

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF SUPPORT SERVICES



INVITATION TO BID (ITB) 10-025-22

Tip Levarg Road Construction

Addendum Three

Date of Issue: March 1, 2022

Addendum Three serves to answers questions from vendors and provide warranty and security requirements as required by the Kenai Peninsula Borough.

Important Note to Offerors: You must sign and return this page of the addendum document with your bid. Failure to do so will result in the rejection of your bid. Only the ITB terms and conditions referenced in this addendum are being changed. All other terms and conditions of the ITB remain the same. This Addendum Three is hereby made part of the ITB and is a total of two pages.

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Procurement Specialist

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COMPANY SUBMITTING BID

AUTHORIZED SIGNATURE

DATE

Questions from Vendors

Question 1: We feel staking proposed road center line with lath and flagging will not be enough to complete project. Slope staking with grades would more conventional. Will DNR supply any finish elevations?

Answer: No.

Question 2: Also section 14.06.100 Number 8 of the KPB Code of ordinances states: Roads constructed in level terrain susceptible to ponding require the applicant to submit to the RSA director for approval drainage designs which may include approved drainage galleries or elevated road sections. Will DNR design and submit to the RSA director for the approval of drainage design?

Answer: The current drainage design is limited to the required KPB Road Templates and planned culvert placement; we will submit this design to KPB. No additional information is anticipated. If, in the course of construction, additional culverts or drainage galleries are required by the KPB Road Inspector, DNR will provide design support as necessary. Any additional culverts or drainage galleries may be added by change order.

Question 3: Will clearing need to be completed to the edge of right of way or back slope of ditch. (Recent projects with KPB have required clearing to right of way I did not find this requirement in the Code.)

Answer: Clearing shall be completed in a manner sufficient to accommodate efficient construction and staging. Clearing of the full right of way is not required.

Question 4: 14.06.140 C. *Financial Security for Warranty*. Applicants for maintenance of roads preliminarily approved for maintenance must provide the RSA with security to guarantee the payment of any repair or reconstruction costs undertaken by the RSA or its agents due to any road failures, defects, or deficiencies that occur during the warranty period. Once acceptable security is received, the road will be certified for maintenance. Who will be responsible for the Warranty and Security requirements which are 10% of costs?

Answer: See “Warranty and Security Requirements” information on page 3.

Question 5: Are there any provisions for utilities?

Answer: No.

Question 6: On the notice it states: If you download this solicitation and are interested in submitting a bid, you must register with the Procurement Officer. Failure to do so may result in your bid being declared non-responsive. Do you have a form to be filled out? Please see attached bidder registration for a project that we have with State Parks.

Answer: Vendors must register with the Procurement Officer by emailing christopher.brooks@alaska.gov. A registration form is not required. You simply need to ask to be registered for the ITB.

Changes to the ITB

Warranty and Security Requirements

A warranty for road construction and a financial security for that warranty is required by Kenai Peninsula Borough (KPB) for new road construction—reference KPB Code Chapter 14.06.140 Warranty and Security Requirements. Upon preliminary approval of the constructed roads by the Kenai Peninsula Borough Road Service Area (RSA), the Contractor shall furnish the RSA with acceptable security for the warranty of the construction, to remain in effect for one year. In accordance with KPB code, the security shall be accepted by the RSA in any one of the following forms (as stated in Chapter 14.06.140.C):

3. Security covering ten percent of the construction costs for the project shall be accepted in any one of the following forms:
 - a. A bond in the required security amount issued by a qualified corporate surety licensed to do business in Alaska. The bond shall be payable to the Borough in the event that any reconstruction or repairs are required for road failures, defects, or deficiencies that occur during the warranty period.
 - b. A cashier's check or certified check in the required security amount. The funds shall be held in trust and returned after the expiration of the warranty period less any costs necessary for reconstruction or repair of any road failures, defects, or deficiencies that occur during the warranty period.
 - c. A deposit of a cash sum in the required security amount into an escrow account with a responsible financial institution authorized to do such business in Alaska. The applicant shall provide an escrow agreement to the Borough that includes the following terms: the funds shall be held in trust until released by the Borough; the funds may not be used or pledged as other security; and the funds shall be available to the Borough for any costs incurred for reconstruction or repair of any road failures, defects, or deficiencies that occur during the warranty period.
 - d. A letter of credit in the required security amount from a bank or other responsible financial institution authorized to do such business in Alaska and acceptable to the borough finance director that is irrevocable until the Borough authorizes the revocation and guarantees the creditor shall pay to the Borough immediately and without further action the funds necessary for reconstruction or repair of any road failures, defects, or deficiencies that occurred during the warranty period.

End of Addendum Three