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ADDENDUM NO. 3

Date: July 17, 2025

Issued by: Sacramento City Unified School District

Project: Project #: 0510-442 C.K. McClatchy High School Pool Modernization 2025

This addenda shall supersede the original Information, attachments, and specifications regarding **Project No. 0510-442** where it adds to, deletes from, clarifies or otherwise modifies them. All other conditions and any previous addenda shall remain unchanged.

Part A – Design-Build Documents

AD3.01 Refer to 0510-442, Exhibit B Design Build Proposal Form

Replace Entirely, see AD3.01

AD3.02 Refer to 0510-442 RFP, Section II. Project Description page 1

Revised to Read:

"The Project completion date will be no later than July 1, 2028, including close out. Liquidated damages in the amount of **\$2,500/day** will apply to every calendar day of delay to the Project Substantial Completion Date of **May 1, 2028**."

AD3.03 Refer to 0510-442 RFP, Section IV. Scope of Design-Builder's Work

Revised to Read:

"Provide full design and engineering services (including, without limitation, geotechnical and survey services) necessary to complete the design and secure approval for the Project from all agencies (including, without limitation, DSA) and in accordance with the District's design standards and criteria documents attached as Exhibits A1 and A2 hereto.

Part B – Remaining RFP Questions

QUESTION #1 (Life Cycle Cost Analysis): RFP Section VII, Item 6, requires a Life Cycle Cost (LCC) analysis within the page-limited Technical Proposal for 5 evaluation points. Conversely, Exhibit B, the Price Proposal Form, requires the LCC analysis to be submitted within the separate, sealed price envelope. Please clarify whether the LCC

analysis should be included in the Technical Proposal or the sealed Price Proposal envelope.

RESPONSE #1: Provide in the Technical Proposal. **See AD3.01**.

QUESTION #2 (Builder's Risk Insurance): Please reference Exhibit B of the Fee Proposal Form. Under the "Bonds and Insurance" cost item, please confirm if Builder's Risk Insurance is required here? Please note that Builder's Risk quotes cannot be held for more than a few weeks, and generally require the Geotech Report, Building structure type, area, etc., which is not available until after the design phase. Considering the volatility in the insurance market, will the District consider excluding Builder's Risk Insurance from the Price Proposal, and deferring Builder's Risk Insurance to time of Contractor's Guaranteed Max Price (GMP) proposal?

RESPONSE #2: Builder's Risk Insurance costs will be deferred until the time of GMP when scope and construction costs can be clearly identified. See **AD3.01**.

QUESTION #3 (Geotech): Please reference page 4 of the RFP which states that [the Design- Builder shall] "Provide full design and engineering services (including, without limitation, geotechnical and survey services) necessary to complete the design and secure approval for the Project from all agencies (including, without limitation, DSA) and in accordance with the District's design standards and criteria documents attached as Exhibits A1 and A2 hereto." Please also reference Exhibit E Agreement, under Article 4 District Responsibilities, Item 4.2.1.5, which indicates that [the District shall provide] "To the extent available, environmental studies, geotechnical and geohazard surveys, reports, and impact statements describing the environmental conditions, including hazardous conditions, in existence at the Site."

- 1. Please confirm which entity is responsible for providing the Geotechnical Report.
- 2. Please confirm which entity is responsible for Hazardous Material Surveys.

RESPONSE #3: The District will provide the Geotechnical report and Hazardous material surveys.

QUESTION #4 (CA Costs): Please reference Exhibit B Fee Proposal Form. Please confirm if design team Construction Administration costs are meant to be captured in the Design Phase Services Fee, or if they shall be included in the Construction Costs, along with the GMP?

RESPONSE #4: Include in the Construction costs.

QUESTION #5 (P&P Bonds): Please reference the Payment and Performance Bonds. Please confirm that they shall only be applied to the Construction Phase and not the Design Phase.

RESPONSE #5: Construction Phase only.

QUESTION #6 (Engineer Replacement): Our team's MEOR wishes to be replaced

by another person in the same firm. The person who signed ex B in the SOQ and the firm will not change. Does a new resume need to be supplied, and if so, where should it be placed? As an exhibit?

RESPONSE #6: The design build entity was scored and awarded to the RFP process based on personnel presented to the scoring panel. A change in the entities RFP points may be impacted with the change. Refer to RFP Section VII. Proposal Format and Content.

