

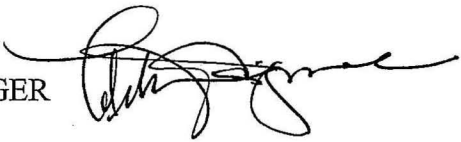


MEETING DATE: 6/20/05
ITEM NO. //

COUNCIL AGENDA REPORT

DATE: JUNE 14, 2005

TO: MAYOR AND TOWN COUNCIL

FROM: DEBRA J. FIGONE, TOWN MANAGER 

SUBJECT: EQUIPMENT PURCHASE
ADOPT RESOLUTION AUTHORIZING TOWN MANAGER TO
EXECUTE AN AGREEMENT WITH JOSEPH H. SCHAUF
COMPANY, INC. FOR THE PURCHASE OF THE COOLING TOWER
IN THE AMOUNT OF \$33,560.00 FROM ACCOUNT 6695-84553

RECOMMENDATION:

Adopt Resolution authoring Town Manager to execute an agreement with Joseph H. Schauf Company, Inc. for the purchase of Cooling Tower in the amount of \$33,560.00 from Account 6695-84553.

BACKGROUND:


The fiscal year 2004/2005 adjusted operating budget designates funding as approved under Council action on December 6, 2004 Item #14A, for the Cooling Tower and is consistent with the Town's goals to improve public health and safety.

DISCUSSION:

On November 30, 2004, the Town entered into an agreement with Integrated Engineering Services to provide a comprehensive evaluation and to make specific recommendations for the replacement of the Civic Center Chiller and the outside air ventilation system for the downtown Neighborhood Center.

On January 6, 2005, the Parks and Public Works Department received the final study/report from Integrated Engineering Services. The study addressed the Civic Center facility and possible solutions to replace the existing chiller and cooling tower components.

PREPARED BY:


JOHN E. CURTIS
Director of Parks and Public Works

Reviewed by: PS Assistant Town Manager OK Town Attorney _____ Clerk Administrator
h Finance _____ Community Development

Revised: 6/14/05 9:18 am

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MAYOR AND TOWN COUNCIL
SUBJECT: EQUIPMENT PURCHASE
JUNE 14, 2005

Over the past two years, the chiller and cooling tower have failed under the heavy demands required to cool the Civic Center complex. Replacement parts have become scarce to procure and must be special ordered from the manufacturer; therefore, repairing the aging system is not cost effective. The project will bring the HVAC system into efficient working order and will reduce ongoing maintenance and energy costs. Additionally, staff will pursue energy rebates with Pacific Gas and Electric Company throughout the project.

On June 6, 2005, the Town entered into another agreement with Integrated Engineering Services to prepare plans and specifications for the installation of a new chiller, cooling tower and main air handler.

The Civic Center Chiller and Cooling Tower Project is expected to start on July 1, 2005 and be completed by September 15, 2005. The completion date is based on lead time from contractors to order and receive the necessary equipment from the manufacturers. All major components associated with the project are site specific and are manufactured based on building and heating cooling demands.

CONCLUSION:

Staff recommends the approval of the agreement with Joseph H. Schauf Company, Inc. for the purchase of the Cooling Tower.

ENVIRONMENTAL ASSESSMENT:

This is a project as defined under CEQA but is Categorical Exempt (Section 15301(c)). A Notice of Exemption will not be filed.

FISCAL IMPACT:

The 2004/05 Operating Budget provides for the purchase of the Cooling Tower as part of the internal services fund Account # 6695-84553.

