

February 12, 2021

J&T Consulting
Attn: J.C. York
305 Denver Avenue, Suite D
Fort Lupton, CO 80621

Town of Johnstown
Attn: Marco Carani
450 S Parish Ave. PO Box 609
Johnstown, CO 80534

JOB TITLE: 1984 Tank – Roof Replacement

Dear Mr. York & Mr. Carani,

Thank you for the opportunity to provide pricing on this project. The following is Advance Tank and Construction Company's (ATC) Proposal. This Price is based upon the outlined Scope of Work, Schedule and ATC's terms and conditions stated below. We are agreeable to further negotiations of any part of this Proposal but ask that the final rendition of this Proposal be placed into any subsequent agreement that may arise between us.

SCOPE OF WORK

The following is an outline of ATC's scope of work (SOW):

1984 Tank (50' Diameter x 52' Tall)

- Mobilize to Site
- Cut Door Sheet in Tank
- Remove Existing AST Vent
- Remove Existing 24" Vent Nozzle
- Demo Existing Cone Roof and Structure
- Demo Existing Tank Top Angle
- Supply and Install a new 3 x 3 x 3/8" Thick Top Angle
- Supply and Install a new self-supporting umbrella roof 3/16" Thick with 3/8" thick internal plate stiffeners
- Re-Install the 24" Vent Nozzle
- Re-Install the 24" AST Vent
- Supply and Install a new 24" Square roof hatch
- Supply and Install a new 24" round roof manway
- Supply and Install a small landing platform
- Modify ladder to connect to landing platform
- Supply and Install a 4' wing rail at open end of platform
- Install Roof Cleats
- Install Angle Handrail to center of tank for vent access
- Demobilize from site
- Remobilize to Install Door Sheet following coatings
- X-Ray Door Sheet
- Demobilize

PRICING

ATC will provide all materials, fabrication, engineering, field labor, supervision, equipment, small tools, and materials required to perform the work described above. If ordered by February 19, 2021 our price below is firm. However, if it takes longer to award, the volatility of the steel and freight markets require our price be confirmed at the time of award.

Lump Sum.....	\$162,500
Adder for Coatings.....	\$156,000
Adder for Sterilization.....	\$10,000
Adder to Seal Weld Underside of Roof.....	\$15,400

INCLUDED IN THIS PRICE

- Transportation and unloading costs of material supplied by ATC
- One mobilization and demobilizations
- Site power for our work
- Work to the first flange outside the tank

EXCLUDED FROM THIS PRICE

- Taxes
- Fresh air gear, air educators, lifelines, warning horns, rescue teams, explosion-proof air gear, lights, standbys, special clothing or special PPE over and above standard Nomex and H2S Monitors.
- Costs for dealing with hazardous or contaminated materials
- Coatings removal and installation (Coatings provided as an Alternate)
- Sterilization of the tank (Offered as an Alternate)
- Spark Containment
- Dedicated Fire Watch
- Dedicated Hole Watch
- Dedicated non-productive safety personnel
- Dedicated non-productive QA/QC personnel
- Performance & Payment Bonds, can be obtained at a cost of \$12 per \$1,000 of contract price
- Scaffold netting and tool tie off
- Double handling of materials due to a bad laydown area
- Certified Welding Inspectors (CWI) or Inspection
- Union operators of any of ATC equipment

Assumptions:

- Site access allows for easy access to Work site
- Within and around the Work there are no harmful gas emissions coming from the tank to be repaired
- Within and around the Work there are no special or toxic coatings or linings on the tank interior/exterior
- The existing tank material is weldable
- The use of ATC's current weld procedures, weld processes and welder qualifications

SCHEDULE

Prices are based on ATC being allowed to do concurrent and continuous erection of the Work.

From Award to Mobilization 3 Weeks

Tank Work Complete 4 Weeks after Mobilization

Coatings Complete 4 Weeks after Tank work is Complete

Tank fill and Sterilization Complete 1 Week after coatings are complete

A complete schedule for this job will be negotiated at time of award. The schedule is presented based upon normal weather conditions. If the schedule is modified or delayed by Customer and the time of year for construction changes, the amount of time necessary to complete the Work and the cost to complete may change should differing weather change the conditions in which ATC performs the Work.

