

City Project No. 10-017 (WWL001D)

CITY OF PUEBLO, COLORADO

JAMES R. DIORIO WATER RECLAMATION FACILITY
AMMONIA AND NUTRIENT REMOVAL PROJECT
SECTION 4 – LIFT STATION RENOVATIONS

ADDENDUM NO. 2

A. SCOPE. This Addendum No. 2 consists of pages AD2-1 through AD2-2, and the following attachments.

- Pre-bid Conference Minutes and Attendance List.
- Sales and Use Tax information for the City of Pueblo.

This Addendum No. 2 makes the following additions and changes to the Contract Documents for this project:

B. DRAWINGS.

1. Sheet 3 of 8, Drawing M-2, Mechanical.

- a. On Lift Station No. 2 Plan, a bypass valve and quick connect in a manhole should be shown located on the force main east of the pump station. (Contractor shall identify, in the field, on which of the two discharge lines the bypass valve is attached.)

2. Sheet 7 of 8, Drawing E-2, ELECTRICAL ONE-LINE DIAGRAMS. Add the following notes.

- a. Contractor to provide a back panel, power terminal blocks, and a ground bar in each existing junction box. Terminate all cables in the terminal blocks and ground bar as applicable. Contractor to determine the appropriate back panel size and terminal block

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(DIORIO WRF)
(AMMONIA AND NUTRIENT REMOVAL)
(SECTION 4 – LIFT STATION) AD1-1
(RENOVATIONS)
(165157.304)
(03/04/10)

quantity. Power terminal blocks to be Allen Bradley or approved equal.

- b. Replace existing conduits that transition from underground up to the existing generator with liquid tight flexible metal conduit. Typical all lift stations.

C. ACKNOWLEDGEMENT BY BIDDER. This Addendum No. 2 to the above project shall become a part of the Contract Documents, and shall be binding in all respects. Information contained in this Addendum No. 2 shall supersede any information presented in the specifications. **The bidders shall permanently affix this Addendum No. 2, including all attachments, to the Contract Documents and Specifications so it will be turned in with the bid.**

The undersigned bidder acknowledges receipt of this Addendum No. 2.

Received by:

Firm Name:

Address:

Date:

Phone:

March 4, 2010

BLACK & VEATCH CORPORATION

(CITY OF PUEBLO, COLORADO)
(DIORIO WRF)
(AMMONIA AND NUTRIENT REMOVAL)
(SECTION 4 – LIFT STATION)
(RENOVATIONS)
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AD1-2

BLACK & VEATCH CORPORATION

CONFERENCE MEMORANDUM

City of Pueblo, Colorado
James R. Dilorio WRF Ammonia
and Nutrient Removal Project
Section 4 – Lift Station Renovations

B&V Project 165157.0304
B&V File 14.1000
March 4, 2010

Pre-bid Conference held Tuesday, March 2, 2010, at 1:30 p.m., at the Water Reclamation Facility at 1300 Queens Avenue. Subsequent tour of the site of the work at the lift stations located near the airport along Highway 50.

Attending: City of Pueblo, Colorado (City)
John Lindstrom 719-553-2880
Bruce Maurello 719-553-2262
Gene Michael 719-553-2298

Black & Veatch Corporation (B&V)
John Nemcik 720-834-4342
Dwight Sayles 720-834-4225

See attached sign in sheet for other attendees.

1. INTRODUCTIONS

- A. All meeting attendees were identified including representatives of the City of Pueblo, Black & Veatch, and prospective bidders.
- B. The sign in sheet was completed at the end of the tour of the lift stations.

2. PROJECT OVERVIEW

- A. A general description of the project scope of work was provided.
- B. The source of funding for the project is a State Revolving Loan Fund (SRLF) that will be granted to the City.
- C. SRLF Funding requirements include Disadvantaged Business Enterprise (DBE) requirements and Davis Bacon wage and labor requirements. Bidders should obtain the current wage rates from Michael Beck using the contact information indicated on page 38 of Article 4 of the front end documents in the specifications.

