# WATSON TATE SAVORY

ADDENDUM NO.: THREE

DATE: 11 February

2015

PROJECT TITLE:

819 Barnwell Exterior Painting and Repairs

University of South Carolina State Project No. H27-6100 WTS Project No. 1426

WRITTEN BY:

J. Sanders Tate, AIA LEED AP

TO:

Prospective Bidders / Plan Holders

This addendum is issued pursuant to Article 1.1.1 of the AIA General Conditions of the Contract (A201) in connection with the revision of Bidding Documents which have been previously issued.

Addenda are issued prior to execution of Contract. All instructions contained herein shall be reflected in the Contract Sum and this Addendum will be made a part of the Contract Documents, if, as, and when a Construction Contract is awarded.

This Addendum forms a part of the Contract Documents and modifies the original documents dated January 6, 2015 and January 30, 2015 as noted below. Acknowledge receipt of this Addendum in this space provided on the Bid Form. Failure to do so will subject the Bidder to disqualification.

This Addendum consists of 03 pages plus the following attachment:

| 1. | SE – 330 Bid Form  | 6 pages |
|----|--|---------|
| 2. | Pre-Bid Sign-In Sheets   | 6 pages |
| 3  | SCBCB Iran Divestment Memorandum and Contractor's Affidavit Form | 4 pages |

#### **GENERAL**

1. A non- mandatory pre-bid meeting was held at 1 pm on February 10, 2015, at 743 Greene Street followed by a site visit. Attached is a list of attendees

#### **REVISIONS TO THE DRAWING**

1. Drawing A1.1: Add Note 6 as follows: 6. Some glazing compound at windows is missing or loose. Provide replacement of missing window glazing compound as needed per the unit price requirements of the Contract. Quantities to be verified by architect prior to installation

#### **REVISIONS TO THE PROJECT MANUAL:**

- 1. Replace SE 330 Bid Form with SE -330 Bid Form as attached to this Addendum.
- 2. Section 02080 Asbestos and Lead--Based Paint Removal and Related Tasks
  - 1. 02080 Asbestos: Replace paragraph 1.3.H. with the following:
    - H. Contractor shall coordinate with GC and the Owner regarding areas where impact to existing landscaping by abatement activities will be unavoidable to determine what measures might be taken (i.e. removal and replacement by USC staff) to protect existing vegetation.
  - 2. 02080 Asbestos: Add the following paragraph to 1.3.l.:
    - 3. <u>Metal Exterior Components</u>: Contractor is to be aware that metal exterior components (i.e., conduits, gutter spouts, etc.) contain lead in concentrations that will require compliance with OSHA regulations regarding worker exposure to lead. Contractor shall ensure that workers handling these materials are protected appropriately.
  - 3. 02080 Asbestos: Add the following paragraph to 1.15 Submittals:
    - H. Contractor to provide safety data sheets (SDS) for any chemical strippers to be utilized for removal of lead-based paint. Chemical strippers to be utilized must be approved prior to the start of abatement activities.
  - 4. 02080 Asbestos: Replace section 2.1. with the following:
    - 2.1 Chemical Paint Stripper
      - A. Contractor shall provide all safety data sheets (SDS) and documentation on chemical strippers to be utilized for the removal of LBP.
      - B. All personnel who utilize the proposed chemical stripper shall be trained and aware of all manufacturer's requirements and recommendations.
      - C. Contractor shall provide workers with appropriate PPE as per manufacturer's recommendations and per any governing OSHA regulations for worker protection.
      - D. When planning, coordinating and sequencing lead removal activities that require the utilization of chemical strippers, Contractor shall take into account the impact and the exposure to building occupants.
      - E. Contractor shall not be allowed to utilize chemical strippers that disturb the ongoing activities associated with the building occupants.
  - 02080 Asbestos: Add the following paragraph to section 3.5.:

D. All LBP waste generated during abatement activities shall be turned over to USC HAZMAT personnel for disposal. Contractor shall coordinate with USC HAZMAT personnel for this task. Contractor shall segregate lead-coated waste from lead residue, chips and materials generated from chemical stripping.

