



MEETING DATE: 06/15/09
ITEM NO: 18

COUNCIL AGENDA REPORT

DATE: JUNE 2, 2009

TO: MAYOR AND TOWN COUNCIL

FROM: GREG LARSON, TOWN MANAGER 

SUBJECT: EQUIPMENT RETROFIT AND INSTALLATION

ADOPT RESOLUTION AUTHORIZING THE TOWN MANAGER TO EXECUTE AN AGREEMENT WITH EMISSIONS RETROFIT GROUP FOR THE PURCHASE AND INSTALLATION OF FIVE (5) DIESEL PARTICULATE FILTERS IN AN AMOUNT NOT TO EXCEED \$82,325.

RECOMMENDATION:

Adopt a Resolution (Attachment 1) authorizing the Town Manager to execute an agreement with Emissions Retrofit Group (Exhibit A) for the purchase and installation of five diesel particulate filters (DPF) in an amount not to exceed \$82,325.

BACKGROUND:

The equipment replacement schedule was part of the adopted FY 2008/09 Operating Budget and included funding to purchase and install five diesel particulate filters. This project is inclusive of one regeneration panel, which will be purchased and installed in the Service Center. The regeneration process is a critical function for the disposal of tiny soot participle generated from diesel engines exhaust. The regeneration process converts the particulate material into ash. The ash is then removed by Vehicle Maintenance staff and sent to a hazardous waste station.

On December 8, 2005 the California Air Resources Board (ARB) adopted a fleet rule to reduce diesel particulate matter (PM) emissions from fleets operated by public agencies and utilities. Diesel PM emissions are tiny soot particples from diesel engines and were identified as a toxic air contaminate in 1998. The exposure to diesel PM is a significant health hazard, particularly to children whose lungs are still developing and the elderly who may have other serious health problems.



PREPARED BY: TODD CAPURSO
Director of Parks and Public Works

Reviewed by: JS Assistant Town Manager DL Town Attorney _____ Clerk Administrator
SE Finance _____ Community Development

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BACKGROUND (cont'd):

Municipalities that own or lease on-road diesel fueled heavy-duty vehicles with a 1960 to 2006 model-year median heavy-duty engine, and manufacturer gross vehicle rating greater than 14,000 pounds, are required to retro-fit existing exhaust systems with updated diesel particulate filter systems approved by the ARB.

Based on the adopted fleet rule, five diesel powered trucks fall within the current ARB guidelines and are required to be retrofitted with new DPF systems.

DISCUSSION:

For purchases over \$50,000 the Town's bid process requires public advertising and the preparation of plans and specifications. The Town Code authorizes the reliance on other municipal agencies competitive bidding processes as an exception to the requirements that Town staff obtain competitive bids prior to purchasing such equipment and services. The City of Woodland Purchasing Division advertised plans and specification for DPF system purchase and installation and awarded a contract to Emissions Retrofit Group on March 02, 2009.

The DPF exhaust systems supplied by Emissions Retrofit Group have received an executive order verifying the product line meets ARB requirements reducing emissions of diesel particulate matter (PM) consistent with a level 3 device (greater than or equal to 85 percent reductions) Title 13, California Code Regulation (CCR) sections 2702 for on-road vehicles that use heavy-duty diesel engines of all model years up through and including 2006.

Staff will continue to purchase alternative fueled vehicles wherever possible and continue to evaluate the need for diesel powered vehicles. Diesel powered vehicles purchased after 2007 meet the ARB regulations to reduced PM based on updated engine control and exhaust systems. Additional cost associated with DPF updates will not be required after this installation process.

CONCLUSION:

Staff recommends the purchase and installation of five diesel particulate filters from Emissions Retrofit Group in an amount not to exceed \$82,325.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

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FISCAL IMPACT:

There are sufficient funds in the FY 2008/09 Equipment Replacement Fund for this project.

Attachments:

Resolution authorizing the Town Manager to execute an agreement with Emissions Retrofit Group (Exhibit A).

RESOLUTION

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
AUTHORIZING THE TOWN MANAGER TO
EXECUTE AN AGREEMENT WITH EMISSIONS RETROFIT GROUP
FOR THE PURCHASE AND INSTALLATION OF FIVE DIESEL
PARTICULATE FILTERS IN AN AMOUNT NOT TO EXCEED \$82,325.00**

WHEREAS, The Town Code authorizes on the reliance of other municipal agencies competitive bidding process as an exception to the requirements that Town staff obtain competitive bids prior to purchasing such equipment; and

WHEREAS, The City of Woodland Purchasing Division advertised plans and specification for diesel particulate filters system purchase and installation service, and declared that Emissions Retrofit Group to be the lowest responsible bidder,

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Los Gatos that Emissions Retrofit Group is declared to be the lowest responsible bidder and that the Town Manager is authorized to execute an agreement (attached as Exhibit A) for said project on behalf of the Town in an amount not to exceed \$82,325.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 15th day of June, 2009 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

CONTRACT

THIS AGREEMENT is between the **Town of Los Gatos** (hereinafter referred to as "Owner") and **Emissions Retrofit Group** (hereinafter referred to as "Contractor"). Owner and Contractor, for the consideration hereinafter named, agree as follows:

A. SCOPE OF WORK

Contractor shall furnish all materials and perform all of the work for the purchase and installation of five (5) Diesel Particulate Filter (DPF) systems including one (1) hybrid regeneration station rated at 480v 3-phase. All vehicle DPF systems will be installed by the contractor onsite at the Town of Los Gatos Service Center 41 Miles Avenue between the hours of 7:00 a.m. & 3:30 p.m. Monday thru Friday except for holidays & weekends in accordance with the Contract Documents.

