

April 19, 2021

To: Prospective Bidders

Subject: City of Wilson Substation System BESS Project  
RFP #20-9937-8001  
Addendum No. 3

Dear Bidder:

Below is Addendum No. 3 covering common questions regarding the RFP. The addendum is offered in the form of answers to questions received from prospective bidders on this project. Updated pages have been included which may be replaced in your copy of the RFP.

<u>Revised Page</u>	<u>Update Summary</u>
IB-2 R	Bid Bond term updated
IB-4 R	Bond terms updated
IB-5 R	Electrical License Accepted
P-20 R	Bid Bond form updated to match (not highlighted)
Exhibit1 R	Question due date extended

- Q: Which power factor shall be used for sizing these systems?

A: The BESS shall be sized at a unity power factor.

- Q: How long the Bid Bond should be valid? 30-60 days?

A: The bid bond should be valid for the length that the bids are to be retained, which is 120 days per section 12 page IB-5.

- Q: Warranty Bond has different definitions and some contradictions (see page D-2 vs paragraph 9.3, page IB-4). The definition on page D-2 is for entire duration of warranty, that is 10 – 15 years as per Bid Schedules, while on page IB-4 it asks 60 months – which is correct?

A: The Warranty Bond and Supply bond have been removed. The Bond requirements have been updated, please refer to the updated attached pages.

- Q: No OEM will provide such Warranty Bond with Liquidated Damages. Warranty by OEM will cover defective parts being replaced at no cost to the City, but not the Liquidated Damages, please exclude Liquidated Damages from the Warranty Bond definition/requirements.

A: If a proposal includes limited terms for the requested bonds then those terms should be defined in the exceptions page.

- Q: Please provide clear separate terms and conditions for Performance and Payment Bonds, that are bundled in the paragraph 7 (pages IB-3 and IB-4)?

A: The Performance and Payment Bonds shall meet the requirements specified by the NC General Statutes; Models can be found in Article 3 Chapter 44A.

- Q: All Bonds (Performance, Payment, Supply and Warranty) have overlapping duration and validity (24 months and more after acceptance of the project), that will make serving costs of such bonds extremely high. Could you please make clear separation of durations of such bonds and posting time so that there is no overlapping?

A: The Warranty Bond and Supply bond have been removed. The Bond requirements have been updated, please refer to the updated attached pages.

- Q: Paragraph 11.4 (page S-14) refers to Liquidated Damages as described in section 1.5 and 3.1.3, but section 1.5 does not exist, please correct.

A: This has been corrected in the pages that were supplied with Addendum 1

- Q: For all pages to be revised in a new Addendum, could you highlight the changes/revisions made?

A: Yes, in previous Addendums they may be bolded or italicized to differentiate them from the original release.

- Q: Could you please grant 6-8 weeks deadline extension to allow preparing a high-quality bid?

A: An extension of 6-8 weeks will not be granted.

- Q: We'd like additional clarity on when the Bid Security can be drawn by Owner. After a bid is submitted, a contract would need to be negotiated for the project (including certain commercial details). Could the Owner draw on the Bid Security if the parties are unable to come to an agreement on the project contract or other details?

A: The Bid Security will only be drawn in an instance in which the bidder does not honor their original proposal. The only instance in which the Bid Security will be drawn will be in accordance to NC GS 143-129. The contract will not be considered awarded until after good faith negotiations are completed for contract terms and relevant exceptions which will be presented to the City Council for approval. After which time the contract will be considered awarded.

- Q: Please specify all circumstances under which Owner can draw upon the Bid Security?

A: See answer above

- Q: Can a Bidder edit the circumstances in which the Bid Security can be called by Owner in either the Form of Exceptions or in the Form of Bid Bond?

A: The bidder may, but any alterations which make the bid non-compliant with the North Carolina General Statutes will be considered unresponsive.

- Q: Can a Bidder edit the form of Bid Security? Specifically, can a Bidder remove the provision in the Bid Security stating that, if in the form of a surety bond, the surety could be liable for double the value of the bond? (We note that this requirement on double amount was not found in NC GC 143-129)

A: The bid specifications have been updated to remove the requirement that the surety could be liable for double the value of the bond.