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D. Project Dates:

- *Bid Date:* 10:30 a.m., March 10, 2010
- *Tentative Notice to Proceed Date:* April 27, 2010
- *Completion Date:* 180 Days after NTP. It was noted during the meeting that Paragraph 2.20 of Article 2 – Special Provisions states that the work must be Substantially complete within 180 days following Notice to Proceed, and all work must be completed within 30 days following Substantial Completion. The Bid Form addresses only the 180 days to Substantial Completion.

E. The following permits are required:

- Colorado Department of Public Health and Environment (CDPHE):
 - General Stormwater Permit for Construction Activities – by Contractor.
- Local permits – all by Contractor:
 - Regional Building Permit
 - City Stormwater Permit
 - Contractor's License
 - City of Pueblo Concrete Permit

3. BIDDING INFORMATION

- A. Bids will be received on a lump sum basis. The bid must be submitted in a booklet with completed Bid Form included.
- B. Award will be on the basis of Total Lump Sum Bid to the responsible Bidder submitting the lowest and best responsive bid.
- C. Bidding Documents and Distribution. Only firms or persons listed on the Owner's Plan Holders List will be eligible to receive Addenda or other notifications issued by Owner prior to bid date. Addenda will be emailed or faxed to addresses or numbers as shown on Plan Holders List.
- D. Bid security must accompany Bid.

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E. Mandatory Submittals:

- Bid Bond
- Acknowledgement of Affirmative Action Plan Requirement
- Addenda Acknowledgement Sheets
- Subcontractor List
- Equipment Questionnaire

4. TEMPORARY FACILITIES (Section 01500)

- A. Offices at or near Site of Work are not required. No office is required for Project Representative.
- B. Water: Contractor must provide its own water for the project.
- C. Power: Owner will furnish all necessary temporary power. Tie-ins to power supply from Owner facilities will be responsibility of Contractor.
- D. Sanitary facilities shall be provided by Contractor as specified.

5. REVIEW AND DISTRIBUTION OF ADDENDUM NO. 1

- A. A copy of Addendum No. 1 was distributed to all meeting attendees. Only one flow meter replacement is required on the project and that is for Lift Station 3. On the electrical panels at all lift station, all electrical items shown on the Equipment Rack Elevation on Drawing E-2 are to be furnished as new equipment.

6. QUESTIONS AND ANSWERS

- A. Only information included in Addenda shall be used for bidding purposes.
- B. The City pointed out that the Contractor will have to provide all vacuum trucks if needed. The City cannot use its own truck to assist the Contractor on this project.
- C. Addendum No. 2 will include an item concerning the termination of wires in the electrical panels using terminal blocks

7. SALES TAX INFORMATION

City of Pueblo, Colorado
James R. DiIorio WRF Ammonia
and Nutrient Removal Project
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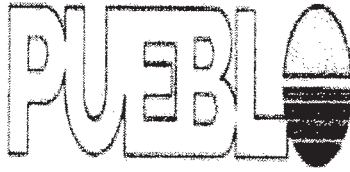
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- A. A representative of the City attended the meeting to provide information concerning sales tax. A document summarizing City Sales Tax requirements was distributed to meeting attendees. This project is not exempt and the Contractor must pay all City, County, and State sales or use taxes as described in the attachment.

8. SITE TOUR

- A. A tour of area of the lift stations followed the meeting and concluded the Pre-Bid Meeting.
- B. At Lift Stations 1 and 2 there are two influent lines coming into the wetwell that will have to be addressed during bypassing of the lift station. The others have only one line entering the wetwell.

sjm



FINANCE DEPARTMENT
P.O. BOX 1427
PUEBLO, CO 81002

SALES TAX DIVISION
(719) 553-2659
FAX (719) 553-2657

TO ALL BIDDERS:

We would like to take this opportunity to welcome you to the City of Pueblo.

This City of Pueblo does not issue **tax-exempt certificates** and deems that all construction type of jobs within the city limits is subject to Sales and Use Tax at the rate of 3.5%.

Each and every General and/or Sub-Contractor will need to obtain licensing with the City of Pueblo. An application is available from our office or on the website listed below. Typically contractors are licensed with a Use Tax License. If the applicant is a supplier with a storefront selling material to the contractors then a Sales Tax License will be issued. In either case, the filing frequency will be determined once the application is processed. Upon completion, a license along with the returns will be mailed to the applicant. **PLEASE NOTE: if the filing period does not have a tax liability a zero return must be filed.**

The Tax Guide entitled "Contractors" has also been attached for assistance in explaining what would be subject to tax and provides scenarios that can be helpful to the construction industry.

