

## ADDENDUM NO. I

DATE: August 17, 2016

TO: All Proposers

FROM: Janice McClelland, Assistant Purchasing Agent

SUBJECT: Addendum No. 1 – Development of Former State Supreme Court Site

PROPOSALS TO BE OPENED: October 10, 2016, at 11:00:00 a.m.

This addendum becomes a part of the Contract Documents and modifies the original specifications as noted.

### **Additional Language for Request for Proposals**

Proposers are instructed to add the following language to the RFP:

The winning proposer will commence project construction within 12 months of the purchase of the property. All construction will be successfully executed and finalized, in accordance with the proposed plan, within 3 years of the project commencement date. Additionally, the winning proposer will, at its sole expense, obtain and maintain in full force and effect for the duration of construction on the property the following types of insurance for claims that may arise from or in connection with the construction of the project. All insurance must be underwritten by insurers with an A.M. Best rating of A-VIII or better.

- 1) *Property Insurance:* Buyer shall, at its sole expense, obtain and maintain in full force “All-Risk” form building and personal property insurance policy to insure this property. Insurance shall be for full replacement cost with no coinsurance penalty provision. If coinsurance is used, the property limits must be sufficient so as to avoid any coinsurance penalty or coverage reduced. Prior to purchase, buyer must furnish the City with properly executed certificates of insurance which shall clearly evidence all insurance.
- 2) *Builders’ Risk Insurance.* Buyer shall procure and shall maintain or shall cause to be procured and maintained Builders’ Risk Insurance on a replacement cost basis during the construction of the project. Insurance is to be on an “all risks” basis and shall insure against the perils of fire and extended coverage and physical loss or damage including, but not limited to, theft, vandalism, flood, earthquake, malicious mischief, collapse, temporary building and debris removal including demolition occasioned by enforcement of any applicable legal requirements and shall cover reasonable compensation for architect’s services and expenses required as a result of such insured loss. Insurance is to cover all property of Buyer (and its contractors and subcontractors) at the construction site. Coverage shall cover the completed value of the construction including without

limitation, slab on grade, excavations, foundations, caissons, tenant finish work, and retaining walls around the perimeter of the project. Any exclusion of so-called underground damage to pipes, collapse of structure, or damage resulting from explosion or blasting shall be deleted. This coverage shall be issued on a completed value form basis for 100% of the insurable replacement value of the project.

The construction timeline and insurance requirements, as well as all other requirements in this Request for Proposals, will be incorporated as a possibility of reverter into the quitclaim deed conveying the property to the winning proposer. If the winning proposer violates any of these requirements, the property will automatically revert back to the City with the winning proposer relinquishing all interest in the property, including any improvements made by the winning proposer.

**END OF ADDENDUM NO. I**