- Q: To what extent can the Bidder include modifications to the bond requirements in the Form of Exceptions? Specifically, we note that the requirement of a Performance and Payment Bond, Supply Bond and Warranty Bond appear to overlap, and could require up to 200% of the project payment to be posted during construction and 2 years after, plus another 20% for 5 years after construction. This would represent a significant expense and risks for bidders.

A: The Bond requirements have been updated, please refer to the updated attached pages. Alterations must comply with the North Carolina General Statutes.

- Q: Article 3, Chapter 44A-27 specifies that any claims on a Payment Bond can be made within 120 days after the work is performed. Would this permit the Bidder to shorten the period that the Performance/Payment Bond remains active from the 2 years specified in Section 7.3 (page IB-4) of the RFP?

A: The Bond requirements have been updated, please refer to the updated attached pages.

- Q: Will there be individual contracts for each site / Bid schedule?

A: Contracts will be created between each successful bidder and the Owner. If multiple schedules are awarded to a vendor they would be included in a single contract.

- Q: In the event of a purchase contract, what are your anticipated payment terms? E.g., payment in milestones or in a lump sum after completion of all project work? Can this be modified in the Form of Exceptions by Bidder?

A: Payment terms may be proposed by the bidder, but the City does not intend to prepay for any work or material. Invoices may include work performed or material delivered as approved by the Owner and Owner's Engineer with expected milestones to be agreed upon before the contract is finalized.

- Q: Paragraph 10.3.2. (page S-13) requires transformer grounded-Y on HV side. Our OEM on the other hand requires wye-grounded on LV side of the transformer. Are you Ok if both sides of transformer are grounded?

A: Yes

- Q: Could you please still provide the historic dispatch schedule for generators in addition to clarifications in Addendum 2?

A: The City is not planning to release the historic dispatch schedule for the generators. The existing diesel generators are capable of being dispatched for a greater length of time than the BESS requested in the RFP, and as such, the City understands and expects to dispatch the proposed BESSs with a different philosophy to take advantage of the limited stored energy more appropriately.

- Q: For such complex project do you require the Bidder to hold Public Utilities Electrical classification of the General Contractor License?

A: Public Utilities Electrical Classification Contractor License will not be required.

- Q: There is mention of the Owner furnishing and installing the medium voltage cabling to the utility pad mount transformer and the LV cabling to the inverter (or assuming first point of AC connection of the BESS). Is the expectation that the Materialman provides all other electrical installation components (raceway and conductors) for BESS interconnection and controls for a complete installation or is that provided by the Owner via the second bid for installation?

A: The City is prepared to perform all the subgrade work in preparation for the delivery of equipment. They will provide the HV cabling from the transformer to the utility connection as well as the secondary cabling to the first point of AC connection of the BESS. The City will not provide any other electrical components or cables, but subgrade conduits and raceways between foundations in which the City is responsible can be provided.

- Q: Please advise on requirements, if any, for lightning protection.

A: The transformers elbows provided by the Utility will supply lightning protection from the Utility connection. The BESS equipment shall be protected by an appropriately grounded protection umbrella which may be the equipment container or other means.

- Q: Our assumption are these installations are “in front of the meter” at each substation. Please advise, regarding the tolling agreement bid for each configuration, if the Materialman must be registered as a Utility Provider in the State of North Carolina by the North Carolina Utilities Commission since the Materialman could be considered the “owner” of the system.

A: Under the tolling agreement, the bidders will be providing the service of storing energy on behalf of the City of Wilson. The City does not expect the bidders need to be a registered utility.

- Q: The documents state a General Contractors License is required to perform the work. Please advise if a North Carolina Unlimited Electrical License would be considered as a substitute as much of the work is electrical.

A: The City will waive the General Contractors License and accept an Unlimited Electrical Licensed contractor to perform the work. See updated pages.