Attachment:

1. Resolution authorizing approval of Agreement with Joseph H. Schauf Company, Inc. (Exhibit A) and Manufacturer's Warranty (Exhibit B)
2. Proposal from Joseph H. Schauf Company, Inc. dated June 10, 2005

RESOLUTION

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
AUTHORIZING THE TOWN MANAGER
TO EXECUTE AN AGREEMENT WITH
JOSEPH H. SCHAUF COMPANY, INC.
FOR THE PURCHASE OF THE COOLING TOWER
IN THE AMOUNT OF \$33,560.00**

WHEREAS, The 2004/05 Operating Budget provides for the purchase the Cooling Tower; and

WHEREAS, staff recommends the purchase of the Cooling Tower from Joseph H. Schauf Company, Inc; and

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Los Gatos, County of Santa Clara, State of California, that Joseph H. Schauf Company is declared to be the satisfactory vendor for the purchase of the Cooling Tower; and

BE IT FURTHER RESOLVED that the Town Manager is hereby authorized and directed to execute an agreement (Attached as Exhibit A) for the purchase of the Cooling Tower on behalf of the Town in the amount of \$33,560.00.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the of , 2005, by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED: MAYOR OF THE TOWN OF LOS GATOS/
LOS GATOS, CALIFORNIA

ATTEST:

**CLERK ADMINISTRATOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA**

**AGREEMENT BETWEEN THE TOWN OF LOS GATOS AND
JOSEPH H. SCHAUF COMPANY, INC.
FOR THE PURCHASE OF THE
COOLING TOWER**

THIS AGREEMENT is made and entered into in the **Town of Los Gatos**, County of Santa Clara, State of California, by and between the TOWN OF LOS GATOS, a municipal corporation [hereinafter Town], and **Joseph H. Schauf Company, Inc.** [hereinafter Vendor], as of the day of , 2005.

RECITALS

(A) Quotations were sought by the Town for the purchase of a Cooling Tower, and Vendor was found to be a responsible supplier of this purchase.

(B) Vendor represents that it is a qualified and competent supplier of the equipment to be purchased under this Agreement.

IT IS AGREED AS FOLLOWS:

1. Supplies and Terms. Vendor hereby agrees to deliver to the Town of Los Gatos Civic Center at 110 East Main Street, Los Gatos, CA 95030 the items and materials described in (Exhibit A) hereto, which is fully incorporated herein by this reference. The terms and conditions are as follows:
 - (a) Price. Town shall pay Vendor the amounts defined in (Exhibit A), F.O.B., and which include sales tax and delivery charges. Payment shall be net 30 days from delivery.
 - (b) Delivery. The delivery of the items and materials shall be no later than August 19th, 2005. Delivery shall be made between 8:00 a.m. and 3:30 p.m. on weekdays that are not Town holidays.
 - (c) Manufacturer's warranty shall extend to Town as described in (Exhibit B) hereto, which is incorporated herein by this reference.
2. Time of the Essence. Prompt delivery of the items and materials is essential to this Agreement.
3. Equal Employment Opportunity. Vendor warrants that it is an Equal Opportunity Employer and shall comply with applicable regulations regarding equal employment opportunity. Vendor shall not discriminate in the employment of any person because of race, color, national origin, ancestry, mental or physical disability, medical condition, marital status, sex, age, or sexual preference, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment and Housing Act.

Exhibit A

4. Notices. All notices to be given with respect to this Agreement shall be addressed as follows:

To Town:
Town of Los Gatos
Parks and Public Works Department
41 Miles Avenue
Los Gatos, CA 95030

To Vendor:
Joseph H. Schauf Company, Inc.
P. O. Box 110069
Campbell, CA 95011-0069

5. Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of the Agreement.

6. Modifications. No modification, waiver, termination, or amendment to this Agreement is effective unless made in writing signed by the Town and the Vendor.

7. Severability. If any term of this Agreement is held invalid by a court of competent jurisdiction, the remainder of this Agreement shall remain in effect.

8. Entire Agreement. This Agreement including (Exhibits A and B) hereto, sets forth the entire understanding between the parties.

IN WITNESS WHEREOF, the Town and the Vendor have executed this Agreement on the date above written.

Town of Los Gatos, by:

Vendor: Joseph H. Schauf Company, Inc.