**END OF ADDENDUM** 

# SE-330

# LUMP SUM BID FORM

Bidders shall submit bids on only Bid Form SE-330.

|            |  | <u> </u>   |  | CAROLINA                                  |                                     |   |
|------------|--|--|--|---|-------------------------------------|---|
| DID        | CUDMITTED TO   | <b>x</b> .   | (B   | idder's Name)                             |                                     |   |
| DID        | SUBMITTED TO   | ):   | ((   | wner's Name)                              |                                     | -   |
| EOI        | D. DDOJECT N   | TANGE - 010 D -  |  |   | •                                   |   |
| FOI        |  | <b>IAME:</b> 819 Ba  |  | Painting and R                            | epairs                              |   |
|            | PROJECT N  | UMBER: H27   | 7-6100   |   |                                     |   |
| <u>OFF</u> | ER   |  |  |   |                                     |   |
| § 1.       | above-named Project with the Owner on the                                  | the undersigned leterms included in<br>enternets, for the prices | Bidder proposes and the Bidding Doc<br>s and within the time | nd agrees, if this luments, and to pe     | Bid is accepted, r                  | tions to Bidders for the to enter into a Contract s specified or indicated in accordance with the |
| § 2.       | Pursuant to Section follows in the amount                                  |  |  |   | Bidder has sub                      | mitted Bid Security as  |
|            | ☐ Bid Bond witl  | Power of Attorn  | ey 🔲   | Electronic Bid Bo                         | ond                                 | Cashier's Check   |
|            |  |  | (Bidder che  | eck one)                                  |                                     |   |
| § 3.       | Bidder acknowledges<br>effects of said Addend<br>(Bidder, check all that a | la into this Bid:  |  |   |                                     | d has incorporated the  |
|            | ADDENDA:   | <b>#1</b>  | <b>#2</b>  | <b>#3</b>                                 | <b>#4</b>                           | <b>#5</b>   |
| § 4.       | the disposition of Bid   | Security. Bidder a opening of bids, a                            | agrees that this Biond shall remain op                       | d, including all Bio<br>en for acceptance | l Alternates, if ar for a period of | ion, those dealing with my, may not be revoked Days following the fthe Owner.                     |
| § 5.       |  | tees, and to pay all   | royalties, fees, pe  |   |                                     | accessories, appliances, necessary to complete  |
| § 6.1      | BASE BID WORK  | as indicated in the L  | Bidding Documents  | and generally descr                       | ribed as follows):                  | Exterior painting and   |
|            |  |  |  |   |                                     | batement, and exterior  |
|            | \$   |  |  | which sum                                 | is hereafter called                 | d d D D: 1  |

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§ 6.2 BID ALTERNATES as indicated in the Bidding Documents and generally described as follows:

| ALTERNATE # 1 (Brief Description): NO ALTERNATES   |
|--|
| ☐ ADD TO or ☐ DEDUCT FROM BASE BID: S  |
| (Bidder to Mark appropriate box to clearly indicate the price adjustment offered for each alternate) |
| ALTERNATE # 2 (Brief Description):   |
| ☐ ADD TO or ☐ DEDUCT FROM BASE BID: S  |
| (Bidder to Mark appropriate box to clearly indicate the price adjustment offered for each alternate) |
| ALTERNATE # 3 (Brief Description):   |
| ☐ ADD TO or ☐ DEDUCT FROM BASE BID: S  |
| (Bidder to Mark appropriate box to clearly indicate the price adjustment offered for each alternate) |

#### § 6.3 UNIT PRICES:

BIDDER offers for the Agency's consideration and use, the following UNIT PRICES. The UNIT PRICES offered by BIDDER indicate the amount to be added to or deducted from the CONTRACT SUM for each item-unit combination. UNIT PRICES include all costs to the Agency, including those for materials, labor, equipment, tools of trades and labor, fees, taxes, insurance, bonding, overhead, profit, etc. The Agency reserves the right to include or not to include any of the following UNIT PRICES in the Contract and to negotiate the UNIT PRICES with BIDDER.