The website for our office can be found at www.pueblo.us, click on "City Departments" then on "Sales Tax". There you will find the Tax Guides, City of Pueblo Ordinances in their entirety, blank forms such as a return or an application.

If further assistance is needed, please phone our office at (719) 553-2659, as our staff would be happy to assist.

City of Pueblo, Colorado

TAX GUIDE

CONSTRUCTION CONTRACTORS

DEFINITION:

The term "construction contractor" applies to general contractors and subcontractors and includes all building constructors, highway and road constructors, electrical, plumbing, and heating constructors, excavators, and others engaged in the construction, reconstruction, expansion, alteration, repair, or wrecking of **any physical structure that is part of real estate.**

Business enterprises providing completed units of personal property to be affixed to, installed in or used in conjunction with a structure will **not** be regarded as performing work by a **contractor** if the personal property can be removed:

1. Without substantial damage to the structure, and
2. Without altering the functional use of the structure.

Business enterprises, as described above, are considered vendors who make retail sales and must charge City of Pueblo Sales Tax on these items if licensed to do so. If the vendor is not licensed to collect City of Pueblo Sales Tax or for any reason fails to do so, then the contractor must pay the tax due as Use Tax. These types of items include, but are not limited to, appliances, storm doors and windows, patio covers, carpeting, pre-fabricated swimming pools, lockers, athletic equipment, toilet partitions, movable partitions, nursery stock, sod or other similar items used in connection with a structure.

STATE EXEMPT PROJECTS:

The State of Colorado provides an exemption for purchases by contractors of construction and building materials that become permanently affixed to the real property when the owner of the real property is a non-profit school or a governmental, charitable, or religious entity. **Pueblo has no such exemption.**

The contractor may not avoid the payment of the Pueblo Sales or Use Tax by use of provisions in the construction agreement or by use of the name of a tax exempt entity on an invoice or purchase order as the purchaser because the contractor is deemed to be the consumer of the materials used in construction. No exemption certificate issued by the Colorado Department of Revenue, nor any other taxing authority, will be recognized as a basis for exemption from the Sales or Use Tax levied by the City of Pueblo on construction materials.

CONSTRUCTION MATERIALS:

All building materials purchased, used or consumed in the City of Pueblo are subject to sales or use tax, unless the materials are purchased for resale or by seller holding a valid City of Pueblo Sales Tax License.

The general contractor on a project is responsible for the City of Pueblo tax on all material used or consumed on his project, including that used by the subcontractors he employs on the job. If the subcontractor is properly licensed with the City of Pueblo Finance Department, the subcontractor will be liable for his own taxes. **But the general contractor is responsible for the taxes owed by any unlicensed subcontractor he employs.**

Caution: City of Pueblo Sales Tax paid to a vendor who is not licensed to collect Pueblo Sales Tax does not relieve the contractor of this tax liability until said tax is remitted to the City of Pueblo.

SALES TAX:

1. Materials delivered by a Pueblo vendor to a construction contractor at a job site or other location in Pueblo are subject to city sales tax.
2. Materials picked up inside the City of Pueblo are subject to city sales tax regardless of whether the materials are used inside or outside the city.
3. Materials delivered by a Pueblo vendor to a location outside the City of Pueblo, for use outside the city, are exempt from city sales tax.
4. There is no exemption in the sales tax ordinance for the temporary storage of construction materials in Pueblo.

USE TAX:

City of Pueblo use tax is due on all materials used, consumed or stored in the city on which City of Pueblo sales tax was not paid. Examples might include the following:

1. For materials purchased outside of Pueblo to be used or stored in Pueblo on which sales tax was legally paid to another municipal corporation, use tax would be due only to the extent that the Pueblo tax exceeds the amount of sales tax paid to the other municipality. Sales tax is legally paid to another municipal corporation only if delivery of the material takes place in that municipality.
2. For material purchased outside Pueblo and delivered into Pueblo either by the vendor or common carrier, the full 3.5% City of Pueblo use tax is due.
3. If for any reason a licensed vendor fails to charge City of Pueblo sales tax, the contractor as the ultimate user must pay the full use tax.