Debra J. Figone, Town Manager

Signature

Recommend by:

John E. Curtis
Director of Parks and Public Works

Print Name

Approved as to form:

Attest:

Town of Los Gatos, Los Gatos, California

Orry P. Korb, Town Attorney

Marlyn Rasmussen, Clerk Administrator

Terms and Conditions of Sale

Pricing: Prices set forth in Seller's quotation shall remain firm for thirty (30) days. Within such period, the quotation shall convert into an order provided that all of the following have occurred: (1) Buyer submits either a purchase order or a copy of Seller's quotation displaying an authorized signature of Buyer within that thirty (30)-day period; (2) Buyer provides a release for fabrication; and (3) Buyer requests a shipment date that is no later than twelve (12) weeks from the date of Buyer's submission of a purchase order or signed quotation. In the event Buyer's requested shipment date is later than twelve (12) weeks beyond such submission date, Seller's price in effect twelve (12) weeks prior to such shipment date shall apply. In the event that Buyer requests for its convenience that Seller delay delivery of products subject to an order beyond the scheduled shipment date, pricing shall be subject to the same adjustment.

Payments: Terms of payment shall be net cash in thirty (30) days from date of invoice, subject to Seller's prior credit approval. If the Buyer shall fail to make any payments in accordance with the terms and conditions of sale, the Seller, in addition to its other rights and remedies but not in limitation thereof, may, at its option, without prior notice, cancel this order as to any undelivered products or defer shipments or deliveries hereunder, or under any other agreement between Buyer and Seller, except upon Seller's receipt of cash before shipment or such security as Seller considers satisfactory. Seller reserves the right to impose an interest charge (not exceeding the lawful maximum) on the balance of each invoice not paid on its due date for the period from the due date to the date of receipt of payment by Seller. In the event Buyer's failure to make timely payments to Seller results in Seller incurring additional costs, including but not limited to collection expenses and attorneys' fees, said costs shall be added to the amount due Seller from Buyer. Buyer shall have no right to any discount or retainage and shall not withhold payment as a set-off on Seller's invoice in any amount.

Taxes: Unless listed on the front (reverse) side of this document, prices do not include any federal, state or local sales, use or value-added taxes payable in connection with this order. All such taxes shall be paid by Buyer. Buyer shall indemnify Seller from and against such taxes, plus interest and penalties thereon, including, but not limited to, tax, interest and penalties resulting from a failure to collect such taxes because of Seller's reliance upon an invalid exemption certificate provided to Seller.

Allocation of Risk: Deliveries shall be considered made when the products subject to this order are loaded on the carrier. At such time, title to the goods and all risk of loss, damage or shortage shall pass to Buyer, and any claims based thereon must be filed by Buyer with the carrier.

Force Majeure: Seller shall under no circumstances be liable for any loss or damage resulting from delay or failure in the performance of its obligations under this contract to the extent that such performance is delayed or prevented by: fires, floods, war, terrorist activities, riots, strikes, freight embargoes or transportation delays, shortage of labor, inability to secure fuel, material, supplies or power at current prices, or on account of shortages thereof; acts of God or of the public enemy; any existing or future laws or acts of the federal, state or local government (including specifically, but not exclusively, any orders, rules or regulations issued by any official or agency of any such government) affecting the conduct of Seller's business with which Seller in its judgment and discretion deems it advisable to comply as a legal or patriotic duty, or to any case beyond the Seller's reasonable control.