- Q: Can you provide time extension for submitting the questions (current deadline is April 15<sup>th</sup> at 5 pm EST)?

A: The deadline for submitting questions will be extended to Wednesday April 21<sup>st</sup> at 5 pm est.

- Q: Will you consider differentiated bids with Bidder dispatching the project?

A: No, the owner intends to dispatch the BESS, refer to Addendum 2.

- Q: Will you consider differentiated bids with a benefit share structure instead of a tolling agreement?

A: No, the owner is not interested in a benefit share structure.

- Q: Please confirm BESS block meter scoping. Contractor proposes for BESS block metering to be connected to medium voltage. Contractor proposes for the Owner to furnish and install infrastructure and metering instrumentation cluster, along with cable and conduit to a ground-level meter area. Contractor proposes furnishing and installing meter, terminating instrumentation sensing cabling to meter, and installation of communications cabling to BESS infrastructure.

A: This is an acceptable configuration the City intends to install the instrumentation transformers as shown in Appendix 3

- Q: Who supplies current transformers and installs them on LV or HV side?

A: The owner will provide HV side current transformers as shown in appendix 3. All other current transformers shall be installed by the bidder as needed.

- Q: Can you give the Exceptions table in Excel Format?

A: The Exceptions table will not be provided in Excel format. The bidders may provide exceptions in an alternate format from the provided sheet as long as it is legible and referenced on the provided sheet.

- Q: Will you provide auxiliary power to each of BESS / BESS block at 120/240 Volt?

A: Per the specification auxiliary power can be provided at 120/240 Volt. If required, 277/480 can also be made available.

- Q: If a bidder wanted to put in a tolling price only, how would you calculate the bid bond required?

A: Unfortunately, due to the Formal Bidding procedures a bid cannot be accepted which does not include a bid bond, and a bid bond cannot be fairly substituted for bidders intending to offer tolling prices only.

We appreciate your interest in this project and look forward to hearing from you. Please include this signed Addendum acknowledgement with your proposal submission.



Sincerely,

**BOOTH & ASSOCIATES, LLC**

Rev 1: Typo fixed on page 5

Rev 2: Date for questions fixed on page 5 Michael Winkler, PE

20-9937-8011

ACKNOWLEDGEMENT

Bidder: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Invoices shall be submitted in triplicate to the City's Engineer for review and approval. The address for submittal of all invoices is: Booth & Associates, LLC, 5811 Glenwood Avenue, Raleigh, North Carolina 27612, Attention: Mr. Michael Winkler, PE.

There shall be a ten percent (10%) retainage on invoices until all equipment, with proper instruction books per Specifications and certified test reports have been approved and accepted by the City and the Engineer. The City reserves the right to hold this retainage for a period of up to ninety (90) days without penalty to verify completeness of delivery. Deviation from the foregoing payment provisions will be considered less responsive.

### **3. Bid Security**

- 3.1 Each Proposal shall be accompanied by cash, cashier's check, or a certified check drawn on a bank or trust company insured by the Federal Deposit Insurance Corporation or the Savings Association Insurance Fund, or a Bid Bond in an amount equal to not less than five percent (5%) of the Proposal. Said deposit is to be retained by the City as Liquidated Damages in the event of failure of the successful Bidder to accept the Purchase Order within ten (10) days after the award.
- 3.2 Bid Bond shall be conditioned that the Surety will upon demand forthwith make payment to the Obligee upon said Bond if the Bidder fails to accept the Purchase Order in accordance with the Bid Bond, and upon failure to forthwith make payment, ~~the Surety shall pay to the Obligee an amount equal to double the amount of said Bond.~~
- 3.3 Only one (1) Bid Surety is required, the amount of which shall be based on the total amount of the bid.

### **4. Bulletins and Addenda**

Any bulletins issued during the time of bidding or addenda to Specifications are to be considered covered in the Bidder's Proposal, and in closing a Purchase Order they will become a part thereof. Receipt of addenda shall be acknowledged by the Bidder on the Bidder's Proposal Form.

