

DCAM-23-NC-RFP-0010

Addendum No. 09

Exhibit A

NO.	QUESTION	Answer2
7	<p>Section B.4.1 states costs shall be fully loaded “including union fee increases”. This solicitation exceeds the period of the current union economics (SAM CBA expires 1/18/2026) with the Option Year 4 expiring 9/30/2028. With the bidder unable to forecast Option Years 3 and 4 without these economics, we ask for a CBA opener that has been granted to SAM in the past on this solicitation.</p>	<p>If a Collective Bargaining Agreement (CBA) expires, parties should continue to operate under the terms of the old CBA until a new agreement is reached. Bidders should estimate costs for remaining option years based on the labor rate at the end of the CBA, with no expected increases. However, it is acknowledged that adjustments may be necessary if a new CBA establishes a different labor rate.</p>
41	<p>RFP Section B.4 on page 3-4 and Section C.27 on page 49 appears to require bidders to include all year over year labor cost increases pursuant to the Collective Bargaining Agreement at Attachments J.8 and J.9 in the 5-years of pricing required to be submitted pursuant to Section B.4.1.1. Since that is case, why has a Department of Labor Wage Determination been included in the solicitation as Attachment J.2? It is our understanding that the Service Contract Labor Standards provides that an applicable Collective Bargaining Agreement replaces a Department of Labor Wage Determination.</p>	<p>While the collective bargaining agreement’s economics supersede those of the Service Contract Act’s wage determination, the SCA applies for operational terms. Thus, the contractor is obligated to comply with the SCA and applicable DOL regulations in addition to stipulated set forth in the CBA.</p> <p>For example, the health benefits enumerated in the CBA are fringe benefits governed by both the applicable CBA provisions and SCA regulations. See 41 USCA § 6703(2); 29 C.F.R. §§ 4.172 and 4.175. The CBA sets forth the health benefit rate that must be paid to the applicable health fund. The SCA requires contractors to pay fringe benefits on all hours paid, including paid vacation, sick leave, training time and holiday hours, up to a maximum of 40 hours per week and 2,080 hours per year on each contract, as provided by 29 CFR § 4.175.</p> <p>The following examples demonstrate the applicability of the SCA at unionized worksites:</p> <p>An employee who works 4 days a week, 10 hours a day is entitled to 40 hours of health and welfare and/or pension fringe benefits. If an employee works 3 days a week, 12 hours a day, then such employee is entitled to 36 hours of these benefits.</p> <p>An employee who works 32 hours in a workweek and also receives 8 hours of holiday pay is entitled to the maximum of 40 hours of health and welfare and/or pension payments in that workweek. If the employee works more than 32 hours and also received 8 hours of holiday pay, the employee is still only entitled to the maximum of 40 hours of health and welfare and/or pension payments.</p> <p>If an employee is off work for two weeks on vacation and received 80 hours of vacation pay, the employee must also receive payment for the 80 hours of health and welfare and/or pension benefits which accrue during the vacation period.</p>
43	<p>Section B.4.1.1 appears to contemplate a maximum term that extends into 2029, yet the Collective Bargaining Agreement expires on January 18, 2026. How can bidders possibly include labor cost increases in their pricing for the time frame after January 18, 2026 when they do not have access to the successor Collective Bargaining Agreement?</p>	<p>Please refer to question # 7</p>