QUESTION #7 (Geotech) : Section IV line 17, pg. 4: Geotechnical service requirement – DBIA best practice is that the geotechnical service requirements of projects to be contracted through the Owner. Propose that this project has this service done by SCUSD.

RESPONSE #7: Refer to Question #3 for response.

QUESTION #8 (Insurance – Builders Risk): Exhibit E, Section III, pg. 120 of 136 – Effective Date and Term of Policies "The insurance required by this Exhibit shall be maintained by Design-Builder in full force and effect at all times during prosecution of the work and, with the exception of Builder's Risk, until **four (4) years** after the final completion and acceptance thereof by District." Can this be reduced to "two (2) years" to reduce unnecessary insurance costs?

RESPONSE #8: No

QUESTION #9 (Insurance- Excess Liability): Exhibit E, Section IV Part A.3., pg. 122 of 136 – Liability Insurance: Excess Liability "Design-Builder shall have in place an Umbrella or Excess Liability Policy in the amount of **\$20,000,000**. The policy shall be "Following Form" in excess of the above captioned policies and Workers' Compensation Employer's Liability. Evidence of this coverage shall be provided on the certificate of insurance." Can this be reduced to \$10,000,000 since the project budget is \$22,000,000?

RESPONSE #9: No

QUESTION #10 (Liability Insurance): Exhibit E, Section IV Part A.4., pg. 122 of 136 – Liability Insurance: Professional Liability "As a condition precedent to Design-Builder performing any design-build operations under the Contract Documents, Design-Builder shall obtain at its own expense **project specific** Professional Liability (Errors & Omissions) coverage to protect, defend, and hold harmless the District and its officers, officials, directors, trustees, agents, employees and volunteers from all claims arising out of the professional services provided by Design-Builder under the Contract Documents." Can "project specific" be removed from this section?

RESPONSE #10: No

QUESTION #11 (Liability Insurance): Exhibit E, Section IV Part B.9., pg. 123 of 136 – Liability Insurance: General Liability and Auto Liability Insurance "Any deductibles or selfinsured retentions must be declared to and approved by the District which amounts shall be no greater than \$50,000." Can this section be revised to the following language? "Any deductibles or self-insured retentions must be declared to and approved by

the District which amounts shall be no greater than \$50,000 the following:

- 1. GL Deductible: \$750,000
- 2. WC Deductible: \$500,000
- 3. Professional/Pollution SIRs: \$250,000

RESPONSE #11: Follow the bid documents

QUESTION #12(Insurance): Exhibit E, Section V, pg. 124 of 136 – Subcontractor's/Subconsultant's Insurance "Should Subcontractor's work include any elements that may give rise to a Pollution claim, Subcontractor shall be required to carry Pollution Liability coverage with limits of at least **\$2,000,000** per pollution event." Can the amount be reduced to \$1,000,000 per pollution event?

RESPONSE #12: Follow the bid documents

QUESTION #13 (Builders Risk): Exhibit E, Section VI, pg. 125 of 136 – Builder's Risk/Installation Floater Insurance "In addition, there shall be coverage in the amount of twenty percent (20%) of the replacement cost for Extra Expense and Loss of Use and thirty percent (30%) of the replacement cost for Soft Costs coverage." Can this section be revised to the following language?

"In addition, there shall be coverage in the amount of twenty percent (20%) of the replacement cost for Extra Expense and Loss of Use and thirty percent (30%) six **percent (6%)** of the replacement cost for Soft Costs coverage."

RESPONSE #13: Builder's Risk Insurance coverage adjustments will be taken into consideration at the time GMP when project scope and construction costs can be clearly identified. **See AD3.01.**

QUESTION #14 (DB Agreement - Indemnity): Article 12.1.1, pg. 26 of 136 Requested changes to the last sentence in this article are as follows: "Design-Builder's duty shall include the duty to defend the indemnitees as required by Civil Code section 2778 2782.8." Change to the Civil Code is based on 2782.8 governing design professional's services.

RESPONSE #14: Follow the bid documents

QUESTION #15:

A-1 SUITABILITY OF OWNER'S PERFORMANCE CRITERIA

1. Contract Article(s) / Section(s): Agreement §3.3 (3.3.1–3.3.2)

2. Page number: 10-11 of 136

3. Suggested alternate language (add new §3.3.3):

"3.3.3 Except for ordinary professional-standard design development, Design-Builder shall not be responsible for the cost or time impact of (i) material errors, omissions, conflicts or code violations in the Criteria Documents that a prudent design professional could not reasonably have discovered prior to GMP submission, or (ii) District-directed changes to those Criteria after execution of this Agreement. Any such impact shall be handled by Change Order in accordance with Articles 14 and 15."

