

**PROCUREMENT DEPARTMENT**  
Rm 120 Municipal Services Building  
Philadelphia, PA 19102-1685  
FAX: (215) 686-4716

# CITY OF PHILADELPHIA

Hugh Ortman  
Procurement Commissioner

May 7, 2009

**BID NUMBER:** S0HM8070  
**TITLE:** Manage & Operate Sludge Barges/Transport Sludge & Supply Equipment  
**DEPARTMENT:** WATER DEPARTMENT  
**DATE TO OPEN:** May 28, 2009 at 10:30 AM

## ADDENDUM # 1

### **TO ALL BIDDERS:**

**You are hereby notified of the following changes to the above mentioned bid:**

The Invitation and Bid is to be amended as follows: Replace Paragraph 2.5.5 to read:

For more particulars the bidder is referred to the June 1987 Notice to Bidders for the construction of the sludge barges, together with all attachments and amendments "1987 Notice", the plans of the barges together with all attachments and amendments "1987 Notice", plans of the barges as prepared by the engineers and naval architects, the as-built plans and specifications ("Plans") and the Operating and Maintenance Manual (O & M Manual) prepared by the Builder, Nashville Bridge Co., P.O. Box 239, Nashville, TN 37202.

Bidder is also obligated to inspect the barges and be familiar with their characteristics and operation and maintenance requirements. Barges are available for inspection. Inspection of the 1987 Notice, Plans, O&M Manuals, and Barges may be arranged through Greg Hanson, Northeast Water Pollution Control Plant, Philadelphia, Pennsylvania 19137, telephone 215-685-1303.

Replace Paragraph 3.3 Insurance Subparagraphs 3.3.1-3.3.2-3.3.3 (3.3.3.1) (3.3.3.2) (3.3.3.3) (3.3.3.4) (3.3.3.5) (3.3.3.6) (3.3.3.7) (3.3.3.8) (3.3.3.9) with the attached paragraph 3.3 Insurance and Subparagraphs 3.3.1-3.3.2-3.3.3 (3.3.3.1) (3.3.3.2) (3.3.3.3) (3.3.3.4) (3.3.3.5) (3.3.3.6) (3.3.3.7) (3.3.3.8) (3.3.3.9).

### 3.3 INSURANCE

- 3.3.1 Contractor shall procure and maintain at its cost and expense, during the entire period of the Agreement (including any applicable warranty and/or renewal periods) the types of insurance specified below. All insurance specified below. All insurance shall be procured from reputable insurers authorized to do business in the Commonwealth of Pennsylvania. All insurance required herein shall be written on an “occurrence” basis and not a “claims-made” basis. In no event shall work be performed until the required evidence of insurance has been furnished. If Contractor fails to obtain or maintain the required insurance, the City shall have the right to treat such failure as a material breach of contract and to exercise all appropriate rights and remedies. The insurance shall provide for at least thirty (30) days prior written notice to be given to the City in the event coverage is materially changed, canceled or non-renewed.
- 3.3.2 The City of Philadelphia, its officers, employees and agents are to be named as additional insured on all policies required hereunder, except the Workers’ Compensation and Employers’ Liability. Also, an endorsement is required stating that the coverage afforded these parties as additional insured shall be primary coverage.
- 3.3.3 The insurance required and the limits of coverage of the Comprehensive General Liability Insurance, Marine Hull and Machinery and Marine Protection and Indemnity Insurance, inclusive of (as to the tug boats) Tower’s Liability coverage, and as to all vessels, Marine Pollution Liability coverage, Worker’s Compensation, inclusive of Other States Coverage and Longshoremen’s and Harbor Worker’s Compensation Insurance and Automobile Liability Insurance, shall be not less than the following:
- 3.3.3.1 Comprehensive General Liability Insurance
- (a) Limit of Liability: \$5,000,000 per occurrence combined single limit for bodily injury (including death) and property damage liability.
  - (b) Coverage: Premises operation; Blanket contractual liability; Personal injury liability; products and completed operations; Independent Contractors; Employees as additional insured; Cross liability; Broad form property damage (including loss of use) liability.
  - (c) The limits required hereunder may be fulfilled by combining the primary General Liability limits with an Umbrella/Excess Liability policy(ies).
- 3.3.3.2 Marine Hull and Machinery and Protection and Indemnity Liability Insurance
- (a) Marine Hull and Machinery coverage for physical loss of or damage to the Contractor’s assigned or designated watercraft, including the tugs and barges (“all vessels”) used to complete services pursuant to this Agreement, for the full amount of the Contract for construction or the full replacement value of the vessel, whichever is greater.
  - (b) Marine Protection and Indemnity coverage, including but not limited to Collision, Tower’s Liability and Pollution Liability covering all tug boats and barges (“all vessels”) provided for Contractor’s assigned or designated vessels, with a \$10,000,000 each occurrence limit of liability.