In the event of a temporary shutdown or delay of the Work due to circumstances outside of ATC's control, ATC will be given an extension of time by Customer equal to the amount of time of delay. Should a move-out of personnel and equipment be necessary or an increase in labor or equipment costs take place during the temporary shutdown or delay, a change order shall be issued, adding to the price of the Work, the amount of increased costs ATC will incur plus a mark-up for reasonable overheads. ATC will notify Customer in writing within 10 working days of the completion of the delay requesting an extension of time. (Please Note: ATC's field operations will be shut down approximately one (1) week between Christmas & New Year's.

SITE CLARIFICATIONS

ACCESS

Unobstructed access to ATC's work area is to be provided and maintained by others. ATC requires a reasonable area around the Work site for the storage of materials and equipment immediately adjacent to our construction site. Customer will maintain the site around the Work area including keeping it well drained, graveled, graded and with soil conditions that will allow our trucks, cranes and other equipment to move around under their own power. Where ATC will make every effort to coordinate with other trades our basic lay down and access areas must be kept clear to allow our construction operations to flow smoothly. Costs incurred by ATC on account of delays or interruptions in our work caused by Customer, his contractors or subcontractors will be for your account.

ENTRY OR HOT WORK PERMITS

If you require entry or hot work permits, they must be issued prior to the start of our scheduled workday. Any waiting time will be for your account.

SITE POWER

Not applicable, we will use portable welders

SCAFFOLDING

Our pricing is based on using our standard scaffolding (OSHA approved Tank Builder's Scaffolding) for tank erection. We have not included for 100% tie-off while working on us green tagged scaffolding. We have not included for any safety netting in this pricing, ATC will cone or barricade off the area below the scaffolding when work is being performed overhead.

SAFETY

All work will be done in accordance with OSHA and ATC's written safety procedures.

POWER LINES

As a safety precaution, our field construction forces do not operate hoisting equipment or install rigging within 20 feet of live 220-volt electric power lines (larger clear distances are required for lines of higher voltage). If such are present at the time of construction, the cost of moving them or otherwise making them safe will be for the Customer's account.

CONFINED SPACE

ATC does not consider a tank that the Customer has cleaned and gas-freed a permitted confined space. When a confined space is encountered during our work, ATC will test and certify the space as a non-permit required confined space and will follow our confined space program. If Customer requires a confined space to be considered permitted, or requires ATC to follow Customer's confined space program, a change order for additional labor, materials and equipment may apply.

PERSONNEL AND SITE MANAGEMENT CLARIFICATIONS

SITE MANAGEMENT

ATC has included a site Superintendent/Foreman for the management of all onsite construction activities. This individual will be Customer's onsite contact and will also be responsible for site safety and quality related issues.

SUBCONTRACTOR SUPERVISION

N/A

POWER LINES-DEDICATED SPOTTER

According to section 1926.1408 if there are power lines within our crane's operating radius either Customer is to provide a "dedicated spotter" that is in contact with our crane operator or ATC can provide the dedicated spotter at an additional cost. At this time ATC has NOT included in our proposal price to include this dedicated spotter.

HOLE WATCH

Our price does not include for personnel assigned exclusively for the purpose of hole watch. If Customer requires a hole watch on a non-permit required confined space, please add \$1,700/week per watch.

FIRE/HOT WORK WATCH

Our price does not include for personnel assigned exclusively for the purpose of fire or hot work watch. If a fire/hot work watch is required please add \$1,700/week per watch.

TECHNICAL CLARIFICATIONS

INSULATION

Not included per the RFQ

COATINGS

Scope of Work:

Blast and Coat Exterior roof and 1' of shell:

- Abrasive blast exterior to an SP 10 with an anchor profile of 2-3 mils DFT.
- Clean up all spent abrasives and place in end user supplied dumpster / containers.
- Apply 1 prime coat of Sherwin Williams Corothane I Galvapak 2K Zinc @ 2.5 – 3.5 mils DFT to all exterior blasted steel.
- Apply 1 intermediate coat of Sherwin Williams Macropoxy 646 @ 2-3 mils DFT.
- Apply 1 finish coat of Sherwin Williams High Solids Polyurethane HS @ 2-3 mils DFT.
- Site clean-up.

