

ADDENDUM:

#1

TODAY'S DATE:

7/7/2022

PROJECT NAME: BURIEN PARK ELECTRICAL SERVICE UPGRADE

CONTACT / TITLE: DONALD HATFIELD PROJECT MANAGER

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This Addendum is used to Identify Items in the Original Documents with Action as Follows:

BID

RFQ

RFP

CLARIFY

CHANGE

DELETE

ADD

SUBSTITUTE

4 Page(s) Total for this Addenda including this page.

1. CLARIFY:

Question 1: How will the 3" EMT conduits going into the concrete be handled? EMT Not allowed in concrete. NEC 360.12 (4)

Answer: The existing 3" conduit is existing and specified to remain. 2020 NEC 360.12 (4) references FMT and is not applicable to the existing 3" conduit.

Question 2: If EMT is all the way into the transformer outside how will that be handled? A lot of dirt work will be needed to dig up floor and ground.

Answer: The existing conduit between the existing exterior transformer vault and the existing electrical room is specified to remain for reuse.

Question 3: Why Not use copper conductors in existing 3" conduit to get the 600amps needed for the service?

Answer: The use of copper conductors is an approved wiring method per specifications.

Question 4: How will short feeders from electrical vault be handled? Whole building will need shut down and SCL with need to be on stand by while we pull new conductors from vault?

Answer: New conductors between the existing SCL transformer and new CT cabinet are specified. See notes on drawings and specifications for shutdown coordination requirements with SCL and KCHA. Also see requirements in contract documents for bidder designed temporary electrical service to be used during construction.

Question 5: Also wall space is very tight a lot of branch circuits will need extended.

Answer: Noted, see plans for specified provisions and requirements to extend existing branch circuits.

Question 6: On the Munro panel changes we did DOR is requiring 10% tax payment in order to close this job out. This was not in any of the docs we signed with KCHA.

Answer: Please see Appendix "A" below extracted from the Bid Book that talks about Taxes.

END OF ADDENDA # 1

APPENDIX A**TAX APPLICATIONS****TAX APPLICATIONS**

If you have questions regarding the application of the retail sales tax exemption to the King County Housing Authority, please call your personal tax advisor or the Washington State Department of Revenue Office toll-free for one-on-one help: Telephone Information Center 1-800-647-7706.

WAC 458-20-17001

Government contracting -- Construction, installations, or improvements to government real property.

(1) Special business and occupation tax applications and special sales/use tax applications pertain for prime and subcontractors who perform certain construction, installation, and improvements to real property of or for the United States, its instrumentalities, or a county or city housing authority created pursuant to chapter 35.82 RCW. These specific construction activities are excluded from the definition of "sale at retail" under RCW 82.04.050. All other sales to the United States, its agencies or instrumentalities are taxable as retail sales or wholesale sales, as appropriate. See WAC 458-20-190.

(2) The definitions of terms and general provisions contained in WAC 458-20-170 apply equally for this rule, as appropriate. In addition, the terms, "clearing land" and "moving earth" include well drilling, core drilling, and hole digging, whether or not casing materials are installed and any grading or clearing of land, including the razing of buildings or other structures.

Business and Occupation Tax

(3) Amounts derived from constructing, repairing, decorating, or improving new or existing buildings or other structures, including installing or attaching tangible personal property therein or thereto, and clearing land or moving earth, of or for the United States, its instrumentalities, or county or city housing authorities of chapter 35.82 RCW are taxable under the government contracting classification of business and occupation tax. The measure of the tax is the gross contract price.

(4) Government contractors who manufacture or produce any tangible personal property for their own commercial or industrial use as consumers in performing government contracting activities are subject to the manufacturing classification of business and occupation tax measured by the value of the property manufactured or produced. See also, WAC 458-20-134. The manufacturing tax applies even though the property manufactured or produced for commercial use may be subsequently incorporated into buildings or other structures under the government contract and may thereby enhance the gross contract price.

Retail Sales Tax

(5) The retail sales tax does not apply to the gross contract price, or any part thereof, for any business activities taxable under the government contracting classification. Prime and subcontractors who perform such activities are themselves included within the statutory definition of "consumer" under RCW 82.04.190 and are required to pay retail sales tax upon all purchases of materials, including prefabricated and precast items, equipment, and other tangible personal property which is installed, applied, attached, or otherwise incorporated in their government contracting work. This applies for all such purchases of tangible personal property for installation, etc., even though the full purchase price of such property will be reimbursed by the government or housing authority in the gross contract price. It also applies notwithstanding that the contract may contain an immediate title vesting clause which provides that the title to the property vests in the government or housing authority immediately upon its acquisition by the contractor.

(6) Also, the retail sales tax must be paid by government contractors upon their purchases and leases or rentals of tools, consumables, and other tangible personal property used by them as consumers in performing government contracting.

Use Tax

(7) The use tax applies upon the value of all materials, equipment, and other tangible personal property purchased at retail, acquired as a bailee or donee, or manufactured or produced by the contractor for commercial or industrial use in performing government contracting and upon which no retail sales tax has been paid by the contractor, its bailor or donor.

(8) Thus the use tax applies to all property provided by the federal government to the contractor for installation or inclusion in the contract work as well as to all government provided tooling.

(9) The use tax is to be reported and paid by the government contractor who actually installs or applies the property to the contract. Where the actual installing contractor pays the tax, no further use tax is due upon such property by any other contractor.

(10) Note to contractors: The United States Supreme Court has sustained the government contracting tax applications for this state, even though the ultimate economic burden of the tax is borne by the United States Government (Washington v. US, 75 L.Ed 2d 264, 1983).

(11) This rule does not apply to public road construction. See WAC 458-20-171.
[Statutory Authority: RCW 82.32.300. 86-10-016 (Order ET 86-9), § 458-20-17001, filed 5/1/86.]