

ADDENDUM No. 3
ROUTE 154 OPERATIONAL IMPROVEMENTS PROJECT
Contract No. 05-494204

Date: May 21, 2008

Dear Prospective Bidders:

This package constitutes Addendum No. 3 to the CONTRACT DOCUMENTS for the Route 154 Operational Improvements Project, comprised of Volume I, *Project Plans* (11" x 17"); Volume II, *Notice to Contractors and Special Provisions*; and Volume III, *Proposal and Contract*, and entitled:

FOR CONSTRUCTION ON
STATE HIGHWAY 154
IN SANTA BARBARA COUNTY
FROM THE
INTERSECTION WITH STATE ROUTE 246 (EAST OF SANTA YNEZ)
TO
2.75 KM WEST OF SAN ANTONIO CREEK BRIDGE
05-SB-154 (KP 13.1/PM 8.1 TO KP 45.9/PM 28.5)

Addendum No. 3 is being sent has also been sent via email to each holder/purchaser of the CONTRACT DOCUMENTS in order that Santa Barbara County Association of Governments (SBCAG) may be assured of its receipt. Addendum No. 3 also has been posted online at www.sbcag.org and www.ebidboard.com.

Upon receipt of this addendum, prospective bidders are required to do the following for SBCAG to consider your bid:

1. Sign the "Bidder's Certification" section of this Addendum No. 3 located below and include the entire Addendum No. 3 package with your sealed bid.
2. Indicate by writing in the space provided the number of this addendum on **Page 1** and **Page 20** of Volume III, *Proposal and Contract* of the CONTRACT DOCUMENTS.

Prospective bidders shall be required to submit their bid using Volume III, *Proposal and Contract* of the CONTRACT DOCUMENTS that you now possess. Holders who have already mailed their bid will be contacted to arrange for the return of their bid. Prospective bidders shall also maintain responsibility for informing their subcontractors and suppliers as necessary.

SBCAG reserves the right to disregard any bid that does not acknowledge the receipt and include this Addendum No. 3. SBCAG may waive this requirement at its sole discretion.



Fred Luna
Program Manager, SBCAG

BIDDER'S CERTIFICATION

I acknowledge receipt of this Addendum No. 3 and accept all conditions contained herein.

Name of Bidder (Company Name)

Signature of Bidder

Print Name and Title

ADDENDUM No. 3

ROUTE 154 OPERATIONAL IMPROVEMENTS PROJECT

Contract No. 05-494204

The following substitutions, alterations, changes, clarifications, additions and/or deletions are made a part of the CONTRACT DOCUMENTS for this project and bids shall conform with all applicable specifications and details contained herein:

1. QUESTIONS RECEIVED DURING THE BIDDING PROCESS BY FAX / EMAIL / SBCAG WEBSITE

SBCAG received questions during the bidding period via fax transmission, electronic mail or through "Bid Inquiry Form" located on our website at www.sbcag.org. To document and disseminate to all prospective bidders SBCAG has summarized the questions received below with answers. In addition, SBCAG has included a copy of the original correspondence as it was received and it has been attached as **EXHIBIT A OF ADDENDUM No. 3**.

Question 1: Is the item to be indexed? And if so will it follow Caltrans specifications.

Reference: Volume II – Notice to Contractors and Special Provisions Section 5-1.23 "Force Account Payment", pages 178-179.

Date: May 21, 2008

From: Granite Construction, Inc.

Response: In response to your inquiry, Section 5-1.23 "Force Account Payment" will be modified to delete any reference to Time Related Overhead. A revised specification will be included in Addendum 3 which will be released shortly.

2. VOLUME II - NOTICE TO CONTRACTORS AND SPECIAL PROVISIONS

A) Change Section 5-1.23 "Force Account Payment" to:

Payment for extra work at force account will be determined by either non-subcontracted or subcontracted force account payment unless otherwise specified.

Non-Subcontracted Force Account Payment

When extra work to be paid for on a force account basis is performed by the Contractor, compensation will be determined in accordance with Section 9-1.03, "Force Account Payment," of the Standard Specifications and these special provisions.

The second, third and fourth paragraphs of Section 9-1.03A, "Work Performed by Contractor," in the Standard Specifications, shall not apply.

To the total of the direct costs for work performed on a force account basis, computed as provided in Sections 9-1.03A(1), "Labor," 9-1.03A(2), "Materials," and 9-1.03A(3), "Equipment Rental," of the Standard Specifications, there will be added the following markups:

Cost	Percent Markup
Labor	24
Materials	10
Equipment Rental	10

The above markups shall be applied to work performed on a force account basis, regardless of whether the work revises the current contract completion date.

The above markups, shall constitute full compensation for all overhead costs for work performed on a force account basis. These overhead costs shall be deemed to include all items of expense not specifically designated as cost or equipment rental in conformance with the provisions in Sections 9-1.03A(1), "Labor," 9-1.03A(2), "Materials," and 9-1.03A(3), "Equipment Rental," of the Standard Specifications. The total payment made as provided above and in the first paragraph of Section 9-1.03A, "Work Performed by Contractor," of the Standard Specifications shall be deemed to be the actual cost of the work performed on a force account basis, and shall constitute full compensation therefor.

Full compensation for overhead costs for work performed on a force account basis, shall be considered as included in the markups specified above, and no additional compensation will be allowed therefor.

Subcontracted Force Account Payment

When extra work to be paid for on a force account basis is performed by a subcontractor approved in conformance with the provisions in Section 8-1.01, "Subcontracting" of the Standard Specifications, compensation will be determined in accordance with the provisions in Section 9-1.03, "Force Account Payment", of the Standard Specifications.

EXHIBIT A OF ADDENDUM No. 3

**QUESTIONS RECEIVED DURING
THE BIDDING PERIOD
BY FAX / EMAIL / SBCAG WEBSITE**

Fred Luna

From: administrators@sbcapcd.org
Sent: Wednesday, May 21, 2008 8:04 AM
To: SBCAG-BidQuestions
Subject: Contract Bid Inquiry

Contract_Number: 05-494204
Addendum_Number:
Contractor_Name: Granite Construction
Contractor_Contact: Pike Riegert
Contractor_Phone: 805-964-9951
Contractor_Email: pike.riegert@gcinc.com
Item_Number:
Item_Description: Force Account Payment
Question_Is_About: Route 154 Operational Improvements
OtherProject:
PlanSheetNumber1:
PlanSheetNumberofx:
Table_of_Contents: 5-1.23 Force Account Payment
SubHeadParaNumber: Paragraph 3-5
PageNumber: 178, 179
SubmitButton: Submit Your Inquiry

QuoteFromSSP:

Attention is directed to "Time Related Overhead" of these special provisions.

Question1:

The above referenced paragraph infers that a bid item "Time Related Overhead" is in the contract for overhead compensation during Force Account activities; additionally, reduced markup in paragraph 4 does not compensate for said overhead.

How is overhead compensated for when performing Force Account activities?

Question2:

Question3:

Questions4:

END

ADDENDUM No. 3