| No.       | ITEM   | Unit of Measure | ADD       | DEDUCT |
|-----------|--|-----------------|-----------|--------|
| <u>1.</u> | Glazing compound installed at existing glazing | linear foot     | \$        | \$     |
| 2.        |  |                 | _\$       | \$     |
| 3.        |  |                 | \$        | \$     |
| 4         |  |                 | <u>\$</u> | \$     |
| 5.        |  |                 | _\$       | \$     |
| 6.        | ·  |                 | <u>s</u>  | S      |

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§ 7. LISTING OF PROPOSED SUBCONTRACTORS PURSUANT TO SECTION 3020(b)(i), CHAPTER 35, TITLE 11 OF THE SOUTH CAROLINA CODE OF LAWS, AS AMENDED (See Instructions on the following page BF-2A)

Bidder shall use the below-listed Subcontractors in the performance of the Subcontractor Classification work listed:

| SUBCONTRACTOR CLASSIFICATION By License Classification and/or Subclassification (Completed by Owner) | SUBCONTRACTOR'S PRIME CONTRACTOR'S NAME (Must be completed by Bidder) | SUBCONTRACTOR'S PRIME CONTRACTOR'S SC LICENSE NUMBER (Requested, but not Required) |  |  |  |
|--|---|--|--|--|--|
| BASE BID   |   |  |  |  |  |
|  |   |  |  |  |  |
|  |   |  |  |  |  |
|  |   |  |  |  |  |
|  |   |  |  |  |  |
|  | ALTERNATE #1  |  |  |  |  |
|  |   |  |  |  |  |
| 1  |   | ,  |  |  |  |
|  |   |  |  |  |  |
|  |   |  |  |  |  |
|  | ALTERNATE #2  |  |  |  |  |
|  |   |  |  |  |  |
|  |   |  |  |  |  |
| <u> </u>   |   |  |  |  |  |
|  |   |  |  |  |  |
|  | A A MED NA MED 112  |  |  |  |  |
|  | ALTERNATE #3  |  |  |  |  |
|  | 1   | · ·  |  |  |  |
|  |   |  |  |  |  |
|  |   |  |  |  |  |
|  |   |  |  |  |  |

If a Bid Alternate is accepted, Subcontractors listed for the Bid Alternate shall be used for the work of both the Alternate and the Base Bid work.

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# INSTRUCTIONS FOR SUBCONTRACTOR LISTING

- 1. Section 7 of the Bid Form sets forth an Owner developed list of contractor/subcontractor specialties by contractor license category and/or subcategory for which bidder is required to identify the entity (subcontractor(s) and/or himself) Bidder will use to perform the work of each listed specialty..
  - **a.** Column A: The Owner fills out this column, which identifies the contractor/subcontractor specialties for which the bidder must list either a subcontractor or himself as the entity that will perform this work. Subcontractor specialties are identified by contractor license categories or subcategories listed in Title 40 of the South Carolina Code of laws. If the owner has not identified a specialty, the bidder does not list a subcontractor.
  - b. Columns B and C: In these columns, the Bidder identifies the subcontractors it will use for the work of each specialty listed by the Owner in Column A. Bidder must identify only the subcontractor(s) who will perform the work and no others. Bidders should make sure that their identification of each subcontractor is clear and unambiguous. A listing that could be any number of different entities may be cause for rejection of the bid as non-responsive. For example, a listing of M&M without more may be problematic if there are multiple different licensed contractors in South Carolina whose names start with M&M.
- 2. Subcontractor Defined: For purposes of subcontractor listing, a subcontractor is an entity who will perform work or render service to the prime contractor to or about the construction site pursuant to a contract with the prime contractor. Bidder should not identify sub-subcontractors in the spaces provided on the bid form but only those entities with which bidder will contract directly. Likewise, do not identify material suppliers, manufacturers, and fabricators that will not perform physical work at the site of the project but will only supply materials or equipment to the bidder or proposed subcontractor(s).
- 3. Subcontractor Qualifications: Bidder must only list subcontractors who possess a South Carolina Contractor's license with the license classification and/or subclassification identified by the Owner in the first column on the left. The subcontractor license must also be within the appropriate license group for the work of the specialty. If Bidder lists a subcontractor who is not qualified to perform the work, the Bidder will be rejected as non-responsible.
- 4. Use of Own forces: If under the terms of the Bidding Documents, Bidder is qualified to perform the work of a listed specialty and Bidder does not intend to subcontract such work but to use Bidder's own employees to perform such work, the Bidder must insert its own name in the space provided for that specialty.

