



Public Works works for the Public

COUNTY OF IMPERIAL

DEPARTMENT OF PUBLIC WORKS

155 S. 11th Street
El Centro, CA
92243

Tel: (442) 265-1818
Fax: (442) 265-1858

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COUNTY OF IMPERIAL PUBLIC WORKS

Imperial County Wiest Lake Boat Launching Facility Project 5351 Dietrich Road, Brawley, Ca 92227, County Project No. SR6081CED

ADDENDUM NO. 1

February 03, 2025

This *ADDENDUM* is hereby made part of the Contract Documents and specifications to the same extent as if originally included therein and shall be signed by the Bidder and included with the proposal.

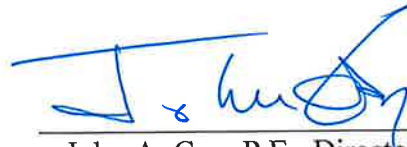
1. The specified Contract Time for Final Completion has been revised. The Work shall now be completed and ready for Final Payment within eighty (80) working days after the date the Contract Time commences, and the following articles are hereby replaced with the following:
 1. **Article 64. SPECIAL CONDITIONS - Section (a) of the General Conditions of the Project Manual (p. 67-68) is hereby replaced with the following:**
(a) The work shall be commenced on the date stated in COUNTY's Notice to the Contractor to Proceed which date will not be greater than ten (10) consecutive calendar days from and after the date of execution of the contract, and shall be completed within Eighty (80) working days from and after the date stated in such notice. (See Article 2 of Agreement and Article 6 of General Conditions.)
 2. **Article 4 – CONTRACT TIMES – Section 4.01, Subsection A. of the 15. AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR CONSTRUCTION CONTRACT (STIPULATED PRICE) FUNDING AGENCY EDITION (p. 149) is hereby replaced with the following:**
A. The Work will be completed and ready for Final Payment within eighty (80) working days after the date when the Contract Time commences to run as provided in Paragraph 2.03 of the General Conditions.
 3. **ARTICLE 6 – TIME OF COMPLETION – Section 6.01 (p. 103) is hereby replaced with the following:**
6.01 The Bidder agrees that the Work shall be Substantially Complete and shall be completed and ready for final payment in accordance with Paragraph 14.07.B of the General Conditions on or before the date or within eighty (80) working days as indicated in the Agreement.

2. The insurance requirements from The **Employer's Liability Insurance, Coverage B**, minimum limit is reduced from **\$2,000,000 per occurrence** to **\$1,000,000 per occurrence** as detailed in the original contract documents. The required minimum coverage for Employer's Liability Insurance is hereby revised as follows:

1. Article 20. INSURANCE COVERAGES of the GENERAL CONDITIONS (p. 50) is hereby replaced with the following:

Employers Liability, Coverage B \$1,000,000.00 per accident for bodily injury or disease

3. Attachment A – Sales Tax Condition: This ADDENDUM is hereby made part of the Contract Documents and specifications to the same extent as if originally included therein. All other Sales Tax Conditions, as specified in the contract documents, shall remain in full force and effect.



John A. Gay, P.E., Director of Public Works

Acknowledgement of Addendum No. 1

The prime consultant is responsible for advising any and all subcontractors of this change. Each prime consultant must acknowledge receipt of this addendum in the noted space below. This Addendum must be attached to the proposal.