3.3.3.3 Worker's Compensation and Employer's Liability Insurance (Other States Coverage), including Longshoremen and Harbor Worker's Compensation Insurance ("LHWCI").

- (a) Worker's Compensation:  
Statutory Minimum  
All States Endorsement including, Pennsylvania.
- (b) LHWCI Insurance:  
Statutory Minimum
- (c) Employer's Liability: \$100,00 Each Accident – Bodily Injury by Accident; \$100,000 Each Employee – Bodily Injury by Disease; and \$500,000 Policy Limit – Bodily Injury by Disease.

NOTE: To avoid potential conflicts between and among insurers or gaps in coverage, it is preferred that the Marine Hull and P & I Insurance coverages be provided through the same Insurer and that the Worker's Compensation, LHWCI, and Employer's Liability (other than Marine Protection & Indemnity) be provided through the same insurer.

3.3.3.4 Automobile Liability Insurance

- (a) Limits of Liability: \$1,000,000 per occurrence combined single limit for bodily injury (including death) and property damage liability.
- (b) Coverage: Owned, non-owned and hired vehicles.

3.3.3.5 All of the liability insurance policies for the sludge barges, The Resource and The Recycler shall include City as an additional insured. All deductibles shall be for the Contractor's account. Hull and Machinery insurance deductible for The Resource and The Recycler shall not be in excess of \$10,000. The policies issued pursuant to this Contract shall waive all subrogation rights as to the City.

3.3.3.6 Evidence that all of the liability insurance policies and coverages have been obtained, and extended to the City and are in effect shall be furnished to City before a Notice to Proceed is issued and before the Contractor may begin to provide any of the services hereunder.

3.3.3.7 The Hull and Machinery Insurance extended to cover sludge barges shall designate and acknowledge that City is the owner of the barges and that its interest as owner of each barge shall not be subject to the interests, if any, of the Contractor. City's interest and the coverage afforded to it as such shall be for the full replacement value of each barge, as specified hereunder, and shall not be subject to diminution by or to the extent of any interest, no matter how substantial and/or insurable, of the Contractor. Any loss payable claims in the Hull and Machinery policy covering the sludge barges shall specifically identify City as the loss payee thereunder.

3.3.3.8 Contractor shall keep and maintain all required insurance coverages in effect at all times during the pendency of and for the full term of this Contract or of any extensions of the Contract. Contractor shall not permit the insurance required hereunder to lapse, expire, be suspended, impaired or otherwise defeated and will not permit the towage of either The Resource or the Recycler or the carriage of cargo by either of them without all required insurance being in effect.

3.3.3.9 The City, although an additional insured under all of the insurances required by this Contract, shall have no liability for the payment of premiums or for any assessments or other charges under any such policy. City shall have no liability for payment of any policy deductibles.

Please sign, date and return this addendum with your bid to the Procurement Department, 1401 J.F.K Boulevard, Bid Room 170A, Philadelphia, PA 19102-1685 as it now becomes a part of the proposal.

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Buyer, J. Klinger

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AUTHORIZED SIGNATURE

\_\_\_\_\_  
FIRM NAME (PRINT)

\_\_\_\_\_  
DATE

JK/cs