#### 5. Use of Multiple Subcontractors:

- a. If Bidder intends to use multiple subcontractors to perform the work of a single specialty listing, Bidder must insert the name of each subcontractor Bidder will use, preferably separating the name of each by the word "and". If Bidder intends to use both his own employees to perform a part of the work of a single specialty listing and to use one or more subcontractors to perform the remaining work for that specialty listing, bidder must insert his own name and the name of each subcontractor, preferably separating the name of each with the word "and". Bidder must use each entity listed for the work of a single specialty listing in the performance of that work.
- b. Optional Listing Prohibited: Bidder may not list multiple subcontractors for a specialty listing, in a form that provides the Bidder the option, after bid opening or award, to choose to use one or more but not all the listed subcontractors to perform the work for which they are listed. A listing, which on its face requires subsequent explanation to determine whether it is an optional listing, is non-responsive. If bidder intends to use multiple entities to perform the work for a single specialty listing, bidder must clearly set forth on the bid form such intent. Bidder may accomplish this by simply inserting the word "and" between the names of each entity listed for that specialty. Agency will reject as non-responsive a listing that contains the names of multiple subcontractors separated by a blank space, the word "or", a virgule (that is a /), or any separator that the Agency may reasonably interpret as an optional listing.
- 6. If Bidder is awarded the contract, bidder must, except with the approval of the Agency for good cause shown, use the listed entities to perform the work for which they are listed.
- 7. If bidder is awarded the contract, bidder will not be allowed to substitute another entity as subcontractor in place of a subcontractor listed in Section 7 of the Bid except for one or more of the reasons allowed by the SC Code of Laws.
- 8. Bidder's failure to identify an entity (subcontractor or himself) to perform the work of a subcontractor specialty listed in the first column on the left will render the Bid non-responsive.

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# § 8. LIST OF MANUFACTURERS, MATERIAL SUPPLIERS, AND SUBCONTRACTORS OTHER THAN SUBCONTRACTORS LISTED IN SECTION 7 ABOVE (FOR INFORMATION ONLY):

Pursuant to instructions in the Invitation for Construction Services, if any, Bidder will provide to Owner upon the Owner's request and within 24 hours of such request, a listing of manufacturers, material suppliers, and subcontractors, other than those listed in Section 7 above, that Bidder intends to use on the project. Bidder acknowledges and agrees that this list is provided for purposes of determining responsibility and not pursuant to the subcontractor listing requirements of SC Code Ann § 11-35-3020(b)(i).

#### § 9. TIME OF CONTRACT PERFORMANCE AND LIQUIDATED DAMAGES

#### a) CONTRACT TIME

#### b) LIQUIDATED DAMAGES

Bidder further agrees that from the compensation to be paid, the Owner shall retain as Liquidated Damages the amount of \$\\_100.00\$ for each Calendar Day the actual construction time required to achieve Substantial Completion exceeds the specified or adjusted time for Substantial Completion as provided in the Contract Documents. This amount is intended by the parties as the predetermined measure of compensation for actual damages, not as a penalty for nonperformance.

#### § 10. AGREEMENTS

- a) Bidder agrees that this bid is subject to the requirements of the laws of the State of South Carolina.
- b) Bidder agrees that at any time prior to the issuance of the Notice to Proceed for this Project, this Project may be canceled for the convenience of, and without cost to, the State.
- c) Bidder agrees that neither the State of South Carolina nor any of its agencies, employees or agents shall be responsible for any bid preparation costs, or any costs or charges of any type, should all bids be rejected or the Project canceled for any reason prior to the issuance of the Notice to Proceed.