Warranties: Seller warrants that the equipment products sold under this contract shall be free from defects in material and workmanship for a period of twelve (12) months from the date of equipment startup or eighteen (18) months from the date of shipment, whichever occurs first. The following original equipment components only are warranted against defects in materials and workmanship for a period of five (5) years from date of shipment: fans, fan shafts, bearings, sheaves, gearboxes, driveshafts, couplings, mechanical equipment supports and fan motors. Replacement parts provided by Seller under its original equipment warranty obligations are warranted against defects in materials and workmanship for a period of twelve (12) months from date of shipment or until expiration of their original warranty, whichever is the first to occur. Parts purchased after expiration of the warranty on the original parts they replace (including those parts originally warranted for a five (5) year period) are warranted against defects in materials and workmanship for a period of twelve (12) months from date of shipment. Written notice of any defect shall be given to Seller immediately upon discovery by Buyer, and shall fully describe the claimed defect. Defective parts shall be repaired or replaced F.O.B. point of shipment, provided that inspection by Seller verifies the claimed defect(s). This shall be Buyer's exclusive remedy. **This warranty does not cover the costs of removing, shipping or reinstalling the equipment. Repairs made without the prior written approval of Seller shall void all warranties covering material and workmanship.** Any descriptions of the product(s) in the contract are for the sole purpose of identification and do not constitute a warranty. In the interest of product improvement, Seller reserves the right to change specifications and product design without incurring any liability therefore. The foregoing express warranties or those set forth elsewhere on this document are the only warranties of Seller applicable to the product(s) sold under this contract. **All other warranties, whether verbal or written, and all warranties implied by law, including any warranties of merchantability or fitness for a particular purpose, are hereby excluded.** Failure on the part of Buyer or of other parties to properly maintain the product(s) sold under this contract, or the operation of such product(s), by Buyer and/or other parties under conditions more severe than those for which such product(s) were designed, shall void all warranties covering materials and workmanship. Seller's warranties do not apply to defects in product(s) for which payment in full has not been received by Seller, and said warranties do not cover normal wear and tear or the erosion, corrosion and/or deterioration of the product(s) from unusual causes. **No warranties by Seller shall apply to accessories manufactured by others,** inasmuch as they are warranted separately by their respective manufacturers, except as stated above. Buyer assumes liability for and shall bear the costs of compliance with all laws, regulations, codes standards or ordinances applicable to the location, operation and maintenance of the product(s) sold under this contract, including those requirements pertaining to the distances between such product(s) and air-conditioning system duct intakes. No representative or agent of Seller is authorized to enlarge upon the express warranties of Seller.

Cancellation/Changes/Returns: Cancellation of or changes in any order by Buyer shall not be effective without Buyer's notice thereof received, agreed to, and confirmed in writing by Seller. If Seller, in its absolute discretion, approves Buyer's cancellation of an order, Buyer agrees to pay a reasonable cancellation charge. Seller's prior written consent must be obtained before Buyer returns any products, and when so returned will be subject to a handling charge and transportation costs payable by Buyer.

Liability/Indemnification: Seller shall not be liable for any damages caused by delay in delivery of the products. Buyer shall hold harmless and indemnify Seller from and against all liability, claims, losses, damages, and expenses (including attorneys' fees) for personal injury and property damage arising out of Buyer's improper unloading, handling, or use of the products subject to this order, and for Buyer's infringement of another's property rights. The Seller's maximum liability from any cause whatsoever, whether in breach of contract, tort (including negligence), strict liability, or otherwise, shall not exceed the contract price. Neither Buyer nor Seller shall in any event be liable to the other, whether such liability arises out of breach of contract, tort (including negligence), strict liability or any other cause or form of action, for any consequential, special, indirect or incidental damages, including but not limited to loss of actual or anticipated profits or loss of use arising out of this contract, other than such damages resulting from the willful misconduct of Buyer or Seller.

Government Contracts: If Buyer's purchase order is for products to be used in the performance of a U.S. Government contract, those clauses of applicable procurement regulations mandatorily required by federal law to be included in U.S. Government subcontracts shall be incorporated herein by reference.

Export Transactions: Buyer shall comply with all applicable export laws and regulations of the U.S. Government, and shall hold harmless and indemnify Seller from and against all liability, damages, and expenses (including attorneys' fees) incurred by Seller as a result of Buyer's violation of any U.S. Government export and/or international antiboycott laws or regulations.