Scope of Work:

Blast and Coat Interior:

- Abrasive blast entire interior to an SP 10. (off scissor lifts)
- Clean up all spent abrasives and place in Lenzing supplied dumpster / containers.
- Apply 1 prime coat of Sherwin Williams Corothane I Galvapak 2K Zinc @ 2.5 – 3.5 mils DFT to all exterior blasted steel.
- Apply 1 stripe Sherwin Williams Macropoxy 646 PW @ 2-3 mils DFT.
- Apply 1 intermediate coat of Sherwin Williams Macropoxy 646 PW @ 4-6 mils DFT
- Apply 1 finish coat of Sherwin Williams Macropoxy 646 PW @ 4-6 mils DFT
- Holiday Test and touch up
- Site Cleanup

Clarification on Coatings

- End User will obtain and maintain all required permits required to execute this work scope.
- Delays due to permitting and / or weather will be tracked as an EWO / Change order and submitted to the customer.
- Planned work schedule is 7:00 am to 5:30 pm Monday thru Saturday, excluding holidays.
- We have not included containment for blast media dust on exterior.
- We will brush and roll exterior.
- We have assumed 10.5 - 12 mils DFT on interior of shell.
- Estimated completion time is 25-30 working days.
- We have included (1) mobilization and (1) demobilization to complete the field work.
- We have included caulking of the seams.
- Pricing does not include heat or DH

FOUNDATIONS

Not applicable

MATERIALS

ATC reserved the right to purchase materials from manufactures who offer the most competitive prices and schedules. Some of this material may be of foreign origin. We will also utilize plate widths as allowed by AWWA D100. Plate may be de-coiled, however it will be re-leveled.

WELDING

Pricing includes for the use of ATC standard welding procedures and processes. In addition, our pricing includes for the use of our existing welder qualifications and continuity logs. Should the customer require a custom process or on-site welder qualification our price will need to be evaluated for impacts.

GRINDING

Grinding will be performed to the requirements of AWWA D100. No additional special grinding has been included in our pricing. Weld slag, burrs, and sharp edges will be removed. Normal weld ripple will remain. If a specific NACE quality weld finish is required and that finish is beyond AWWA D100 requirements, additional costs will apply. ATC will present the Customer with an updated proposal reflecting these impacts.

HYDRO TESTING

ATC will clean the tank and make it ready for fill. We have provided an option for sterilization. For sterilization we will need the City to fill the tank. ATC will return and add chlorine to the tank as needed to serialize the water.

TANK SETTLEMENT

ATC is not responsible for any tank settlement during the Work or Hydro testing or for any surveying to determine tank movement.

COMMERCIAL CLARIFICATIONS

EXISTING TANK INTEGRITY

ATC will not assume responsibility for the integrity of the existing tank (*the tank portion that did not get repaired*) before, during or after the Work is complete. Furthermore, ATC will only accept liability for repairs made in accordance with API 653. Any repairs required by Customer that fall outside of these standards are at Customer's risk per API 653- 1.2

WARRANTY

ATC will repair or replace any of the Work found to be defective during normal use, or not in conformity with applicable drawings and specifications, within one year after Substantial Completion of the Work. If a tank that was hydro-tested by ATC develops a leak after our demobilization ATC will require Customer to empty the tank at Customer's cost, ATC will make the tank safe for our repair operations and complete the repairs. If the tank was not able to be hydro-tested ATC requires Customer to both empty the tank and make the tank safe for our crew to repair the tank, at Customer's cost.

ATC will determine how warranty work will be performed.

RESPONSIBILITY FOR WORK

Until Substantial Completion of the Work (The Work shall be considered substantially complete when it is capable of being put into use by Customer), ATC will be responsible for all loss and damage to the Work, except for that caused by the negligence of Customer, its invitees, guests and other contractors of Customer. Customer accepts all risk of loss after accepting care, custody or control of any or all parts of the Work or Substantial Completion, whatever is sooner.