#### § 11. ELECTRONIC BID BOND

By signing below, the Principal is affirming that the identified electronic bid bond has been executed and that the Principal and Surety are firmly bound unto the State of South Carolina under the terms and conditions of the AIA Document A310, Bid Bond, included in the Bidding Documents.

| ELECTRONIC BID BOND NUMBER: |  |
|-----------------------------|--|
| SIGNATURE AND TITLE:        |  |

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| CONTRACTOR'S CLASSIFICATIONS AND SUBCLASSIFICATIONS WITH LIMITATION   |
|---|
| SC Contractor's License Number(s):  |
| Classification(s) & Limits:   |
| Subclassification(s) & Limits:  |
|   |
| By signing this Bid, the person signing reaffirms all representation and certification made by both the person signing and the Bidder, including without limitation, those appearing in Article 2 of the Instructions to Bidders, is expressly incorporated by reference. |
| BIDDER'S LEGAL NAME:  |
| ADDRESS:  |
|   |
| TELEPHONE:  |
| EMAIL:  |
|   |
|   |
| SIGNATURE:  |
| SIGNATURE: DATE:  |
| PRINT NAME:   |
| TITLE:  |

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## 819 Barnwell Street Exterior Painting and Repairs.rs State Project H27-6100 Non-Mandatory pre-bid meeting

February 10, 2015 @ 1:00am at 743 Greene St., Cola, SC 29208

| ATTENDEE'S NAME | COMPANY NAME & MAILING ADDRESS   |
|-----------------|--|
| Wen Meyer       | FIRST CLASS CONSTRUCTION 1815 GERVAIS ST:  |
| 4               | Cola, SC 29201   |
|                 | PH# 803-926-1922   |
|                 | FAX# 803-926-1921  |
| EMAIL           | meyer efccon. com  |
| Mandy Fields    | abbycates@ amall, com  |
|                 | BO BOX 6954  |
|                 | cola SC 29260  |
|                 | PH# 803-738-2969   |
|                 | FAX# 803-738-8200  |
| EMAIL_          | 17.11  |
| Lind Jackson    | DNIV OF SC   |
| ;               | 743 GKEENE SI  |
|                 | COLA SC 34308  |
|                 |  |
|                 | PH#  |
|                 | FAX# 777-7334  |
|                 | FAX# 777-7334  |
| J. SANDERS THE  | FAX# 777-7334<br>Jackson@fmc.sc.edu<br>WATSON TATE SAVORY  |
|                 | FAX# 777-7334 Jackson@fmc.sc.edu WATSON TATE SAVORY P.O. BOX 8444                                      |
|                 | FAX# 777-7334 Jackson@fmc.sc.edu WATSON TATE SAVORY P.O. BOX 8444 COW ISC. 29202                       |
|                 | FAX# 777-7334 Jackson@fmc.sc.edu  WATSON TATE SAVORY  P.O. BOX 8444  COLD 15C. 29202  PH# 803-799-5181 |
| J. SANDERS THE  | FAX# 777-7334 Jackson@fmc.sc.edu WATSON TATE SAVORY P.O. BOX 8444 COW ISC. 29202                       |



# 819 Barnwell Street Exterior Painting and Repairs.rs State Project H27-6100

Non-Mandatory pre-bid meeting February 10, 2015 @ 1:00am at 743 Greene St., Cola, SC 29208

| ATTENDEE'S NAME<br>Ham Felde | North Lake Construction  |
|------------------------------|--|
| MARCOS ZUNIGA EMAIL CA       | PH# 803 359-9050  FAX#803 359-8898  include @ north late construction. com  BELFOR ENVIOUNTENTAL |
| JEFFABRAMS                   | PH# 770-908-9298  FAX# 170-908-9240  PCOS-20NIGH DUS-BELFOR.COM USC FAGULTIES  743 GREENE        |
| JUANC. FUENT                 | PH# 239-8074 FAX# BEIFOR ENVIRONENTAL  |
| EMAIL Jo                     | PH# 770 908 9298<br>FAX# 770 908 9240<br>IMN. FUENTES (Q) (IS BELFORFOR. CAM                     |



