



**ADDENDUM NUMBER ONE
FOR CONTRACT FY2014-128**

DATE: April 9, 2014
TO: ALL BIDDERS OF RECORD
BID FOR: **Electric and Water Meter Reading Services**

This addendum forms a part of and modifies the "INVITATION TO BID AND INSTRUCTIONS FOR BIDDERS" package for the above item scheduled to open April 15, 2014 at 10:30 a.m., local time at the City of Oak Ridge, Central Services Complex, 100 Woodbury Lane, Oak Ridge, Tennessee.

ITEM 1 – Invitation to Bid and Instructions to Bidders

The following changes have been made to the Bid Package.

1. FY2014-128 Bid Submittal Instructions, Page 1 of 1 and anywhere else stated. The following shall apply:

Remove all references to a contractor's license. It is the opinion of the City's Legal Department that a Tennessee State Contractor's license is not required for this project. Therefore, no license need be listed on the outside of the envelope or included in any other form.

2. FY2014-128 Bid Specifications, Page 5 of 13, add the following paragraph:

3.3.10 On the last working day of each work week, the Contractor shall present to the meter reading supervisor a schedule for reading of routes for the following week. Changes to that schedule are allowed, depending on circumstances, but should be presented at least 24 hours before the beginning of any work day to allow time for proper programming on the reading units. On the same day, the Contractor must submit a summary of the previous week's activities, including employee assignments and routes read on a daily basis.

3. FY2014-128 Bid Specifications, Page 11 of 13, 6.3.2 item c, – replace the word "only" with "any". The section should now read:

6.3.2 For the purposes of this section, any readings not performed during the time frame for the particular cycle will be deemed to be misreads.

4. FY2014-128 Bid Specifications, Page 11 of 13, 6.3.2 item d, replace the listed figure "9.85%" with "99.85%". The section should now read:

- d. An additional \$0.01 per meter incentive shall be added to the base rate for each 0.05% increase in the overall MR efficiency above 99.85% for all readings during a billing month.
5. FY2014-128 Bid Form, Page 2 of 2, Item 2, change the quantity from "14,315" to "1,759" Item 2 shall now read:

Item 2: Reading of Commercial Water Meters 1,759 X \$ _____ = \$ _____

6. The bid package is amended to include a completion and performance bond (form attached). The contract (FY2014-128) is amended by adding the following article:

ARTICLE # – Completion and Performance Bond

Prior to commencing work under this Contract, the Contractor agrees to furnish and to maintain during the term of this Contract a Completion and Performance Bond in the amount of twenty-five percent (25%) of the total estimated annual contract cost with good and sufficient surety or sureties acceptable to the City in connection with the performance of the work under this Contract, including any amendments or extensions hereof. The form and conditions of said Performance Bond shall be as prescribed by the City. The bond will be required at the beginning of each contract term and will be in an amount equal to the contract price for that year.

In lieu of a Performance Bond, the City will accept other suitable Securities agreed upon by both parties. At all times during the term of this Contract, the Contractor shall provide the City with evidence that the Contractor has obtained such Performance Bond or Securities. A certificate from the surety showing that the bond premiums have been paid by the Contractor shall accompany the bond.

ITEM 2 – Questions, Comments and Requests for Clarification received from Bidders prior to Pre-Bid Meeting

1. (Ref: pg. 2, Bid Specifications / Section 2.0 / Item 2.1.2) In regards to the regular meter reading schedule, what is City's allowable flexibility/read window (e.g. ok to start reading 2 days prior to the scheduled read date)?

RESPONSE: The "allowable read dates" are provided for each section in Appendix "B."

2. (Ref: pg. 2, Bid Specifications / Section 2.0 / Item 2.1.3) Please provide the historical average number and/or percentage of meters where the Contractor is required to make a secondary site visit in an attempt to capture the meter reading (as based on per month or year).

RESPONSE: Information is not known and not available.

3. (Ref: pg. 3, Bid Specifications / Section 2.0 / Item 2.2) Is this service requirement considered as full-time (ref: 8 hours per day)? If no, please provide the historical average total number of hours required here per month (or year).

RESPONSE: This is a new requirement, currently satisfied by City staff. The number of hours is estimated to be approximately three days a week, but this may vary. City staff will work with contractor in arranging mutually acceptable schedules. Normally an entire day of service work (eight hours) will occur at one time, but if acceptable to both parties, half days may be used.

4. (Ref: pg. 3, Bid Specifications / Section 2.0 / Item 2.2) Can this individual be utilized to perform secondary site visit attempts in an effort to capture meter readings (ref: regular meter reading schedule)?