License No: _____

Print or Type Company Name: _____

Print or Type Authorized Name: _____

Authorized Signature of Contractor: _____

Date Signed: _____

ADDENDUM No. 1 – Attachment A

9.3. Sales Tax Condition.

- 9.3.1.** County of Imperial will require that all qualifying contractors and subcontractors exercise their option to obtain a California Department of Tax and Fee Administration (CDTFA) sub-permit for the jobsite and allocate all eligible use tax payments to Imperial County and LTA.
- 9.3.2.** Prior to commencement of any construction activity at the Project Site, County of Imperial shall require that the contractor or subcontractor provide County with a copy of their CDTFA account number and sub-permit. County of Imperial shall either cause its construction contractor to treat the Project in accordance with California Sales and Use Tax Regulation 1521(b)(2)(B), California Sales and Use Tax Regulation 1521(c)(13)(B), and California Sales and Use Tax Regulation 1826(b) for sales and use tax purposes, or form a “Buying Company” as defined in the California Sales and Use Tax Regulation 1699(h). County of Imperial may adopt an alternate methodology to accomplish this goal if such methodology is approved by the County’s Executive Officer, which approval shall not be unreasonably withheld or delayed, prior to issuance of any building permit.
- 9.3.3.** No later than forty-five (45) days after the due date for filing sales and use tax returns for each calendar quarter, occurring after the commencement of any construction activity on-site through and including the first anniversary of commercial operating date (“COD”), Contractor shall report to County of Imperial, the total amount of sales and use taxes related to the Project that are allocated to the County, and reported on County of Imperial’s, general contractor’s and subcontractors’ applicable California sales and use tax returns.
- 9.3.4.** Guarantee Amounts. Prior to the issuance of any building permit for the Project, Contractor shall provide County with a guarantee of the minimum sales and use taxes (based on a total construction and materials budget for the Project) that will be received by County and LTA under existing applicable sales and use tax laws. Contractor warrants that the sales/use tax guarantee amounts to be provided to County as mandated in this paragraph shall be true and accurate estimates of the projected sales and use taxes that will be generated for this Project. Contractor shall provide County with evidence of the projected sales/use taxes for the Project, including but not limited to sales tax receipts, and executed or anticipated engineering contracts, procurement contracts, and construction contracts. If the Parties are unable to agree upon a guarantee amount, then the dispute shall be

referred to an independent accountant mutually acceptable to both Parties. The costs for such nonbinding mediation shall be borne by Contractor. Contractor warrants that the sales/use tax guarantee amounts to be provided to County as mandated in this paragraph will incorporate any and all sales/use tax exemptions that Contractor and/or its subcontractors intend to utilize, and that such exemptions will be disclosed to County fully and in good faith prior to the issuance of any building permit for this Project. Contractor understands and acknowledges that the sales/use tax guarantee amounts to be provided to County as mandated by this paragraph are a part of the consideration to be received by County in return for entering into this Agreement, and further understands and acknowledges that County would not enter into this Agreement but for said guarantee from Contractor. In the event that County and / or LTA receives less than the amount of sales / use taxes guaranteed pursuant to this paragraph, then Contractor shall pay, as and when provided below, to County or LTA as applicable, the amount of the applicable shortfall.

9.3.5. Adjustments to Guarantee Amounts.

- (a)** The amount of sales and use tax anticipated to be generated is based on the projected construction materials. Additional construction materials beyond the original contract now projected will require the sales / use tax guarantee amounts to be adjusted.
- (b)** To the extent of any reduction in the size of the Project as the result of any final ruling, stipulated judgment, or settlement, the sales / use tax guarantee amounts mandated under paragraph D shall be reduced pro rata based on the size of such reduction. To the extent of any reduction in the size of the Project as the result of any final ruling, stipulated judgment, or settlement, in accordance with Section V.C below, the not-to-exceed amounts set forth in Section III.B shall be reduced pro rata based on the size of such reduction.

9.3.6. The complete amount due to County for the Project must be received within one (1) year after Project Closeout/Completion for this Project. If, within one (1) year after issuance of the final Certificate of Occupancy, the sales and use taxes received by the County are less than the amount guaranteed for that portion of the project, Contractor shall pay the difference to the County.

9.3.7. Payments to County and LTA as a result of a shortfall shall be due within thirty days of County of Imperial's receipt of written notice of shortfall from the County. Payments received by County after the ninetieth (90th) day following County of Imperial's receipt of notice shall be deemed late. County of Imperial hereby agrees to pay interest at the rate of six percent (6%) per annum of the payment due for any payment received by County

beyond the due date. Said interest shall be included with the late payment. The obligation to pay interest shall be stayed when such amounts are disputed in good faith, so long as Contractor submits the payments “under written protest.” Upon determination of dispute, such interest may be assessed if it is determined that the dispute was not made in good faith.

- 9.3.8.** In the event that Contractor repowers or replaces the equipment onsite, each Site shall be designated as the “Point of Sale” so as to create an additional local tax-funding source for the County of Imperial.