## 819 Barnwell Street Exterior Painting and Repairs.rs State Project H27-6100

Non-Mandatory pre-bid meeting February 10, 2015 @ 1:00am at 743 Greene St., Cola, SC 29208

| ATTENDEE'S NAME          | COMPANY NAME & MAILING ADDRESS   |
|--------------------------|--|
| 14500 ROUSE              | HAMMER CONSTRUCTION LLC<br>785 HAMPTON CREEK WAY<br>COLUMBIA   |
| Terry C. GAMBIT EMAIL    | PH# 803.787.7033  FAX# 803.787.7035  JASON OHAMMERLL C. COM  Positive Octhook Painting UC 294 LAUREN TRACE C.R. Pit Smort S. (29673) |
| Thatcher furt EMAILPOS.7 | PH# 864-346-5743  FAX# UPOutlookpainting egmail. com USC   |
| Chris Rummage            | PH# FAX#  Chas Kummase, Sunbet Scathold 3331 Asbury Are Charlotte, N.C. PH# 70A-507-104210  FAX#                                     |
| EMAIL C                  | Miss Rummage as unihelteentals com   |



# 819 Barnwell Street Exterior Painting and Repairs.rs State Project H27-6100

Non-Mandatory pre-bid meeting February 10, 2015 @ 1:00am at 743 Greene St., Cola, SC 29208

| ATTENDEE'S NAME   | COMPANY NAME & MAILING ADDRESS                         |
|-------------------|--|
| JIM TIMMONS       | FIME CONSULTing  |
| EMAII             | PH# 803-254-4540<br>FAX#                               |
| GLYNN ELLEN       | FEME CONSULTANTS                                       |
|                   | PH# (803) 254 - 4540<br>FAX#(803) 754 - 4542           |
| Don Bochanan      | glynn@fmecal.com Aspestes & Demolition Inc 158 Hy 6015 |
|                   | PH# 438-1057<br>FAX# 408-9968                          |
| ROSPRIO MALLONALO | Don @ (TDSING. Lon                                     |
|                   | PH# 777-3536   |
| <u>EMAIL</u>      | Rymhlone mailbox, SC. EDU                              |



## 819 Barnwell Street Exterior Painting and Repairs.rs State Project H27-6100 Non-Mandatory pre-bid meeting

February 10, 2015 @ 1:00am at 743 Greene St., Cola, SC 29208

| ATTENDEE'S NA | ME       | COMPANY NAME & MAILING ADDRESS       |
|---------------|----------|--------------------------------------|
| Vicke Lews    | ev       | USC-PSYCHOLOGY                       |
|               |          | - U. V                               |
|               |          | PH# 777-4763                         |
|               |          | FAX# 777-9558                        |
| ERIC MELAN    | EMAIL_   | Lewter V omaily & sc. edy            |
| CEL MELAND    | <u>U</u> | USC HAZMAT                           |
|               |          |                                      |
|               |          | PH# < 09-3376                        |
|               |          | FAX#                                 |
| Ty Rusell     | EMAIL    | nelavo@mailbox, sc.edu               |
| 1 use 11      |          |                                      |
| V             |          |                                      |
|               |          | PH# 7-108                            |
| $\circ$       |          | FAX#                                 |
| LAW POWERS    | EMAIL N  | musseafmc.sc.cou                     |
| MIN 10000     |          | VYRAMID CONTRACTING                  |
|               |          | 103 H LYKES LANE                     |
|               |          | 1/2m0, 5C 29063<br>PH# 803. 732-2550 |
|               |          | FAX# 803 . 732 - 6880                |
|               | EMAIL W  | ADE Q TYRAMID CONTRAZZING. COM       |



## 819 Barnwell Street Exterior Painting and Repairs.rs State Project H27-6100 Non-Mandatory pre-bid meeting

February 10, 2015 @ 1:00am at 743 Greene St., Cola, SC 29208

| ATTENDEE'S NA | ME           | COMPANY NAME & MAILING ADDRESS   |
|---------------|--------------|--|
| Boton De Lang | EMAIL        | Metcou, xue  1915 Ponk Street  Columbia, 5c 2920 1  PH# 803-254-5235  FAX#  6delong @ metcon us. com |
|               |              | PH#  |
|               | <u>EMAIL</u> | FAX#   |
|               | _            | PH#  |
|               | EMAIL        | FAX#   |
|               |              |  |
|               | EMAIL        | PH#<br>FAX#  |
|               |              |  |