### **5. Delivery of Equipment**

The prices quoted shall include delivery of the equipment Freight on Board (FOB) to the point of delivery in Wilson, North Carolina. The Bidder's Proposal shall be quoted including delivery to the City of Wilson sites as defined in Exhibit 4 and as outlined in the Specifications. Offloading of equipment is to be performed by the Bidder. Final address of the delivery sites will be provided after award has been made.

Delivery of all items of equipment shall be made at such time as to permit unloading between the hours of 9:00 a.m. and 3:00 p.m., Monday through Friday, holidays excluded. The Bidder shall give forty-eight (48) hours' notice of all deliveries.

The Bidder shall be responsible for securing permits required for unloading and transportation of the equipment.

Receipt of "Approval Drawings" by the Bidder constitutes authorization for manufacture only, predicated upon the Drawings and corrections found thereon. Tentative release for shipment is to be granted by either the City or the City's Engineer, based upon the following:

- a) Furnishing of the requested number of copies of the Final Drawings as called for in the Specifications.
- b) Coordination of manufacturing and delivery with City's construction schedule as may be noted in these Specifications.
- c) Thirty (30) days notification of tentative shipping schedule and forty-eight (48) hours notification prior to delivery.

### **6. Award of Purchase Order**

- 6.1 The award of the Purchase Order will be made to the lowest acceptable Bidder as soon as practicable, provided that in the selection of materials and equipment, a Purchase Order

persons performing labor and furnishing materials and equipment in connection with this Contract.

7.2 Performance and Payment Bonds shall be with a Surety company authorized and licensed to do business in the State of North Carolina and shall be for the full construction (Field Services Support) sum.

7.3 In all Performance and Payment Bonds, there shall be a provision that no suit, action, or proceeding by reason of default shall be brought on this Bond as per NC GS Article 3 Chapter 44A. The face value of the Bond shall be one hundred percent (100%) of the contract cost for a period 24 months following final acceptance of the project.

7.4 If the Tolling Agreement option is selected, the Performance Bond will be based on the equipment purchase price bid as defined above, and the Payment Bond will be waived.

7.5 The Performance Bond is requested to cover the contract terms for a period of 60 months after the BESS become operational. This includes liquidated damages as defined in section 3.1.3 of the Technical Specifications.

7.6 The Performance Bond needs only to cover claims made on liquidated damages as defined in section 3.1.3 up to 20% of the contract price.

## 8. **Supply Bond (Not Required)**

8.1 The Successful Bidder shall be required to furnish Supply Bonds in amounts at least equal to one hundred percent (100%) of the total Battery Energy Storage System (BESS) equipment prices as identified on the proposal sheets as security for the faithful performance of this Contract and as security for furnishing materials and equipment in connection with this Contract.

8.2 Supply Bonds shall be with a Surety company authorized and licensed to do business in the State of North Carolina and shall be for the full BESS sum.

8.3 In all Supply Bonds, there shall be a provision that no suit, action, or proceeding by reason of default shall be brought on this Bond after a period of 24 months. The face value of the Bond shall be one hundred percent (100%) of the BESS cost for a period 24 months following final acceptance of the project.

8.4 If the Tolling Agreement option is selected, the Supply Bond will be based on the equipment purchase price bid as defined above.

## 9. **Warranty Bond (Not Required)**

9.1 The Successful Bidder shall be required to furnish Warranty Bonds in amounts at least equal to twenty percent (20%) of the total Contract price as security for the faithful performance of this Contract and as security for the warranties and guarantees in connection with this Contract which shall include any liquidated damages incurred as defined in the specifications related to the performance of the accepted systems.

9.2 Warranty Bonds shall be with a Surety company authorized and licensed to do business in the State of North Carolina and shall be for 20% of the full Contract sum.

9.3 In all Warranty Bonds, there shall be a provision that no suit, action, or proceeding by reason of default shall be brought on this Bond after a period of 60 months. The face value

of the Bond shall be twenty percent (20%) of the total Contract price for a period 60 months following final acceptance of the project.