B. CONTRACT PRICE

As full compensation for furnishing all materials and for doing all the work contemplated and embraced in this Contract, also for all loss or damage arising out of the nature of the work aforesaid, or from the actions of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by Owner, and for all risks of every description connected with the Work, also for all expenses incurred by or in consequence of the suspension or discontinuance of work, and for well and faithfully completing the Work, and the whole thereof, in the manner and according to the Contract Documents, Owner shall pay (eighty-two thousand three hundred twenty-five dollars), **\$82,325.00**, which shall supersede any other amount specified in the Contract Documents.

C. CONTRACT DOCUMENTS

All rights and obligations of Owner and Contractor are fully set forth and described in the Contract Documents. All parts of the Contract Documents are intended to be correlated so that any work called for in one part and not mentioned in the other, or vice versa, is to be executed the same as if mentioned in all said documents.

D. BEGINNING OF WORK

Following the execution of this Contract and the approval of bonds and insurance policies and certificates, Owner shall issue a *Notice to Proceed* with the Work. Commencing work or the entrance of equipment or materials on the site of the Work by Contractor before receipt of the *Notice to Proceed* is at the sole risk and expense of Contractor, and the Contractor shall be fully liable for any damage or injury sustained by Owner or third persons resulting there from.

**BOND FOR SECURITY OF
LABORERS AND MATERIAL PERSONS**

WHEREAS, the Town Council of the **Town of Los Gatos**, State of California, and **Emissions Retrofit Group** (hereinafter designated as "Principal") have entered into a Contract whereby Principal agrees to install and complete certain designated public improvements, which said Contract, dated 18 MAY, 2009 and identified as **purchase and installation of five (5) Diesel Particulate Filter (DPF) systems including one (1) hybrid regeneration station rated at 480v 3-phase**, is hereby referred to and made a part hereof; and

WHEREAS, under the terms of said Contract, Principal is required before entering upon the performance of the Work, to file a good and sufficient payment bond with the Town of Los Gatos to secure the claims to which reference is made in Title 15 (commencing with §3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, said Principal and the undersigned as Corporate Surety, are held firmly bound unto the Town of Los Gatos and all Contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid Contract and referred to in the aforesaid Code of Civil Procedure in the sum of (eighty-two thousand three hundred twenty-five dollars), **\$82,325.00**, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount herein above set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the Town in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with § 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said Contract or the Specifications accompanying the same shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition.

E. TIME OF COMPLETION

The Work called for herein shall be fully completed within One hundred twenty days (120) working days of Contractor's receipt of the *Notice to Proceed*. Purchase of equipment and installation services is based on the attached list (as set fourth in Exhibit A).

F. CORRECTION OF WORK AFTER ACCEPTANCE AND FINAL PAYMENT BY TOWN

Contractor shall remedy any defects due to faulty materials and/or workmanship and pay for any damages to other work and/or existing facilities resulting there from which shall appear within a period of 60 months or five years from the date of completion of installation and purchase of the Diesel Particulate Filter (DPF) systems.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of day of 18 May, 2009.

TOWN OF LOS GATOS, by:

Greg Larson
Town Manager

RECOMMEND BY:

Todd Capurso, Director
Parks and Public Works


APPROVED AS TO FORM:

Orry P. Korb
Town Attorney

ATTEST:

Jackie Rose
Clerk Administrator

CONTRACTOR, by:
Emissions Retrofit Group


(Signature)

PETER TURKOLMAN
(Print Name)

5720 B ROSEVILLE Rd SACRAMENTO 95842
(Address, City, State, Zip)

ARD 00257928
(California Automotive Repair (BAR)
License Number)

FAITHFUL PERFORMANCE BOND

WHEREAS, the Town Council of the **Town of Los Gatos**, State of California, and **Emissions Retrofit Group** (herein designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said Contract, dated 18 MAY, 2009, and identified as **purchase and installation of five (5) Diesel Particulate Filter (DPF) systems including one (1) hybrid regeneration station rated at 480v 3-phase**, is hereby referred to and made a part hereof; and

WHEREAS, said Principal is required under the terms of said agreement to furnish a bond of the faithful performance of said agreement.

NOW, THEREFORE, we, the Principal and EMISSIONS RETROFIT GROUP, as Surety, are held and firmly bound unto the Town of Los Gatos (hereinafter called "Town"), in the penal sum of (eighty-two thousand three hundred twenty-five dollars), **\$82,325.00**, lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, formally by these presents.

The condition of this obligation is such that if the above bounded Principal, his/her or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said Contract and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless Town, its officers, agents and employees, as therein stipulated, and this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

Principal and Surety further agree that upon Town's final acceptance of the Work, 10% of this bond shall remain in effect to guarantee the repair and/or replacement of defective materials and/or workmanship, 2 years after Town's final acceptance of the Work.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Town in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the Work to be performed hereunder or the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the Work or to the Specifications.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named, on 28 MAY, 2009.

NOTE: Attach Notary Acknowledgment for signatures of those executing for Principal and Surety.

PRINCIPAL:

SURETY:

(Seal)

(Seal)

(Principal)

(Surety)

(Address)

(Address)

(City, State, Zip)

(City, State, Zip)

SEE ATTACHED SURETY FORMS WITH SEALS