CONSTRUCTION TOOLS & EQUIPMENT:

NEW PURCHASES:

All purchases of tools, supplies and equipment from a Pueblo licensed vendor that are delivered inside the City of Pueblo are subject to city sales tax.

If no Pueblo sales tax was paid, the City Code imposes a use tax on the purchase of tools, supplies and equipment used or received in Pueblo. However, if sales tax was legally paid on a purchase to another Colorado municipality, Pueblo allows a credit for the rate of tax legally paid to another municipality up to the rate of Pueblo's use tax.

USED EQUIPMENT:

Machinery and equipment, which has been used prior to being brought into the City of Pueblo, is subject to city use tax on the actual purchase price of the equipment and is due at the time the equipment is first brought into the city. Credit is allowed for the rate of legally imposed sales and use tax previously paid to another municipality up to the rate of city use tax.

CONSTRUCTION EQUIPMENT:

Pueblo sales and use tax applies to the purchase or use of construction equipment (cranes, grades, backhoes, bulldozers, welders, etc) in the city. Any equipment owned by a local construction company is subject to city tax when the equipment is purchased or first brought into the City of Pueblo. Construction companies located outside the city are subject city tax when equipment is brought into Pueblo. EXCEPTION: The City of Pueblo provides a prorated use tax on construction equipment brought into the city for a period of thirty (30) consecutive days or less if the taxpayer has complied with the provisions of C.R.S. Section 29-2-109.

MOTOR VEHICLE EXEMPTION:

Automotive vehicles (vehicles whose primary purpose is transportation upon public streets) registered and required by law to be registered outside of Pueblo are exempt. Specifically, construction contractors' pickup trucks and over-the-highway dump trucks, which are based and maintained at a location outside of Pueblo, would not be subject to Pueblo's sales or use tax.

RETAILER-CONTRACTOR:

Some contractors as defined above, also may be retail merchants of building supplies or construction materials, which were purchased tax free for resale. In the performance of their own construction contracts they might remove from their own stock whatever is needed for their contract operations. Such use of tax free merchandise is subject to tax in one of the following ways:

1. On time and material type contracts for all now tax exempt entities, sales tax must be charged and remitted on the total retail price charged to the customer.
2. On lump sum contracts and all jobs for tax exempt entities, use tax must be paid based on the acquisition cost of the merchandise.

Retailer contractors must have a City of Pueblo sales tax license. No sales tax license will be issued to regular contractors. They are not retailers of tangible personal property and are deemed to be users or consumers of all articles they use.

MANUFACTURER CONTRACTORS:

Manufacturing is defined as "the performance as a business of an integrated series of operations which places personal property in a form, composition or character different from that in which it was acquired whether for sale or use by the manufacturer. The change in form, composition or character must result in a different product having a distinctive name, character and use."

Organizations engaged in the manufacturing of tangible personal property who also perform construction contracts (i.e., permanently affix personal property to real property) are subject to Pueblo tax on the gross value of all materials, labor and services used and employed in the manufacture of the product.

FABRICATORS:

Shop tasks performed on construction materials, such as cutting, welding, drilling and painting structural steel or cutting, bending and attaching sheet metal pieces into "duct work," are not regarded as "manufacturing". Thus, in such cases, fabrication labor is not part of the tax base for a contractor/fabricator.

Fabricated labor is part of the tax base when transfer of title to the fabricated item takes place after performance of the fabrication by the retailer/fabricator.

RELATED TAX GUIDES:

Liens, Distraints & Enforcement
Manufacturers
Rental & Service Charges Combined
Special Mobil Machines & Equipment
Use Tax

THE ABOVE INFORMATION IS A SUMMARY IN LAYMAN'S TERMS OF THE RELEVANT PUEBLO TAX LAW FOR THIS INDUSTRY OR BUSINESS SEGMENT. IT IS NOT INTENDED FOR LEGAL PURPOSES TO BE SUBSTITUTED FOR THE FULL TEXT OF THE PUEBLO MUNICIPAL CODE AND APPLICABLE RULES AND REGULATIONS.