9.4 If the Tolling Agreement option is selected, the Warranty Bond will be waived.

**10. Examination of Conditions**

Prior to the submission of the Proposal, the Bidder shall make and shall be deemed to have made a careful examination of the Plans and Specifications on file with the City and with the Engineer, and all other matters that may affect the cost or time of completion of the work.

**11. Completion**

The time of completion of the project shall be as specified in the Bidder's Proposal.

**12. Bids to be Retained**

No bid may be withdrawn after the scheduled closing time for the receipt of bids for a period of **one hundred twenty (120) days** pending the acceptance of a Purchase Order by the successful Bidder. Should the successful Bidder default and not accept a Purchase Order, then the Purchase Order may be offered to the next lowest responsible Bidder whose Proposal is evaluated as acceptable.

**13. Qualification of Bidders**

Bids will be accepted only from Bidders deemed by the Engineer to be qualified to provide the materials, equipment, and services described by these Specifications. The experience of Bidders in providing the same or similar materials, equipment, and services will be a major factor in determining qualification.

**14. Bidder's Proposal Form**

Bids not received on Booth & Associates, LLC Bidder's Proposal Forms contained herein will be considered unresponsive. The forms shall be filled out complete; any omissions may cause the entire Proposal to be rejected.

**15. Contractor's License**

In accordance with the State of North Carolina Chapter 87, General Statutes 87-15, Contractors performing work of this caliber in the State must be licensed to do so. A current copy of the Contractor's State of North Carolina Board for General Contractors License **or Electrician's License** must be submitted with this Proposal and attached to page CL-1. Additionally, a valid license must be maintained during the course of the work.

**NORTH CAROLINA BID BOND**

KNOW ALL MEN BY THESE PRESENT, THAT WE \_\_\_\_\_

\_\_\_\_\_ as Principal, and \_\_\_\_\_

as Surety, who is duly licensed to act as Surety in North Carolina, are held and firmly bound unto the City of Wilson, Wilson, North Carolina, as Obligee, in the penal sum of \_\_\_\_\_

DOLLARS

(\$\_\_\_\_\_) (5% Bid Bond), lawful money of the United States of America, for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these present.

SIGNED, Sealed and dated this \_\_\_ day of \_\_\_\_\_, 2021.

WHEREAS, the said Principal is herewith submitting Proposals for

**SUBSTATION SYSTEM BESS PROJECT**

and the Principal desires to file this Bid Bond in lieu of making the cash deposit as required by GS 143-129 amended in Chapter 1104 of the Public Laws of 1951.

NOW, THEREFORE, THE CONDITION OF THE ABOVE OBLIGATION is such that if the Principal shall be awarded the Purchase Order for which the bid is submitted and shall accept the Purchase Order within ten (10) days after the award of same to the Principal, then this obligation shall be null and void; but if the Principal fails to so accept such Purchase Order as required by GS 143-129, as amended by Chapter 1104 of the Public Laws of 1951, the Surety shall, upon demand, forthwith pay to the Obligee the amount set forth in the first paragraph hereof. Power of Attorney from the Surety to its Attorney-in-Fact is attached hereto.

\_\_\_\_\_  
Principal

By \_\_\_\_\_ (SEAL)

\_\_\_\_\_  
Corporate Surety

By \_\_\_\_\_ (SEAL)

**CITY OF WILSON  
WILSON, NORTH CAROLINA**

**SUBSTATION SYSTEM BESS PROJECT**

**BID AND CONSTRUCTION SCHEDULE**

<b>DATE</b>	<b>ITEM</b>
March 11, 2021	Public Advertisement
April 21, 2021	Deadline for Questions (5pm EST; Submit to Booth & Associates, LLC)
April 23, 2021	Deadline for Addendum and Question Responses
April 29, 2021	Bid Opening/Bid Deadline (2pm EST)
TBD	Award of Contract by City Council
January 1, 2023	Expected In-Service date (Bids accepted with a later date, refer to the bid evaluation section for In-Service date priority)