



ADDENDUM 1
February 17, 2023

To Respondent of Record:

This addendum, applicable to project referenced above, is an amendment to the RFCSP and as such will be part of and included in the Contract Documents. Acknowledge receipt of this addendum by entering the Addendum number and issue date on the space provided in submitted copies of the Respondent Questionnaire.

CHANGES TO SPECIFICATIONS

- 1. SUPPLEMENTARY INSTRUCTIONS TO RESPONDENTS.** The following section A., 4., last paragraph, of SIR-3 of the Supplementary Instructions to Respondents is updated as follows, where the language that has been amended since the issuance of the RFCSP on 2-13-23 is in **red, bold italics** for ease of reference:

For the meter and AMI communications module installation work under this RFCSP, the above Appendices show:

- The installation of static water meters (and AMI communications modules) by SAWS starting February, 2023 and ending June, 2024, for a total of approximately 48,000 total meters.
- Installation by the selected End Point Installation vendor of approximately 430,800 size 5/8 inch to 1 inch (a.k.a., “small”), and 1.5 inch to 2 inch (a.k.a., “intermediate”) static water meters and their associated AMI communications modules, with an estimated start in November, 2023 and an estimated completion based on 3 scenarios as follows:
 - Scenario 1: Substantial completion by June 30, 2026;
 - Scenario 2: Substantial completion by December 31, 2026; and
 - Scenario 3: Substantial completion by June 30, 2027.

The meters listed in Appendix 7 includes 479,089 **5/8 inch – 2 inch** meters from which SAWS will select 430,800 **size 5/8 – 2 inch** meters for the vendor to install.

- At SAWS option, the right to assign to the End Point Installation vendor the installation of approximately 2,248 **2,700** size 3 inch to 10 inch, **simple**, non-compound, static water meters and their associated AMI communications modules, with an estimated start in September, 2024 and an estimated completion date based on the same Scenarios 1, 2 & 3, above. **These 2,248 size 3 inch to 10 inch meters have been added to Appendix 7.**

All other sections remain unchanged.

- 2. SUPPLEMENTAL CONDITIONS.** Pages, SS-18 to SS-20, ARTICLE VIII- CONTRACT COMPLETION TIME, remove 8.6 and 8.6.1 and replace with the following, where the language that has been amended since the issuance of the RFCSP on 2-13-23 is in **red, bold italics** for ease of reference:

8.6 Liquidated Damages for Failure to Complete the Work in the time required in this Contract shall be amended as follows:

“The Contractor agrees that time is of the essence on this Contract and that for delay beyond the applicable period agreed upon for completion of the Work, after due allowance for such extension of time as provided for under the provisions herein, the Owner may withhold permanently from the Contractor’s ~~total~~-compensation, not as penalty but as fixed, agreed and liquidated damages, the applicable sum for the relevant period in accordance with the Supplementary Conditions of the Contract. Liquidated Damages, for the purposes of this Contract, will be assessed as indicated below.

8.6.1 Column R (Cumulative Meters - All Persons) in tab 2 of Exhibit N (SAWS AMI Water Deployment Plan) shows the cumulative number of 5/8”-2” Meter and Endpoint Installations scheduled to be completed during a [number of months reflected in the scenario SAWS chooses] deployment period (“Deployment Period”) referenced in Column E (Vendor Deployment) therein. For each month during the Deployment Period that Contractor has failed to complete the number of 5/8”-2” Meter and Endpoint Installations in the “Cumulative Meters - All Persons” column (Column R) by the end of the corresponding month in Column C (Mo-Yr) therein, Owner shall be entitled to deduct from amounts otherwise owing to Contractor, as liquidated damages for such failure, an amount equal to:

$$\$0.78(A-B),$$

where, (i) for months one through six of the Deployment Period, A is equal to ninety percent (90%) of the number in the applicable Cumulative Meters - All Persons column (Column R) and, (ii) thereafter, A is equal to ninety-five percent of the number in the applicable Cumulative Meters - All Persons column (Column R); and B is equal to the total number of 5/8”-2” Meter and Endpoint Installations completed by Contractor by the end of the applicable month.

5/8”-2” Meter and Endpoint Installations that have not been completed by the required time because they have been treated as exceptions under Sections 2.10.6.1 through 2.10.6.3 of Exhibit B (EPI Statement of Work and Specifications) shall be deducted from Column R (Cumulative Meters – All Persons) for purposes of calculating liquidated damages under this Section 8.6.1.

As an example only, assume Exhibit N (SAWS AMI Water Deployment Plan) shows that 269,400 5/8”-2” Meters [Numbers selected for this example will come from the selected Water Deployment Plan] are to be installed by the end of June 2025 and that Contractor has only installed 240,000 5/8”-2” Meters [Numbers selected for this example will come from the selected Water Deployment Plan] by then. Liquidated damages would be deducted for June 2025 because the total 5/8”-2” Meters installed as of the milestone date is below 255,930 [Numbers selected for this example will come from the selected Water Deployment Plan] (or ninety-five percent (95%) of 269,400 [Numbers selected for this example will come from the selected Water Deployment Plan]). In this example, Owner would be entitled to a one-time deduction of \$12,425.40, or 15,930 times \$0.78.

