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**Addendum**

<b>Solicitation Name</b>	Construction Management Services for the Construction of a Multifamily Housing for Western Heights Phase 1 (Vertical Construction) C24001	<b>Addendum Number</b>	1	<b>Date</b>	08/16/23
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**This addendum answers questions raised about this solicitation. Questions are generally verbatim as received. To aid in readability, the questions are in black, the answers are in **bolded blue**, and the answers follow immediately below.**

Q1	Can you provide any additional clarification concerning the delineation between the just awarded contract for Infrastructure Work versus KCDC's expectations for this solicitation?
	<b>The infrastructure project only includes mass grading, erosion control, storm infrastructure, and site retaining walls. The existing conditions depicted on Sheet C100 are the condition the site will be left in after completion of the recently awarded infrastructure project. All proposed work shown in the contract documents, including additional storm infrastructure, site grading, utilities, hardscape, et cetera are part of the housing contract.</b>
Q2	What is the estimated duration of the project?
	<b>Ideally it would be 16 months. The General Contractor must be done by 12/31/25 in any case.</b>
Q3	As to the scoring, 40 points are allocated for cost based on DDs. With all the variables that entails, how will KCDC effectively evaluate this? Should this criterion be weighed at a lesser strength?
	<b>An adjustment will be made in the points value to be 50 for qualifications and 30 for the cost estimate.</b>
Q4	Concerning the THDA structure for general conditions, overhead and profit, can you provide additional details of what is included in each area? In past work, we have had issues with what we call job costs being charged to general conditions instead.
	<b>KCDC will provide this answer as soon as possible.</b>
Q5	Does KCDC have a specific schedule of values for proposers to use?
	<b>No. KCDC will reconcile the bids when preparing the bid comparison.</b>
Q6	What is the design schedule?
	<b>100% DDs are available now. KCDC anticipates CDs during the first week of October.</b>
Q7	By what date will we have established the GNP?
	<b>Approximately 12/01/23.</b>
Q8	In the project manual, specification section 00 43 43 is the prevailing wage rates. Upon review, these wage rates do not apply to apartment buildings up to 4 stories (They are non-residential). We believe this is not the correct wage determination for this type of construction.



	<p>We are currently working on another HUD/THDA project, and the applicable wage rate determination is TN20220022 dated 02/25/2022, which is for residential construction in Knox and Anderson counties including apartments up to and including 4 stories in height. The rates in the determination included as part of this RFP are significantly higher than the residential rates. (For example, a carpenter is \$20.09 vs. \$13.89 in the residential determination). Please confirm if the residential wage rates will apply to this project as well</p>
	<p><b>You are correct that this information is wrong, and the residential determination should have been used. See Appendix 1 to this addendum for the appropriate information.</b></p>
Q9	<p>In Section 12 of the Solicitation, it indicates that an Addendum will be posted reflecting the project insurance requirements. This information is needed in order to have Appendix 4 signed by our insurance company. Is this information available yet?</p>
	<p><b>Please see the newly posted prototype contract documents since they include the insurance requirements. Note that KCDC had inadvertently posted the wrong prototypes and they have been removed and the correct ones posted.</b></p>

**Appendix 1**

**Revised Prevailing Wage Determination**

"General Decision Number: TN20230022 01/06/2023

Superseded General Decision Number: TN20220022

State: Tennessee

Construction Type: Residential

Counties: Anderson and Knox Counties in Tennessee.

RESIDENTIAL CONSTRUCTION PROJECTS (consisting of single family homes and apartments up to and including 4 stories).

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60).

If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:	. Executive Order 14026 generally applies to the contract. . The contractor must pay all covered workers at least \$16.20 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2023.
If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:	. Executive Order 13658 generally applies to the contract. . The contractor must pay all covered workers at least \$12.15 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2023.

The applicable Executive Order minimum wage rate will be



for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at <https://www.dol.gov/agencies/whd/government-contracts>.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

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The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of ""identifiers"" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

#### Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than ""SU"" or ""UAVG"" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1,

2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

#### Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

#### Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

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#### WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can

be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour National Office because National Office has responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.



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END OF GENERAL DECISIO"