4. Reason / Cost impact: Present clause makes DB fully liable for latent bridgingdocument defects—an un- insurable risk that forces a large pricing contingency. Carving out non-discoverable criteria gaps aligns with normal progressive DB practice and will lower the GMP contingency premium.

RESPONSE #15: Follow the bid documents

QUESTION #16:

A-2 OWNER CONTROL OF CONTINGENCIES

- 1. Contract Article(s) / Section(s): Agreement §7.2.1
- 2. Page number: 23 of 136
- 3. Suggested alternate language (replace §7.2.1):

"The District shall have the **reasonable** right to object to any proposed use of the Construction Contingency **given the cause for the usage falls outside the stated examples previously noted**, stating the basis for its objection, and provided that notice of objection is given to Design-Builder within five (5) business days of Design-Builder's notice of intent to use the contingency, or within such shorter time as reasonably stated in that notice."

4. Reason / Cost impact: The current "veto" right leave the DBE carrying the working-capital risk and pricing an extra layer of contingency. Providing predictable access reduces GMP and avoids dispute-driven delays.

RESPONSE #16: Follow the bid documents

QUESTION #17:

A-3 "MORE STRINGENT DOCUMENT CONTROLS" CONFLICT CLAUSE

- 1. Contract Article(s) / Section(s): Agreement §2.6
- 2. Page number: 3 of 136
- 3. Suggested alternate language:

"In the event of conflict between any of the Contract Documents, the provision placing a more stringent requirement on Design-Builder shall prevail. Design-Builder shall provide the better quality or greater quantity of Work and/or materials unless directed otherwise by the District in writing. If none of the Contract Documents place a more stringent requirement or greater burden on Design-Builder, then the following order of precedence will govern:"

4. Reason / Cost impact: The current "most stringent" rule almost always drives the DBE to the highest-cost solution and suppresses timely clarifications; removing it eliminates hidden premium the DBE must carry.

RESPONSE #17: Follow the bid documents

Question #18:

A-4 LIQUIDATED-DAMAGES PROVISION

- 1. Contract Article(s) / Section(s): Agreement §6.2
- 2. Page number: 21-22 of 136
- 3. Suggested alternate language (revise last ¶):

"Liquidated damages shall not exceed in the aggregate ten percent (10 %) of the GMP. Liquidated damages are the sole and exclusive remedy of either party for delay; each party waives all incidental, consequential or special damages arising from delay. If the District occupies the Project prior to Substantial Completion, liquidated damages shall be tolled during such occupancy."

4. Reason / Cost impact: Un-capped LDs expose sureties and increase bonding cost; capping and adding mutual waiver align with market norms and allow sharper GMP pricing.

RESPONSE #18: Follow the bid documents

QUESTION #19:

A-5 Defense and Indemnity for Design Services

- 1. Contract Article(s) / Section(s): Agreement Article 12 (esp. §§12.1)
- 2. Page number: 26 & 27 of 136
- 3. Suggested alternate language (intro ¶ of §12.1.1 & §12.2.1):

"To the fullest extent permitted by law, Design-Builder shall, with respect to all design services covered by or incidental to this Agreement, indemnify, defend, and hold harmless the District, its officers, officials, employees, agents, and volunteers from and against any and all liens and claims asserted by firms or individuals claiming through Design-Builder and claims, losses, liability, damages, costs, or expenses, including reasonable attorneys' fees and expert fees, or liability of every nature that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of

Design-Builder, its Design Consultants, Subcontractors, and their consultants, subcontractors, agents, and employees ("Design Services Claim")."

4. Reason / Cost impact: By deleting the vague catch-all term "agent," the indemnity is confined to parties the District truly needs protected, making the risk insurable and predictable, which lowers the contractor's contingency, bond and insurance premiums—and therefore reduces the District's overall project cost.

RESPONSE #19: Follow the bid documents

List of Attachments AD3.01 – McClatchy - DB Price Proposal Form (3 Pages)

END OF ADDENDUM NO. 3

Acknowledgement of this Addendum will be required at time of bid.