



OCTOBER 17, 2016
RESPONSE 3 TO REQUESTS FOR INFORMATION

New Boiler and Heating System Changes

At

**Former Talon Headquarters Building
Crawford County Government
Meadville, PA**

What is the purpose of the two 1" gas pipes leaving the existing boiler room and can they be abandoned?

The two 1" gas pipes leaving room 9 (room numbers are shown in drawing C.1 of the RFP) are for gas fireplaces on the second story. Any work done to gas piping in the building must ensure that adequate gas service to these fireplaces is preserved. However, the supply of gas to these fireplaces and to the building in general may be interrupted by the bidder for as long as necessary while the work is being completed.

Must a bid for Alternate 1 or Alternate 2 include the cost of demolition and removal of the existing boiler?

No. Demolition of the existing boiler is only required to be part of the base bid.

Alternate 1 provides for a boiler to be installed in room 4 and/or room 5 (rooms are shown on drawing C.1 of the RFP). If the bidder chooses to submit a bid for Alternate 1, the existing boiler may be abandoned in place.

Alternate 2 provides for 2 boilers, to be installed either in room 9 or rooms 4 and/or 5. If the bidder chooses to submit a bid for Alternate 2 which places the 2 boilers in rooms 4 and/or 5, then the existing boiler may be abandoned in place. If the bidder chooses to submit a bid for Alternate 2 which places the 2 boilers in room 9, then the existing boiler may be either abandoned in place or demolished and removed. However, if demolition and removal of the existing boiler is necessary in order to provide a fully functioning system that meets all manufacturer and applicable code requirements, then the cost of demolition and removal of the existing boiler must be carried in the bid submitted for Alternate 2.

You pointed out that there was to be a 2nd pump installed later in Mechanical #4. Is someone else setting the pump and providing power wiring?

The 2 pumps in room 4 (room numbers are on drawing C.1 of the RFP) are shown on schematics C.2 and C.3 of the RFP. Currently, one of these pumps is in place, and the other has been removed due to end-of-life. County maintenance staff has obtained a replacement pump and this pump is in the maintenance office (room 1) ready to be installed. Installation of this new pump will be done by County maintenance staff. Staff has indicated that the currently installed pump is operable. There is nothing in the RFP which obligates the bidder to repair, test, or work on these pumps, however, operation of one of these pumps will be necessary during commissioning of the new boiler(s) which are to be installed by the bidder. County maintenance staff will work with the winning bidder to ensure that at least one operable pump is in place when needed by the bidder.

The pumps are controlled via a single manual motor starter which is located in room 4. Each pump has a cord and plug connection; lead-lag operation is achieved by unplugging one pump and plugging in the other one. There is only one receptacle so it is impossible for both pumps to run simultaneously. It is believed that power for the pump is 240V 3Φ, provided through the 50A Square D breaker box which is located in room 5, and which was discussed in the Response 2 to RFIs.

The new pump which will be installed by county staff has a 5HP, 3490 RPM motor, and the pump is Armstrong series 4270 with 5.5" impeller S/N 0814, with 2" suction and 1.5" discharge.

The RFP states that alternate boiler submittals are "to be presented to the specifying engineer at least seven working days for approval before bid opening." Can that deadline be extended?

The deadline cannot be extended. This deadline was intended to allow time for the specifying engineer to review the submittal and provide a response to the specific bidder prior to the bid package deadline. The bidder may propose an alternate to specified equipment and submit a bid proposal based on this alternate however the bidder assumes the risk that the specifying engineer will accept the alternate equipment as equal. If an alternate is proposed, alternate product submittals that will allow a comparison with specified equipment must accompany bid proposal.

Is the project tax exempt?

It is the responsibility of the bidder to pay the appropriate sales or use tax incurred during the completion of the work described in the RFP. Crawford County PA is classified as a political subdivision of the commonwealth, and thus, certain items which would normally be subject to sales or use tax could be exempt from sales or use tax. It is the bidder's responsibility to properly apply these rules. All bids submitted must be inclusive of applicable sales or use tax. The following has been excerpted from the PA Department of Revenue web site:

https://revenue-pa.custhelp.com/app/answers/detail/a_id/1936/~are-construction-contracts-subject-to-sales-tax-in-pa%3F

Generally, a construction contractor will pay Sales or Use Tax on the purchase price of all property, including materials, equipment, components, and supplies, which it furnishes and installs in the performance of its construction contract, whether or not the items or services are transferred.

Some significant changes took effect July 1, 1998, concerning construction contractors that are under contract with a government agency or a purely public charity holding a Sales Tax exemption.

Under the changes in the law, the purchase of certain items - defined as building machinery and equipment - will be tax exempt, when the construction contractor buys the items for the government agency or purely public charity, (a tax-exempt organization). The contractor will issue an exemption certificate to the supplier, which will allow the contractor to purchase building machinery and equipment without paying the Sales Tax up front.

A construction contractor is required to pay Sales or Use Tax on all taxable services, equipment, materials, supplies, and/or components used or installed so as to become part of the real estate. The tax is based upon the contractor's purchase price including delivery charges paid to the supplier. The contractor does not charge Sales Tax on either the construction materials or labor to install the materials. Although the contractor may recoup the cost of Sales Tax paid on its purchase of materials or taxable services, the Sales Tax paid by the contractor should not be separately stated on the invoice to the contractor's customer.

A construction contractor may purchase certain items exempt from Sales Tax that it transfers to a government agency or certain tax-exempt organizations that qualify as institutions of purely public charity. These items are called "building machinery and equipment."

Building machinery and equipment are defined as generation equipment, storage equipment, conditioning equipment, distribution equipment, and termination equipment, whether or not: (a) the item constitutes a fixture or is otherwise affixed to the real estate; (b) damage would be done to the item or its surroundings upon removal; (c) the item is physically located within a real estate structure.

The exemption is limited to the following types of machinery and equipment:

- A. Air condition limited to heating, cooling, purification, humidification, dehumidification, and ventilation
- B. Electrical (not including wire, conduit, receptacle and junction boxes);
- C. Plumbing (not including pipes, fittings, pipe supports and hangers);
- D. Communications limited to voice, video, data, and sound;
- E. Alarms limited to fire, security, and detection;
- F. Control systems limited to energy management, traffic, and parking lot and building access
- G. Medical systems limited to diagnosis and treatment, medical gas, nurse call, and doctor paging
- H. Laboratory system;
- I. Cathodic protection system;

J. Furniture, cabinetry, and kitchen equipment.

The term "building machinery and equipment" shall include boilers, chillers, air cleaners, humidifiers, fans, switchgear, pumps, telephones, speakers, horns, motion detectors, dampers, actuators, grills, registers, traffic signals, sensors, card access devices, guardrails, medical devices, floor troughs and grates, and laundry equipment, together with integral coverings and enclosures.

The term "building machinery and equipment" shall not include guardrail posts, pipes, fittings, pipe supports and hangers, underground tanks, wire, conduit, receptacle and junction boxes, insulation, ductwork, and covering thereof.