

ADDENDUM NO 01
CITY OF FAIRHOPE

BID No. 004-16 Lease-Purchase of 70 Electric Golf Carts 2016

THE DOCUMENTS FOR THIS BID SHALL BE AMENDED, REVISED AND CHANGED IN THE FOLLOWING PARTICULARS:

REMOVE/DISCARD page 3 of **ITEM V LEASE AGREEMENT** beginning with "**7.0 WARRANTY**" and ending with "**9.06 U.S. Longshoreman & Harbor workers Act (USL&H)**", and page 4 beginning with "**9.07 Maritime Endorsement (Jones Act)**" and ending with "**11.02 All such....**"

REPLACE with **pages 3 rev1 and 4 rev1** of **ITEM V LEASE AGREEMENT**

Bidders are to sign and include signed **Addendum No. 1** with submitted Bid Response.

Acknowledged:

Company

By

Daniel P. Ames
Purchasing Manager
City of Fairhope
Posted: 11/20/15

7.0 WARRANTY

- 7.01** The Lessor warrants that equipment and materials provided, and all Work performed on the leased equipment shall conform to professional standards of care and practice in effect at the time the Work is performed, be of the highest quality, and be free from all faults, defects or errors.
- 7.02** All equipment and materials provided by the Lessor shall be merchantable and for the purpose intended, and meet the quality standards of the referenced LEASED EQUIPMENT referenced in the specifications.
- 7.03** The warranty period will be concurrent with the lease term, or if purchased outright, for a period of one year from acceptance of delivery.

8.0 TIME OF COMPLETION

The Lessee and Lessor understand and agree that time is of the essence in the performance of this Agreement. The Lessor or Lessee, respectively, shall not be liable for any loss or damage, resulting from any delay or failure to perform its contractual obligations within the time specified, due to acts of God, actions or regulations by any governmental entity or representative, strikes, fire, water damage, loss of power, loss of funding or any other causes, contingencies, or circumstances not subject to the Lessee or Lessor's control, respectively, whether of a similar or dissimilar nature, which prevent or hinder the performance of the Lessee's or Lessor's contractual obligations, respectively. Any such causes of delay, even though existing on the date of the Agreement, or on the day of the start of Work, shall extend the time of the Lessee's or Lessor's performance respectively, by the length of the delays occasioned thereby, including delays reasonably incident to the resumption of normal Work schedules. **However, under such circumstances as described herein, the Lessee may, at their discretion, cancel this Agreement for their own convenience.**

9.0 INSURANCE REQUIREMENTS

- 9.01.** Lessee, at its sole expense, shall obtain and maintain in full force or the term of this agreement, insurance for the protection of the leased equipment.
- 9.02** Lessor, at its sole expense, shall obtain and maintain in full force for the term of this agreement, insurance for all work performed by Lessor on the leased equipment at any site, including Lessee's work or equipment storage locations, to protect the Lessor and the City of Fairhope at limits and coverages specified herein. The City of Fairhope will be listed as "additionally insured" on all applicable policies and certificates of insurance. These limits and coverage's specified are the minimum to be maintained and are not intended to represent the correct insurance needed to fully and adequately protect the Lessor.
- 9.03** All insurance will be provided by insurers by reasonable insurers in the State of Alabama, shall have a minimum A.M. Best rating of "A-" VII and must be acceptable to the City. Self-insured plans and/or group funds not having an A.M. Best rating must be submitted to the City for prior approval.
- 9.04.** NO WORK IS TO BE PERFORMED UNTIL PROOF OF COMPLIANCE WITH THE INSURANCE REQUIREMENTS HAVE BEEN RECEIVED BY THE LESSEE.
- 9.05. Worker's Compensation and Employers Liability**

Part One: Statutory Benefits as required by the State of Alabama
Part Two: Employers Liability
 - \$100,000 Each Accident
 - \$100,000 Each Employee
 - \$500,000 Policy Limit
- 9.06 U.S. Longshoreman & Harbor workers Act (USL&H)**
Required if contract involves work near a navigable Waterway that may be subject to the USL&H law.

9.07 Maritime Endorsement (Jones Act)

Endorsement required if contract involves the use of a Vessel. Or include coverage for "Master or Members or Crew" under "Protection and Indemnity" coverage (P&I), unless crew is covered under Workers Compensation.

Bodily injury by accident	\$1,000,000 Each Accident
Bodily injury by disease	\$1,000,000 Aggregate

9.08 Commercial General Liability

Coverage on an Occurrence form with a combined single limit (Bodily Injury and Property Damage combined as follows:

Each Occurrence	\$1,000,000
Personal and Advertising Injury Products/Completed Operation	\$1,000,000
Aggregate	\$2,000,000
General Aggregate	\$2,000,000

Coverage to include

- o Premises and operations
- o Personal Injury and Advertising Injury
- o Products/Completed Operations
- o Independent Contractors
- o Blanket Contractual Liability
- o Explosion, Collapse and Underground hazards
- o Broad Form Property Damage
- o Railroad Protective Liability Insurance if work involves construction, demolition or maintenance operations on or within 50 feet of a railroad.

9.09 Automobile Liability

Covering all Owned, Non-Owned, and Hired vehicles with a limit of less than \$1,000,000 combined single limit of Bodily Injury and property damage per occurrence.

9.10 Owner's Protective Liability

Where applicable, the **LESSOR** shall at his expense provide Owners Protect Liability policies issued in the name of the **OWNER** covering its liability for operation of the **LESSOR**. The policy limits shall be no less than \$1,000,000 combined single limit Bodily Injury and Property Damage per occurrence.

9.11 Certificate of Insurance

A Certificate of Insurance evidencing the above minimum requirements must be provided to and accepted by the City **PRIOR** to commencement of any work on the contract. Each policy shall be endorsed to provide thirty (30) days written notice of cancellation to the City.

10.0 SAFETY MEASURES

The **Lessor** shall take all necessary precautions for the safety of the **Lessee's** and **Lessor's** employees at the Work site, and shall erect and properly maintain at all times, all necessary safeguards for the protection of the workmen and the public. The **Lessor** shall post all applicable sign warning against hazards in and around the Work site.

11.0 EXTRA WORK AND ASSOCIATED COSTS

11.01 Changes in the Work: The **Lessee**, without invalidating the Agreement, may order changes in the Work within the general scope of this Agreement, consisting of additions, deletions, or other revision, the Agreement price and time for execution of the Work being adjusted accordingly.

11.02 All such changes in the Work shall be authorized by a written Amendment to the Agreement or a separate Change Order and shall be executed under the applicable conditions of the Agreement.