RESPONSE: Yes

5. (Ref: pg. 4, Bid Specifications / Section 3.0 / Item 3.3.1) Is it mandatory that all meter reading personnel be equipped with cell phone or just the Meter Services Technician and local management personnel? Please confirm.

RESPONSE: Reference to this topic in this section not located. We expect to be able to communicate with supervisor at any time. Supervisor should be able to communicate with Meter Readers.

6. (Ref: pg. 4, Bid Specifications / Section 3.0 / Item 3.3.3) Is there any mandatory City hosted training requirements (e.g. City safety policy overview)? If yes, please provide the associated approx. hours required for said training (e.g. ½ day requirement).

RESPONSE: Training and safety are the responsibility of the Contractor. The City does not require training specific to our City with the exception of training that may be required by the Department of Energy for access to their facilities. This training is subject to change, but is currently less than ½ day per every two years.

7. (Ref: pg. 5, Bid Specifications / Section 3.0 / Item 3.3.9) Are there any mandatory certifications and/or license requirements for the Meter Service Technician?

RESPONSE: No

8. (Ref: pg. 6, Bid Specifications / Section 3.0 / Item 3.4.5) Please provide the historical average total number of training hours applicable to this section (based on per month or year).

RESPONSE: The contractor employees have been invited to training approximately once a year for a few hours (for example to witness a high voltage demonstration trailer) in the past. Such is not common and attendance was not mandatory.

9. (Ref: pg. 7, Bid Specifications / Section 3.0 / Item 3.8.3) What is the current meter reading system as provided by the City for the purposes of this service requirement, including total number of available handhelds for Contractor personnel use (e.g. Itron's MV-RS system / 4 FC300 handhelds)?

RESPONSE: See section 4.1.1

10. (Ref: pg. 9, Bid Specifications / Section 5.0 / Item 5.1.2) Is the current meter reading route structure considered as efficient allowing for optimal in-field productivity (ref: contiguous, premise-to-premise service requirement with no skips and minimal "dead walks"/downtime)? If no, please provide associated details.

RESPONSE: The current route system was designed with the intent of being efficient. Attendees at the pre-bid were invited to examine the route books.

11. (Ref: pg. 9, Bid Specifications / Section 5.0 / Item 5.1.2) Are there premise specific notes and codes that are currently being maintained and passed down to the meter reading data-capture

unit indicating physical meter locations, access issues, safety issues/alerts, etc. (e.g. bad dog, pick-up key next door for access, meter on back of house, etc.)?

RESPONSE: Yes

12. (Ref: pg. 9, Bid Specifications / Section 6.0) Is the Contractor to be compensated for standard "can't reads" for circumstances that are outside of their control (e.g. bad dogs, vacant, customer refused access, etc.)? If no, please provide the historical average number and/or percentage of "can't reads" that would be considered as "non-billable" to the City (based on per month or year).

RESPONSE: Meters not read but noted with a proper "skip code" will be paid; however, the City reserves the right to verify information on skip code.

13. (Ref: pg. 11, Bid Specifications / Section 6.0 / Item 6.3) To accommodate for the potential hiring and training of new field personnel, will the City allow/consider a "grace period" before the penalties are to be applied (e.g. 2 month "grace period")?

RESPONSE: No

14. (Ref: pg. 11, Bid Specifications / Section 6.0 / Item 6.3.2 d.) Is the "9.85%" as noted a typo here (s/b "99.85 %")? Please confirm.

RESPONSE: You are correct.

15. (Ref: pg. 11, Bid Specifications / Section 6.0 / Item 6.3.2 d.-e.) Is the reference to "efficiency" as noted within this point correct or should this be "accuracy" (versus "efficiency")? If "efficiency" is correct, please provide more details as to the measure for here (e.g. Efficiency based on total reads captured which must not be less than ??%).

RESPONSE: You are correct. In the context of these sections, the words are used interchangeably and refer only to accuracy.

16. (Ref: pg. 12, Bid Specifications / Section 6.0 / Item 6.3.2 i.) Please provide examples of where this penalty charged to the Contractor might apply.

RESPONSE: A hypothetical case for example only might involve a meter being "curb read" for several months, resulting in the customer being under-billed. Although in the course of business, the City would attempt to make collections through our normal processes, if the "curb read" resulted in an account being "written off" the City would attempt collection from the contractor whose negligence created the issue.

17. (Ref: pg. 12, Bid Specifications / Section 6.0 / Item 6.3.2 j.) Is the 1.5% as noted within this point based on historical obtainable averages? If no, please provide the historical average number and/or percentage of "can't reads" per month (or year).

RESPONSE: No additional information. This figure should be obtainable in the Oak Ridge system.