INSURANCE

ATC agrees to carry insurance on the Work, with the following coverage limits:

Workers' Compensation	Statutory
Employers' Liability	1,000,000
Comprehensive General Liability	1,000,000 per occurrence
Automobile Liability	1,000,000
Excess Liability	10,000,000 aggregate
Pollution Liability	5,000,000
Professional Liability	2,000,000

If requested, Customer shall be named as additional insured for the duration of the Work and proof of insurance will be provided on a standard Accord form.

LIMITS OF LIABILITY

ATC agrees to indemnify Customer for claims, damages, losses or expenses due to ATC's negligence or the negligence of someone or something under the control of ATC. It is expressly understood and agreed that ATC's liability under such indemnity is intended to be insured and specifically is limited to and subject to coverage under the policies listed by ATC above. Notwithstanding anything contained in the Contract documents to the contrary, Customer hereby releases ATC and its agents, employees and subcontractors from all claims on account of property damage or personal injury of any kind, including loss of use; and waives the right of subrogation or direct recovery against ATC; and agrees its exclusive remedy is against ATC's insurance policies pursuant to Customer's additional insured endorsement, regardless whether the loss is within the coverage or exceeds the limits of liability under such policies of insurance.

DAMAGES

ATC will not be held liable for any of the following types of damages: liquidated, delay, special, consequential, indirect, loss of use, incidental, lost productivity, hindrance costs, interference costs, or increased overhead costs.

PAYMENT

Customer agrees to pay monthly progress payments, net 30 terms, with no retainage on materials, materials to be paid for when they arrive in our fabrication facility. Customer shall not withhold payment of the final invoice due to issues which might be considered warranty work. Any invoices not paid within the appropriate time by Customer will bear interest at prime rate plus 2%, based on the prime rate as stated within the Wall Street Journal. ATC has the right to suspend work for nonpayment of an invoice by Customer.

TAXES

ATC has excluded all Taxes – ATC will charge Customer in the form of a change order at the completion of the Job for all required taxes. Or the Customer can provide ATC with the appropriate tax paperwork which states this work is nontaxable or that Customer will be self-paying all applicable taxes.

CHANGE ORDERS

ATC is willing to modify the Work to be performed by ATC after receipt of a written change order from Customer outlining the types of changes requested. Upon receipt of a change order ATC will prepare and submit to Customer, within 5 working days, a statement outlining the reasonable price and time changes, either additions or deletions, needed for ATC to properly execute the Work pursuant to the Change order. ATC will not perform the change orders unless given permission or authority, verbal or written, to do so by Customer or Customer's representative.

SUBSTITUTIONS

ATC reserves the right to make substitutions of equipment or materials purchased for the Work, provided that such substitutions shall be in accordance with appropriate national design standards and good engineering practices.

DISPUTE RESOLUTION

All disputes between the parties which cannot be amicably settled shall be settled by binding arbitration according to the American Arbitration Association Construction Industry Rules. The arbitration shall take place in Denver, Colorado. The prevailing party in the arbitration shall be awarded its reasonable attorney's fees and costs incurred during the dispute process. If the parties both agree, mediation may be used prior to submitting the dispute to binding arbitration. If mediation is agreed to, it shall be in accordance with the American Arbitration Association's rules for mediation of construction problems.

CANCELLATION/DELAY

In the event of cancellation of the Contract, Customer shall pay ATC for the Work that has been completed, all materials purchased for the Work, as well as proportionate overhead and profit associated with the cancelled Work.

SUBCONTRACT

ATC reserves the right to subcontract parts of the Work to be done. If required by the contract ATC will submit subcontractors for owner's approval.

NON-UNION

ATC is an open shop, non-union company. As such, it will not sign any project labor agreements or other such union paperwork. ATC will however, work alongside union labor if union labor can work alongside non-union labor without causing problems.

PREVAILING WAGE/DAVIS BACON

ATC has not included for prevailing wages (Davis Bacon wage rates) to be paid for the Work. ATC will determine and be solely responsible for our labor pay and wage rates for the Work.

Once again, I thank you for the opportunity to submit this Proposal. Please feel free to call or email me with any questions or need further information.

Sincerely,



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