The foregoing liquidated damages shall be calculated and ~~deducted~~ **deducted may be withheld permanently** by Owner ~~on a monthly basis at the end of each calendar month from any payment by Owner to Contractor, including final payment upon Project completion.~~ Owner shall notify Contractor in writing of the amount being deducted and the basis for Owner’s determination that such amount is owing before deducting any liquidated damages under this Section 8.6.1. Owner reserves its right to notify the surety underwriting the Performance Bond and Payment Bond of liquidated damages assessed under this Contract.

For clarity, any reference to Exhibit N (SAWS AMI Water Deployment Plan) in this Section 8.6 is deemed to be a reference to the most recent version of Exhibit N (SAWS AMI Water Deployment Plan) or its equivalent that has been agreed to by Owner and Contractor.

3. SPECIAL CONDITIONS. Article IX. Additional Liquidated Damages is added to the Special Conditions.

IX. ADDITIONAL LIQUIDATED DAMAGES

The Contractor agrees that adequate installation and training are of the essence on this Contract and that for Installation Errors (as defined in Exhibit B (EPI Statement of Work and Specifications) that require any Owner involvement to resolve under 2.4.10.2.1 of Exhibit B (EPI Statement of Work and Specifications) (the "Installation Errors Requiring Owner Involvement") and any retraining by Owner of a Contractor's installer necessary to obtain Owner approval for such installer's return to field installation activities (where such approval will not be unreasonably withheld should the installer demonstrate to Owner ability to properly install a meter during the retraining) pursuant to 2.1.14.4 of Exhibit B (EPI Statement of Work and Specifications) ("Retraining"), the Owner may withhold permanently from the Contractor's compensation, not as penalty but as fixed, agreed and liquidated damage, the applicable sum in accordance with the Special Conditions of the Contract. Installation Error Liquidated Damages and Retraining Liquidated Damages (each as defined below), for the purposes of this Contract, will be assessed as indicated below.

Liquidated Damages for Installation Error Requiring Owner Involvement

For each Installation Error Requiring Owner Involvement, in addition to Contractor responsibility to resolve the Installation Error pursuant Exhibit B (EPI Statement of Work and Specifications), Owner may withhold permanently from any payment by Owner to the Contractor, including final payment upon Project completion, the amount of the EPI's Installation Unit Price identified in tab 2A of Exhibit A (EPI Pricing Workbook).

By way of example only, if an Installation Error Requiring Owner Involvement occurred on a 5/8" meter installation and the Installation Unit Price for a 5/8" meter installation was \$40.00, the Owner would be permitted to withhold \$40.00 (the Installation Unit Price) from the Contractor's compensation from any subsequent payment to Contractor or at final payment to the Contractor.

Liquidated Damages for Retraining

For each Retraining, Owner may withhold permanently from any payment by Owner to the Contractor, including final payment upon Project completion, the amount equal to: \$39.00 multiplied by the number of hours of Retraining, regardless of number of installers being retrained during that period of Retraining.

By way of example only, if it takes 3 hours of Retraining to obtain Owner approval for two installers returning to field installation activities, then Owner would be permitted to withhold \$117.00 (the hourly Retraining rate of \$39 multiplied by 3 hours of Retraining) from the Contractor's compensation from any subsequent payment to Contractor or at final payment to the Contractor.

4. APPENDICES AND EPI PRICING WORKBOOKS. Remove Appendix 6 (SAWS AMI Water Deployment Plan (Excel)), Appendix 8 (EPI Statement of Work and Specifications), EPI Pricing Workbook (Scenario 1), EPI Pricing Workbook (Scenario 2), and EPI Pricing Workbook (Scenario 3) and replace in entirety with the attached, updated versions to reflect a reduction in the number of 3 inch to 10

inch, simple, non-compound, static water meters and their associated AMI communications modules that SAWS may, at its option, elect to assign to the Endpoint Installation vendor.

Respondents shall use the revised versions of Appendix 6, 8 and EPI Pricing Workbooks when submitting a proposal for this RFCSP. Failure to do so may result in the Respondent being found non-responsive.

[See Attached Appendix 6, Appendix 8, EPI Pricing Workbook (Scenario 1), EPI Pricing Workbook (Scenario 2), and EPI Pricing Workbook (Scenario 3)]

5. **APPENDICES AND EPI PRICING WORKBOOKS.** Remove **Appendix 7 (Meter & Location Information (Excel)(Secured – Requires Disclaimer)** and replace in entirety with an updated version, **available only upon confirmation of SAWS’s receipt of a fully executed Disclaimer Form**, to include 2,248 size 3 inch to 10 inch, simple, non-compound, static water meters and their associated AMI communications modules that SAWS may, at its option, elect to assign to the Endpoint Installation vendor.

[A fully executed Disclaimer Form is required in order to receive the updated Appendix 7 from SAWS]

END OF ADDENDUM 1

This Addendum is **four (4)** pages in its entirety. Attachments can be found on the SAWS website at the following link:

https://apps.saws.org/business_center/ContractSol/Drill.cfm?id=4200&View=Yes

ATTACHMENTS:

- EPI Pricing Workbook (Scenario 1) (Excel)
- EPI Pricing Workbook (Scenario 2) (Excel)
- EPI Pricing Workbook (Scenario 3) (Excel)
- Appendix 6 – SAWS AMI Water Deployment Plan (Excel)
- Appendix 7 - Meter & Location Information (Excel) (Secured – Requires Disclaimer)
- Appendix 8 – EPI Statement of Work and Specifications (Word)