18. (Ref: pg. 1, Appendix B) We are assuming that both electric and water metering applications are blended and read concurrently within the same meter reading routing structure/format. Please confirm.

RESPONSE: This is correct.

19. (Ref: pg. 1, Appendix B) Are the services as reflected within this RFP currently being outsourced?

RESPONSE: The majority of meter reading is outsourced. City workforce sometimes supplement.

20. (Ref: pg. 1, Appendix B) Please provide the total number of field personnel that are currently being utilized to accommodate this service requirement (ref: total meter reading personnel and total meter service technicians).

RESPONSE: The work described in the bid is currently prosecuted by three meter readers plus ½ to one City employee.

21. (Ref: pg. 1, Appendix B) Are all metering applications blended and read concurrently within the same meter reading route structure/format (ref: residential and commercial)? If no, please provide the details and associated monthly totals for those metering applications that are read separate (e.g. approx.???? large commercial meters read separate).

RESPONSE: See Appendix B for breakdown of routes by meter type. Note that routes that begin with "9" are large commercial or industrial routes. Most others are blended to some degree.

22. (Ref: pg. 1, Appendix B) Are there any daily work assignment restrictions (e.g. maximum 1 meter reading route per Meter Reader)? If yes, please provide details.

RESPONSE: Personnel assignments are the responsibility of the contractor; however, routes are pre-loaded into the reading units based on the contractor's anticipated schedule. Upon request we can enter the same route in more than one Itron.

23. (Ref: pg. 1, Appendix B) Are there any unique meter reading service requirements (e.g. boats, ATVs, etc.)? If yes, please provide the associated requirements and approx. frequency/total days required per month (or year).

RESPONSE: There are no such requirements.

24. (Ref: pg. 1, Appendix B) Please provide the approx. total number and/or approx. percentage of residential metering applications that would be considered as either inaccessible or difficult access (e.g. on back of dwelling, gate access required, inside metering applications, etc.).

RESPONSE: Information is not available. Contractor should make his own survey of the community. This said, information in Appendix "B" should supply some guidance.

25. (Ref: pg. 1, Appendix B) Please provide the approx. total number and/or approx. percentage of residential metering applications where the Meter Reader would be required to utilize a vehicle from premise-to-premise to ensure efficiencies (ref: rural farms and/or in-town residential with frontages greater than 300' ("Drive routes")).

RESPONSE: Information is not available. Contractor should make his own survey of the community. That said the number is not significant compared to the system overall. This said, information in Appendix "B" should supply some guidance.

26. (Ref: pg. 1, Appendix B) Please provide the total number and/or approx. percentage of residential metering applications with lot frontages ranging from 100' – 300' (ref: estate type subdivisions/properties).

RESPONSE: Information is not available. Contractor should make his own survey of the community.

ITEM 3 – Questions, Comments and Requests for Clarification received from Bidders at Pre-Bid Meeting

1. Is there a place to meet each day?

RESPONSE: The readers currently drive to the Utility Business Office to pick up Itron units and receive instructions. One spare vehicle is allowed to be kept at the Business Office location. Others must be removed each evening.

2. Do you provide vehicles?

RESPONSE: No

3. Can we leave our company vehicles at your facility?

RESPONSE: One (1) truck can be left at our facility

4. Will you be going to an AMR (Automated Meter Reading) system?

RESPONSE: Unknown, we expect it will be in excess of three years, but have no concrete information at this time.

5. Will there be growth for more employees or service technicians to be full time?

RESPONSE: We do not see this opportunity at this time.

6. Does a Tennessee State Contractor's license need to be in place before the bid opening?

RESPONSE: It is the opinion of the City's Legal Department that a contractor license is not required for this project.

7. Can you put pending (contractor's license) on envelope?

RESPONSE: No contractor's license needs to be listed on the outside of the envelope, see question 6 above.

8. How many routes go onto DOE (Department of Energy) property?

RESPONSE: Five

9. Are vehicles subject to a security check?

RESPONSE: It is possible that a vehicle might be given a pass for some DOE routes, but they are not otherwise subject to a security check. (Note: DOE does reserve the right to inspect vehicles on their property, but this is seldom done without provocation.)

10. How stringent are the days of meter reading?

RESPONSE: The date ranges provided in Appendix B are not flexible at all. We expect full compliance.

11. After first pass, is it contractor's responsibility to go back and get misreads, skips, etc.?

RESPONSE: If there is a valid skip code, then no. If not, then the contractor is responsible.

12. Is fire retardant clothing required?

RESPONSE: Safety questions, including PPE (Personal protective equipment,) is the responsibility of the Contractor.

