

1. **Liquidated Damages.** The amounts to be inserted as liquidated damages shall be determined individually for each project. The amounts specified should not be arbitrary sums but should represent estimates of the cost the Facility will incur. After Substantial Completion, the rate of liquidated damages will be reduced to reflect costs to the University that do not continue past Substantial Completion, e.g., the premiums for Builder's Risk insurance. Relevant factors to be considered in making an estimate of potential damages that would be sustained by the Facility in the event of noncompletion are as follows:

- For residence halls, parking facilities, and similar projects: the per diem loss of revenue.
- For classrooms, administrative buildings, laboratories, and similar projects: the per diem cost of comparable facilities that must be rented if the work is not completed on time.
- For cafeterias or a catering contract, laboratory or research facilities, and similar projects: any actual damages, including loss of grants, that will be sustained by the Facility because of commitments that depend upon the availability of the facilities affected by the work.
- The per diem cost of interest on the construction financing.
- Any other costs that will be sustained if the work is not completed on time such as increases in payroll costs, utility expenses, moving expenses, storage costs, and similar costs.
- Per diem cost of project administration such as inspection, contract administration, etc.

Calculations for determining Liquidated Damages must be included in the Project File.

SUPPLEMENTARY INSTRUCTIONS TO BIDDERS

1. Contract Time:
 - A. The time allowed for Phase 1 – Pre-Construction Services is {NUMBER - Note: this number shall be at least 70 - see instructions for additional guidance} days, the “Phase 1 Time.”
 - B. The time allowed for Phase 2 – Construction is {NUMBER} days, the “Phase 2 Time.”
 - C. The Design/Construction Overlap Duration is {NUMBER - Note: this number shall be at least 30 - see instructions for additional guidance} days.

2. Contract Sum:

Contract Sum – Phase 1 is { \$AMOUNT - Note: this amount shall be at least \$100,000 - see instructions for additional guidance }

3. Anticipated Contract Value:
 - A. Anticipated Contract Value is { \$AMOUNT }
 - B. Maximum Anticipated Contract Value is { \$AMOUNT - see instructions for guidance }

4. Requests for clarification or interpretation of the Bidding Documents shall be addressed only to:

{OFFICE}
{ADDRESS AND ROOM NUMBER}
{CITY}, {STATE} {ZIP CODE}

{TELEPHONE NUMBER}

5. The Pre-Bid Conference will be conducted at the time, day, and place indicated in the Advertisement for Bids. (Attendance at Pre-Bid Conference is mandatory.)

6. Bids will be received on or before the Bid Deadline and only at:

{OFFICE}

{SPECIFIC LOCATION}
{ADDRESS AND ROOM NUMBER}
{CITY}, {STATE} {ZIP CODE}

7. Bids will be opened at {TIME}, {DAY}, {DATE}, at:

{OFFICE}
{ADDRESS AND ROOM NUMBER}
{CITY}, {STATE} {ZIP CODE}

8. Liquidated damages will only apply if the University exercises its Option for Phase 2. CM/Contractor will be assessed as liquidated damages the sum of

\$ {AMOUNT IN FIGURES}

for each day the Work remains incomplete beyond the expiration of the Contract Time. After Substantial Completion, the rate for liquidated damages shall be reduced to the sum of { \$AMOUNT IN FIGURES } per day. See Article 6 of the Agreement for detailed requirements.

9. Unit Prices: University is requesting unit prices on this project. Refer to Instructions to Bidders, Bid Form and Section {Section number} - Unit Prices.

{FOR CONTRACTS HAVING A PHASE 1 DURATION GREATER THAN 120 DAYS, YOU MAY USE THE FOLLOWING REVISED PARAGRAPH 5.2 AND INSERT BOTH BID BOND VERSIONS A AND B IN THE BIDDING DOCUMENTS. FOR CONTRACTS HAVING PHASE 1 DURATION LESS THAN 120 DAYS, DELETE THE FOLLOWING AND INSERT ONLY BID BOND VERSION A IN THE BIDDING DOCUMENTS:}

10. Paragraph 5.2 "Bid Security" of the Instructions to Bidders is replaced in its entirety with the following revised Paragraph 5.2:

5.2 MODIFICATION OF INSTRUCTIONS TO BIDDERS – BID SECURITY

5.2.1 Each Bid shall be accompanied by Bid Security, in the amount of 10% of the Anticipated Contract Value as security for Bidder's obligation to enter into a Contract with University on the terms stated in the Bid Form and to furnish all items required by the Bidding Documents. Bid Security shall be a Bid Bond on the form provided by University and included herein, or a certified check made payable to "The Regents of the University of California." When a Bid Bond is used for Bid Security, failure to use University's Bid Bond form, either Version A or Version B, will result in the rejection of the Bid. Bidders may elect either of the following two methods for submitting a Bid Bond:

.1 Bidder submits Bid Bond Version A – The Bid Bond Version A so submitted will, if the Bidder is the successful Bidder, be retained until CM/Contractor has been issued a Notice of Intent and has furnished the Performance and Payment Bonds required by Article 11 of the General Conditions. **OR**

.2 Bidder submits Bid Bond Version B – If the Bidder submitting Bid Bond Version B is the successful Bidder it will be required to submit, in addition to those items required by paragraph 6.3.5, three originals of its Payment and Performance Bonds in the amount of the Phase 1 Contract Sum. The Bid Bond Version B so submitted will be retained until the successful Bidder submits all required documents and the Contract has been awarded.

5.2.2 If the apparent lowest responsible Bidder fails to sign the Agreement and to furnish all items required by the Bidding Documents within the time limits specified in these Instructions to Bidders, University may reject such Bidder's Bid and select the next apparent lowest responsible Bidder until all bids have been exhausted or University may reject all bids. The rejected Bidder shall be liable for and forfeit to University the amount of the difference, not to exceed the amount of the Bid Security, between the amount of the Bid of the Bidder so rejected and the larger amount for which University procures the Work.

5.2.3 If the Bidder is awarded the Contract and fails to furnish the Performance and Payment Bonds, within 10 days of the University's issuance of the Notice of Intent, as required by Article 11 of the General Conditions, unless Bidder has elected to proceed under paragraph 5.2.1.2, University may:

.1 Elect to not exercise its Option for Phase 2 and not award a contract for Construction Work to another contractor, in which case the CM/Contractor shall pay to the University, as liquidated damages, \$250,000, or

.2 Elect to not exercise its Option for Phase 2 and award a contract for the Construction Work to another contractor, in which case the CM/Contractor shall pay to the University, not to exceed the amount of the Bid Security, the difference between the amount of the Option Sum Phase 2 and the larger amount for which University procures the Work, plus liquidated damages at the rate specified in Article 6 of this Agreement, for each day of delay, beyond the 10 days for furnishing Payment and Performance Bonds, in awarding a contract for the Construction Work to another contractor, or

.3 Elect to exercise its Option for Phase 2, after the CM/Contractor furnishes the Payment and Performance Bonds, in which case the CM/Contractor shall pay to the University, not to exceed the amount of the Bid Security, liquidated damages at the rate specified in Article 6 of this Agreement, for each day of delay beyond the 10 days for furnishing Payment and Performance Bonds.

5.2.4 If a Bid Bond is submitted, the signature of the person executing the Bid Bond must be notarized. If an attorney-in-fact executes the Bid Bond on behalf of the surety, a copy of the current power of attorney bearing a notarized signature of the appropriate corporate officer shall be included with the Bid Bond. Additionally, the surety issuing the Bid Bond shall be, on the Bid Deadline, an admitted surety insurer (as defined in California Code of Civil Procedure Section 995.120).

5.2.5 Bid Security will be returned after the contract has been awarded. Notwithstanding the preceding, if a Bidder fails or refuses, within 10 days after receipt of notice of selection, to sign the Agreement or submit to University all of the items required by the Bidding Documents, the University will retain that Bidder's Bid Security. If the Bid Security is in the form of a Bid Bond, the Bid Security will be retained until the University has been appropriately compensated; if the Bid Security is in the form of certified check, the University will negotiate said check and after deducting its damages, return any balance to Bidder.

5.2.6 University will retain the Bid Security of the successful Bidder until CM/Contractor has furnished the Performance and Payment Bonds required by Article 11 of the General Conditions.