

## Important Update August 21, 2024: Bonding Requirements for Roofing RFP

Dear Prospective Bidders

We appreciate your interest in participating in our Request for Proposal (RFP) for the roofing project. Due to time constraints and the current level of participation from vendors, we are making an important update regarding the bonding requirements for this project. Please note all three (3) of the following bonds are required, however an alternative option has been added.

### Updated Bonding Requirements:

#### Accepted Bonds:

- **Performance Bond 100%:** A performance bond is a surety bond issued by a third-party insurer that guarantees the contractor will complete the project according to the contract terms. This bond protects the project owner against losses resulting from the contractor's failure to perform as agreed. Performance Bond Certificates, covering 100% of the contract amount, must be secured and submitted with the executed contract, after the bid is selected.
- **Payment Bond 100%:** A payment bond is a surety bond that guarantees the contractor will pay all subcontractors, laborers, and material suppliers involved in the project. This bond ensures that these parties are compensated even if the contractor fails to meet their payment obligations. Payment Bond Certificates, covering 100% of the contract amount, must be secured and submitted with the executed contract, after the bid is selected.
- **Guarantee Bond 5%:** A guarantee bond is a security deposit, such as a bid bond, certified check, or other negotiable instrument that acts as a financial guarantee for performance. Specifically, a 5% guarantee bond represents 5% of the total bid amount and is held to ensure the contractor's commitment to the project. A guarantee bond, in the form of (bid bond, certified cashier check, or money order) will be submitted with the bid proposal submission.
- **Alternative Guarantee Bond 5%:** Bidders have the option to request an alternative to the guarantee bond at the time of bid proposal submission. Specifically, the 5% guarantee bond, which represents 5% of the bid amount, may be returned to the bidder by ULBC upon request at the time of the first payment deposit. The bidder is to ensure that this request is clearly indicated in your bid proposal if you wish to utilize this alternative option.

We hope this update will facilitate greater participation and streamline the process.

If you have any questions or need further clarification regarding these updates, please do not hesitate to contact us [procurement@ulbcfl.org](mailto:procurement@ulbcfl.org).