NIKKI R. HALEY, CHAIR GOVERNOR

CURTIS M. LOFTIS, JR. STATE TREASURER

RICHARD ECKSTROM, CPA COMPTROLLER GENERAL



THE DIVISION OF PROCUREMENT SERVICES EXECUTIVE DIRECTOR DELBERT H. SINGLETON, JR. DIVISION DIRECTOR (803) 734-2320

JOHN ST. C. WHITE INTERIM MATERIALS MANAGEMENT OFFICER (803) 737-0600 FAX (803) 737-063 HUGH K. LEATHERMAN, SR. CHAIRMAN, SENATE FINANCE COMMITTEE

W. BRIAN WHITE CHAIRMAN, HOUSE WAYS AND MEANS COMMITTEE

MARCIA S. ADAMS EXECUTIVE DIRECTOR

## Memorandum

To:

Agency Finance Directors, Procurement Directors, Facility Managers, and

Procurement Staff

From:

John St.C. White

Interim Materials Management Officer and State Engineer

Re:

Iran Divestment Act of 2014

Date:

January 28, 2015

This is to alert you to the requirements of the Iran Divestment Act of 2014. On January 5, 2015, the Budget and Control Board, pursuant to S.C. Code Ann. 11-57-310(A)(1), published a list of persons engaged in investment activities in Iran. The list is available at the following URL:

#### http://procurement.sc.gov/PS/PS-iran-divestment.phtm

Section 11-57-310(B) declares that any person identified on the Iran Divestment Act List is ineligible to contract with the State. Section 11-57-310(C) provides "Any contract entered into with a person that is ineligible to contract with the State shall be void ab initio." Section 11-57-330(A) provides:

A state agency or entity shall require a person that attempts to contract with the State, including a contract renewal or assumption, to certify, at the time the bid is submitted or the contract is entered into, renewed, or assigned, that the person or the assignee is not identified on a list created pursuant to Section 11-57-310. A state agency shall include certification information in the procurement record.

Section 11-57-330(B) prohibits any State contractor from utilizing any subcontractor identified on the Iran Divestment Act List. You may read the entire act at the following URL:

### http://www.scstatehouse.gov/code/t11c057.php

We plan to publish extensive guidance about the Act soon. In the meantime we have developed two new solicitation clauses, and revised a third clause, for use beginning immediately.

Memorandum to Agency Procurement Personnel January 23, 2015 Page 2

The first new clause creates the bidder's certification she is not on the list. It is part of instructions to offerors, and must be added by amendment to Section IIA in all solicitations that have not yet been opened. The clause reads:

IRAN DIVESTMENT ACT - CERTIFICATION (JAN 2015): (a) The Iran Divestment Act List is a list published by the Board pursuant to Section 11-57-310 that identifies persons engaged in investment activities in Iran. Currently, the list is available at the following URL: <a href="http://procurement.sc.gov/PS/PS-iran-divestment.phtm">http://procurement.sc.gov/PS/PS-iran-divestment.phtm</a>(.) Section 11-57-310 requires the government to provide a person ninety days written notice before he is included on the list. The following representation, which is required by Section 11-57-330(A), is a material inducement for the State to award a contract to you. (b) By signing your Offer, you certify that, as of the date you sign, you are not on the then-current version of the Iran Divestment Act List. (c) You must notify the Procurement Officer immediately if, at any time before posting of a final statement of award, you are added to the Iran Divestment Act List. [02-2A077-1]

For solicitations that have been opened but not awarded, the successful offeror must execute a separate certification prior to award. A form for this certification is attached.

