



AGENDA REPORT

Meeting Date: April 2, 2013
Item Number: G-13
To: Honorable Mayor & City Council
From: Kevin Watson, Water Operations Manager
Subject: AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND GENERAL PUMP COMPANY FOR WATER WELL AND PUMP RELATED MAINTENANCE AND REPAIR SERVICES

Attachments: 1. Amendment No. 1

RECOMMENDATION

It is recommended that the City Council move to approve Amendment No. 1 to the agreement between the City of Beverly Hills and General Pump Company for water well and pump related maintenance and repair services.

INTRODUCTION

On February 19, 2012, the City Council approved the award of a contract to the lowest responsible bidder, General Pump Company, for water well and pump related maintenance and repair services in the amount of \$900,000.00 over a three-year period and approved a purchase order in the amount of \$250,000.00 to General Pump Company.

DISCUSSION

Upon attempting the execution of the purchase order it was disclosed that the contract required Professional Liability Insurance, which General Pump Company does not carry since they are not a consulting firm.

When the bid document went out, it did not list Professional Liability Insurance as a requirement. Karl Kirkman, Risk Manager, was consulted and the City Attorney's Office wrote Amendment No. 1 to remove the requirement for Professional Liability Insurance under the agreement between the City of Beverly Hills and General Pump Company. As

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this contract provides for emergency repair work to the City's pumps and motors, which is not equivalent to normal professional services. The contract amendment is necessary in order to execute the purchase order.

FISCAL IMPACT

The cost for these services is included in the Water Enterprise Fund. Funding for these services has been budgeted for in the FY12-13 Water Enterprise Fund budget approved by the City Council.



Noel Marquis
Finance Approval



David D. Gustavson
Approved By

Attachment 1

AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF
BEVERLY HILLS AND GENERAL PUMP COMPANY FOR WATER WELL
AND PUMP RELATED MAINTENANCE AND REPAIR SERVICES

NAME OF CONTRACTOR: General Pump Company

RESPONSIBLE PRINCIPAL
OF CONTRACTOR: Michael Bodart, Director of Engineering

CONTRACTOR'S ADDRESS: 159 N. Acacia Street
San Dimas, CA 91773

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Kevin Watson
Water Operations Manager

COMMENCEMENT DATE: Upon Notice to Proceed

TERMINATION DATE: June 30, 2016, unless extended pursuant to Section 2 of the
Agreement

Original Agreement: Not to exceed \$300,000.00 per year for
the 12 month period commencing upon execution of the
Agreement (including applicable taxes) or \$900,000 for the
term of the Agreement, at the rates as described in Exhibit B

Amendment No. 1: No additional fees

AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF
BEVERLY HILLS AND GENERAL PUMP COMPANY FOR WATER WELL
AND PUMP RELATED MAINTENANCE AND REPAIR SERVICES

This Amendment No. 1 is to that certain Agreement between the City of Beverly Hills (hereinafter called "CITY"), and General Pump Company. (hereinafter called "CONTRACTOR") dated February 19, 2013 and identified as Contract No. 48-13 for water well and pump related maintenance and repair services.

RECITALS

A. CITY entered into a written agreement with CONTRACTOR for water well and pump related maintenance and repair services on February 19, 2013.

B. CITY desires to revise the insurance provisions of the Agreement to remove the requirement for professional liability coverage.

NOW, THEREFORE, the parties agree as follows:

Section 1. Section 16 of the Agreement entitled "Insurance" shall be amended as follows:

"Section 16. Insurance.

(a) CONTRACTOR shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of Comprehensive General Liability Insurance, including completed operations, with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CONTRACTOR.

(2) A policy or policies of Comprehensive Vehicle Liability Insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by CONTRACTOR in performing the Scope of Work required by this Agreement.

(3) Workers' compensation insurance as required by the State of California.

(b) CONTRACTOR shall require each of its sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement.

(c) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(d) CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, CITY may take out the necessary insurance and pay, at CONTRACTOR's expense, the premium thereon.

(e) At all times during the term of this Agreement, CONTRACTOR shall maintain on file with the City Clerk a certificate or certificates of insurance on the form set forth in Exhibit D, attached hereto and incorporated herein, showing that the aforesaid policies are in effect in the required amounts. CONTRACTOR shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The general and auto liability insurance shall contain an endorsement naming CITY as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to CITY, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(f) The insurance provided by CONTRACTOR shall be primary to any coverage available to CITY. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

(g) Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONTRACTOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONTRACTOR shall procure a bond guaranteeing payment of losses and expenses.”

Section 2. Except as modified by this Amendment No. 1, all provisions of the Agreement dated February 19, 2013 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the

____ day of _____, 201____, at Beverly Hills, California.

CITY:
CITY OF BEVERLY HILLS,
A Municipal Corporation

JOHN A. MIRISCH
Mayor of the City of
Beverly Hills, California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

CONTRACTOR: GENERAL PUMP
COMPANY

WILLIAM M. TWEED
President

MICHAEL G. BODART
Director of Engineering

APPROVED AS TO FORM:

LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY C. KOLIN
City Manager

DAVID D. GUSTAVSON
Director of Public Works & Transportation

KARL KIRKMAN
Risk Manager