ADDENDUM NO. 2

DATE: December 22, 2021

TO: All Potential Bidders

FROM: Karisa Scott, Procurement Specialist, City of Knoxville

SUBJECT: Addendum No. 2 – Zone A Mowing/Grounds

Maintenance

PROPOSALS TO BE OPENED:

December 28, 2021, at 11:00:00 a.m. (Eastern Time)

This addendum is being published to answer questions from potential bidders and becomes a part of the Contract Document and modifies the original specifications as noted.

Question #1: Is there still a wildflower garden at Suttree and is it still being maintained?

<u>Response:</u> Yes it is still there and yes it is being maintained. It is in somewhat of rough shape but is not unmanageable.

Question #2: Are the contractors responsible for leaf removal?

<u>Response:</u> The contractors are responsible for all debris; however, the city will collect leaves that are placed at the edge of the roadway. The collection will only be from November to February. All other month's contractor will be responsible for leaf removal.

Question #3: If a tree falls in an area a contractor is maintaining, is the contractor responsible for removing this and will it be an additional charge?

<u>Response</u>: For trees that fall and are larger than six inches in diameter, the Public Service Department will be responsible for removal. Anything smaller than six inches in diameter, the Contractor will be responsible for removal.

Question #4: Who maintains the scatter sites since those are still under contract?

Response: Patriot Lawn is still under contract for another year.

Question #5: Can contractors clean up around trees during the maintenance season?

Response: Yes.

Question #6: Will there be an escalation clause for price increase at the end of the contract year?

Response: The following language will be included as an escalation clause:

All contracted pricing shall remain firm and fixed for the period of one year following contract execution. After the completion of the first full year term and any renewal terms thereafter, the Contractor may adjust the contract price in accordance with the increase OR decrease, if any, in the CPI for All Urban Consumers (CPI-U), South region, All items – CUUR0300SA0 ("Labor Index") and the CPI for All Urban Consumers (CPI-U), U.S. city average, Gasoline, all types, Series ID CWUR0000SETB01 ("Gasoline Index") for the month of November, excepting that the maximum annual increase in the Labor Index shall be capped and not exceed 3.5%. For purposes of calculating the adjustment, the change in the Labor Index will apply to 85% of the adjustment and the change in the Gasoline Index will apply to 15% of the adjustment. The new rate for each year will be calculated as per the following example:

<u>Labor Index</u>:

CPI Labor Index for current period (Current November Index): 268.360
-CPI Labor Index for previous year (Prior year November Index): 250.255

= Index point change 18.105

Index point change (18.105) \div prior year November Index (250.255) = 0.072 x 100 = 7.23% index change – CAPPED to a 3.5% increase

Gasoline Index:

CPI Gasoline Index for current period (Current November Index): 296.571

-CPI Labor Index for previous year (Prior year November Index): 187.609

=Index point change 108.962

Index point change (108.962) \div prior year November Index (187.609) = 0.58 x 100 = 58% index change

3.5% Labor Index x 85% = 2.975% increase

+58% Gasoline Index x 15% = 8.7% increase

Total allowable % Increase: 11.675%

If a cycle was initially \$2,000, this would result in an increase per cycle to \$2,233.50.

The increase in the unit prices may occur after Contractor has given the City written notice of such change and received written approval of the increase from the City's Contract Manager.