The second new clause (1) creates a duty to advise the buyer if, after award but before a renewal, a contractor is added to the list; and (2) prohibits subcontracting with persons on the list. It must be added to all open solicitations by amendment; and to solicitations that have been opened but have not yet been awarded and to any current contracts that have renewable option terms remaining, by change order or directive. It is part of the performance requirements of the contract, and appears in Section VIIA. The clause reads:

IRAN DIVESTMENT ACT – ONGOING OBLIGATIONS – (JAN 2015): (a) You must notify the procurement officer immediately if, at any time during the contract term, you are added to the Iran Divestment Act List. (b) Consistent with Section 11-57-330(B), you shall not contract with any person to perform a part of the Work, if, at the time you enter into the subcontract, that person is on the then-current version of the Iran Divestment Act List. [07-7A072-1]

The final clause should be used in place of existing clause 7B245-1. It should be added to all open solicitations; to all contracts awarded or to be awarded pursuant to solicitations that did not include the clause; and to all current contracts, where the contract term includes renewal options. The revised clause reads:

TERM OF CONTRACT – OPTION TO RENEW (JAN 2015): (a) At the end of the initial term, and at the end of each renewal term, this contract shall automatically renew for a period of year(s), month(s), and day(s), unless contractor receives notice that the state elects not to renew the contract at least thirty (30) days prior to the date of renewal. Regardless, this contract expires no later than the last date stated on the final statement of award. (b) Contractor acknowledges that, unless excused by Section 11-57-320, if the contractor is on the then-current Iran Divestment Act List as of the date of any contract renewal, the renewal will be void ab initio. [07-7B245-2]

Memorandum to Agency Procurement Personnel January 23, 2015 Page 3

#### Recapping:

For all solicitations that have not been opened:

- Add clause 2A077-1 by amendment
- Add clause 7A072-1 by amendment

For solicitations providing for renewal options that have not been opened:

Add clause 7B245-2 by amendment :

For all solicitations that have been opened but not yet awarded:

- Require contractor to execute the attached certification prior to award
- Add clause 7A072-1 by change order or directive immediately upon award

For solicitations providing for renewal options that have been opened but not yet awarded:

Add clause 7B245-2 by change order or directive immediately upon award

For contracts awarded on or after January 5, 2015, where the solicitation did not include clause 2A077-1:

Require contractor to execute the attached certification

For all existing contracts:

Add clause 7A072-1 by change order or directive

For existing contracts with renewal options remaining:

Add clause 7B245-2 by change order or directive

The SCEIS dialog has been modified to insert these clauses in appropriate solicitations. For state agencies that do not use SCEIS, they should be manually inserted as described above. OSE forms have been modified to include analogous provisions for design and construction solicitations and contracts.

The Act has similar but not identical restrictions for political subdivisions. These clauses may not reflect the Act's requirements for counties, municipalities, school districts, etc. We will be working with representatives of the Municipal Association, the Association of Counties, and the School Boards Association in the coming days to provide appropriate language for statewide term contracts that will make their use by political subdivisions in compliance with the Act.

#### **IRAN DIVESTMENT ACT OF 2014**

(S.C. Code Ann.§§ 11-57-10, et seq.)

The Iran Divestment Act List is a list published by the South Carolina Budget and Control Board pursuant to Section 11-57-310 that identifies persons engaged in investment activities in Iran. Currently, the list is available at the following URL: <a href="http://procurement.sc.gov/PS/PS-iran-divestment.pthm">http://procurement.sc.gov/PS/PS-iran-divestment.pthm</a>(.) Section 11-57-310 requires the government to provide a person ninety days written notice before he is included on the list. The following representation, which is required by Section 11-57-330(A), is a material inducement for the State to award a contract to you.

I, the official named below, certify I am duly authorized to execute this certification on behalf of the vendor identified below, and, as of the date of my signature, the vendor identified below is not on the current Iran Divestment Act List. I further certify that I will notify the Procurement Officer immediately if, at any time before award of a contract, the vendor identified below is added to the Iran Divestment Act List.

| Vendor Name (Printed)                    | Taxpayer Identification No. |
|--|-----------------------------|
| 1  | takes (c) faction (c)       |
| 1  |                             |
|  |                             |
| By (Authorized Signature)                | State Vendor No.            |
|  |                             |
|  |                             |
| Printed Name and Title of Person Signing | Date Executed               |
|  |                             |
|  |                             |