



# VIRGIN ISLANDS WATER & POWER AUTHORITY

**PR-04- 24**

**UNDERGROUND ELECTRICAL CONSTRUCTION HANNAH'S  
REST RFP**

**Date: March 5, 2024**

## **ADDENDUM I**

---

**As a federally funded project payment, performance, and bid bond is required. Please see information below regarding specific instructions and requirements for this project to be submitted on or before date and time of proposal submittal.**

**BONDS:**

Bonds are required in this proposal process, Bidder/Offeror shall obtain from a third-party surety authorized to conduct business in the United States Virgin Islands. Where payment and performance bonds are required, the Offeror/Bidder shall submit with its bid or proposal a payment/performance bond commitment letter from a 3<sup>rd</sup> party surety. The Commitment letter shall contain a guarantee from the surety that it will, at contract execution, provide a bond in an amount as indicated below:

The Bonds required for this RFP are as follows:

**Bid Bond:**

- The amount of the bond will be at least 5% but not greater than 10% of the bid amount.
- If a proposal or bid is selected for contract award and the bidder or offeror fails to

negotiate or fails to deliver a fully executed contract after negotiation, the bid bond will be immediately forfeited to the Authority.

- Upon execution of the contract, the bond will be released by the Authority.
- Proposals or bids submitted without a bid bond, if one is required, will be rejected for non-compliance.
- The surety company providing the bond shall be authorized to do business in the Virgin Islands and have a minimum Best's rating of A-.

**Payment Bond:**

- The amount of the bond will be equal to 100% of the contract price.
- Payments bonds shall be submitted at or before contract execution failing which the Authority may rescind the contract award.
- Proposals or bids submitted without a payment bond commitment letter, if one is required, will be rejected for non-compliance
- The surety company providing the bond shall be authorized to do business in the Virgin Islands and have a minimum Best's rating of A-.

**Performance Bond:**

- The bond will be equal to 100% of the contract price.
- Performance bonds shall be submitted at or before contract execution failing which the Authority may rescind the contract award.
- Proposals or bids submitted without a performance bond commitment letter, if one is required, will be rejected for non-compliance
- The surety company providing the bond shall be authorized to do business in the Virgin Islands and have a minimum Best's rating of A-.

The Payment and Performance Bonds shall remain in effect throughout the entire duration of the Contract and for a period of not less than one (1) year after the Authority has accepted the Work. Any change to the Scope of Work resulting in an increase in the contract consideration may require the amount of the performance bond to be increased.

A copy of the payment and performance bond, the format of which is provided by the Authority, must be presented to the Contracting Officer of the Authority prior to or upon execution of the Contract. Failure by Bidder/Offeror to present its payment and performance bond at contract execution shall be grounds to rescind the Contract award.

Any bond provided must provide for the coverage of any and all changes to the contract that adds to the scope of work.