13. If we disconnect, do we pull the meter?

RESPONSE: Yes for residential only, 100 amp and 200 amp meters. All others are pulled by Electric Department Operations.

14. Would personnel be responsible to disconnect any commercial meters?

RESPONSE: No

15. Do you collect in the field?

RESPONSE: Yes

16. Do you accept cash?

RESPONSE: Yes

17. Do you try to collect or disconnect first?

RESPONSE: Collect

18. How many Itron's are available?

RESPONSE: There are 4 newer Itron's and 4 older ones.

ITEM 4 – Questions, Comments and Requests for Clarification received from Bidders since the Pre-Bid Meeting

1. Project calls for a bid bond for 10% of the total bid amount. Can it be confirmed that a performance bond will not be required?

RESPONSE: A Completion and Performance Bond will be required. See Item 1, #6 above and attachment.

2. RFP indicates a portion of the work will be done inside of U.S Department Energy facilities and property. Can Oak Ridge indicate the specific routes in Appendix B that Secured Areas and the number of meters within each route impacted by this?

RESPONSE: Route 96 (all of route 96 (K-25 area) requires you to have a badge). Route 99 approximately 20 to 25%. Route 91A approximately 4 meters. Route 93B approximately 10 meters. Route 95 & 98 approximately 25-30 Meters on each route.

3. Section 6 of the RFP indicates Oak Ridge will pay for one trip regardless of the number of attempts made to gain access. Can Oak Ridge share the historical percentage of meters that have required multiple attempts to gain access?

RESPONSE: We do not keep a percentage. During the last full billing cycle there were 104 re-visits, but this includes missed reads for various reasons and rechecks for billing. Note that misreads that show the read was accurate as well as re-visits due to misses that have a valid skip code will be paid.

4. Can Oak Ridge share the historical monthly Meter reading Accuracy for each month of the last two years?

RESPONSE: We do not maintain data consistently in a monthly form at this time. Our past random checks showed accuracy running from a low of 99.52% to 99.95% overall.

5. Appendix B includes "Hours to Read*". Does this value represent time from departing facility, reading the meters, returning to facility and uploading the route or does it only include field time?

RESPONSE: It only includes field time not driving time to and back from the routes.

6. Section 2.2 indicates the meter service work may be required to perform repairs. Can the City expand on what type of repairs key be performed?

RESPONSE: Typical repairs would be replacing water meter lids, when the bolt is worn out or frozen, cleaning or replacing meter glass in the field or such work. No internal repairs, no electrical repairs or plumbing repairs are anticipated.

Comment:

1. City of Oak Ridge Council Meeting date has changed from May 5, 2014 to May 12, 2014 the time remains at 7:00 p.m.

It is expected that all bidders read the contract document and specifications prior to submitting their bid. The information provided in this addendum along with the contract document and specifications provides each potential bidder the same information to submit their bid.

******* Acknowledge receipt of this addendum when you submit your bid *******

COMPLETION AND PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

FY2014-128

THAT _____
(Name and address of legal title of Contractor)

as Principal, hereinafter called Contractor, and _____
SURETY, hereinafter called Surety, and held and firmly bound unto the City of Oak Ridge, as Obligee, in
the amount of _____ Dollars (\$ _____)

for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators,
successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Contractor has by written agreement dated _____, 20_____
entered into a Contract with the City of Oak Ridge for

_____ in accordance with the specifications and
approved amendments, which Contract is by reference made a part hereof, including all the obligations
thereunder, and is hereinafter referred to as the Contract.

NOW, THEREFORE, the condition of this obligation is such that, if Contractor shall promptly and faithfully
perform said Contract, including all the obligations thereunder, then this obligation shall be null and void,
otherwise it shall remain in full force and effect.

Whenever Contractor shall be, and declared by City to be, in default under the Contract or any part
thereof, the City having performed the City's obligation thereunder, the Surety may promptly remedy the
default, or shall promptly at the City's option:

- (1) Complete the Contract in accordance with its terms and conditions; OR
- (2) Obtain a bid or bids for submission to the City for completing the Contract in accordance with
the terms and conditions, and upon determination by Owner and Surety of lowest responsible
bidder, arrange for a contract between such bidder and the City and make available as work
progresses (even though there shall be a default or a succession of defaults under the
Contract or contracts of completion arranged under this paragraph) sufficient funds to pay the
cost of completion or any obligations thereunder.

Any suit under this bond must be instituted before the expiration of two years from the date on which final
payment under the Contract falls due.

SIGNED AND SEALED THIS _____ DAY OF _____ A.D., 20_____
IN THE PRESENCE OF:

Witness

By _____
Principal (Seal)

Witness

By _____
Surety (Seal)