Agreement of Sale: Buyer's order is accepted on the terms and conditions stated herein and Seller's acceptance of Buyer's order is expressly made conditional upon Buyer's assent to such terms and conditions, including any of Seller's terms and conditions which may be additional to or different from those contained in Buyer's purchase order or otherwise. Such assent shall be deemed to have been given unless written notice of objection to any such terms and conditions (including inconsistencies between Buyer's purchase order and this acceptance) is given by Buyer to Seller promptly upon receipt of this acknowledgment. Any agreement or understanding, oral or written, which modifies or waives the terms and conditions herein (whether contained in Buyer's purchase order or other documentation) shall be deemed material and shall be rejected unless hereafter agreed to in writing and signed by Seller's authorized officer. Waiver by Seller of any breach or default hereunder shall not be deemed a waiver by Seller of any other or subsequent breach or default which may thereafter occur. Neither the rights nor the obligations of either Buyer or Seller are assignable without the prior written consent of the other party. This agreement of sale and all rights and obligations of Buyer and Seller shall be governed by and construed in accordance with the laws of the State of Maryland.

(Revision -- 03/15/2004)

JOSEPH H. SCHAUF CO., INC.

Manufacturers' Representative

REFRIGERATION • AIR CONDITIONING • INDUSTRIAL HEAT TRANSFER

P.O. BOX 110069 • CAMPBELL, CALIFORNIA 95011-0069 • (408) 866-0723

FAX: (408) 866-5899

June 10, 2005

Mr. Bruce Smith
TOWN OF LOS GATOS
Parks & Public Works Department
41 Miles Avenue
Los Gatos, California 95031

Subject: **Los Gatos Civic Center**
Replace BAC VXT-135CR (88200904)

Dear Bruce:

We are pleased to quote the following BALTIMORE AIRCOIL and related equipment:

Cooling Tower

One (1) **BAC Series "V" Model VTO-132-L** centrifugal fan, counterflow cooling tower. Base unit is CTI certified to cool 550 GPM of water, from 95° to 85° @ 70° wet bulb temperature (183.3 tons). The base unit is CTI certified and Title 24 compliant.

Unit would be equipped with (1) 15 HP, single speed, TEFC, premium efficiency fan motor, suitable for 460/3/60 electrical. Fan motor is inverter duty and suitable for use with a VFD.

Unit to be manufactured of G-235 hot-dip galvanized steel, further protected with BAC Baltibond Corrosion Protection System. Additional accessories included:

- *Anchorage suitable for Seismic Zone IV (vibration isolation or structural steel by others)
- *Vibration cut-out switch per Code (mounted for field wiring by others)
- *Extended lube lines for the fan shaft bearings
- *Inlet and discharge sound attenuation
- *Inverter duty fan motor

The base Model VTO-132-L would ship in (2) sections weighing 2,000 pounds and 1,820 pounds. Sound attenuation hoods ship as separate pieces.



Representing

Baltimore Aircoil

BALTIMORE AIRCOIL COMPANY, INC.

Cooling Towers • Evaporative Condensers • Closed Circuit Coolers • Ice Chillers • Water Filtration

ONE OF THE
Amsted
INDUSTRIES

Attachment 2

Mr. Bruce Smith
June 10, 2005

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Cooling Tower Control Panel

One (1) Puroflux NEMA type 3R UL labeled/listed starter/control panel, to include:

- *Main disconnect switch
- *Transformer with fuses for 208/3/60 → 120/1/60
- *550 Series ABB Variable Frequency Drive
- *By-pass contactors
- *Heat dissipation
- *Overload/short circuit protection
- *Fan & by-pass contactors
- *Enable switch
- *VFD Test switch
- *Lights
- *Auxiliary power point for vibration switch
- *Johnson 350 temperature controller
- *Factory start-up

Total cost, including freight to jobsite but not sales tax . . . \$33,560.00.

Delivery time for this equipment is approximately 6 weeks, shipping from Madera, CA.

Please note items not included: off-loading, rigging or installation; vibration isolation or structural steel support; water treatment; sales tax.

If we are favored with your Purchase Order, please have it addressed to:

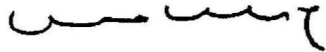
Joseph H. Schauf Company
P.O. Box 110069
Campbell, CA 95011-0069

Mr. Bruce Smith
June 10, 2005

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Thank you for the opportunity to submit this quotation. We look forward to working with you on this project.

Very truly yours,



Steve Schauf
Principal
JOSEPH H. SCHAUF CO., INC.
for Baltimore Aircoil Co., Inc.

SLS:mcm

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