



AGENDA REPORT

Meeting Date: April 15, 2008
Item Number F-22
To: Honorable Mayor & City Council
From: Kevin Watson, Water Operations Manager
Subject: APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND LAYNE CHRISTENSEN COMPANY FOR WATER WELL AND PUMP RELATED MAINTENANCE AND REPAIR SERVICES; AND
APPROVAL OF A PUCHASE ORDER IN THE AMOUNT OF \$100,000 TO LAYNE CHRISTENSEN COMPANY FOR THE SERVICES

Attachments: 1. Agreement

RECOMMENDATION

Staff recommends that the City Council approve the agreement between the City of Beverly Hills and Layne Christensen Company for water well and pump related maintenance and repair services in the amount not to exceed \$100,000.

INTRODUCTION

The City of Beverly Hills operates a water system that has nine reservoirs with related pumping stations and four wells. At all of these locations, pumps and motors are operating to ensure the appropriate movement of water through the City to meet the Customers' demand and fire safety supply.

DISCUSSION

In the recent past, the City hired Tri-County Pump Company for services to maintain and repair pumps and motors throughout the water system. This year, the City went out to bid, and three companies responded:

Layne Christensen Company
Tri-County Pump Company
Best Drilling & Pump, Inc.

Layne Christensen Company submitted overall the lowest prices per line item of services requested. The key reason for the apparent differences in bid prices was that, Layne Christensen Company gave a much better price for performing vibration analysis and alignment checks of each pump. Therefore, the staff is requesting that these services

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be provided by Layne Christensen Company not only for their competitive pricing, but their ability to perform the task.

Services that are requested on an annual basis from the successful bidder include but are not limited to:

- Remove and reinstall pumps and any related piping
- Remove, repair or replace pumps and/or motors
- Complete video log
- Clean water well casings
- Repair of water well casings
- Develop and/or redevelop water wells
- Perform electrical repair
- Complete vibration analysis (semi-annual)
- Check alignment checks
- Prepare detailed maintenance and cost break down reports in hard copy and electronic format for each repair and/or analysis for each piece of equipment at each site
- Provide recommendations for future upgrades and/or improvements
- Provide recommended preventative maintenance program for each piece of equipment at each site

FISCAL IMPACT

Funds are available in the Water Enterprise Fund's operating budget. The total requested amount of the purchase order is the same amount as last year.



Scott Miller
Finance Approval



David Gustavson
Approved By

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
LAYNE CHRISTENSEN COMPANY FOR WATER WELL AND PUMP
RELATED MAINTENANCE AND REPAIR SERVICES

NAME OF CONTRACTOR: Layne Christensen Company

RESPONSIBLE PRINCIPAL OF CONTRACTOR: Douglas L. Watson, General Manager

CONTRACTOR'S ADDRESS: 11001 Etiwanda Avenue
Fontana, CA 92337

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

COMMENCEMENT DATE: April 2, 2008

TERMINATION DATE: April 1, 2009, unless extended pursuant to
Section 2 of the Agreement

CONSIDERATION: Not to exceed \$100,000, based on the hourly
rates and unit costs set forth in Exhibit B-1

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
LAYNE CHRISTENSEN COMPANY FOR WATER WELL AND PUMP
RELATED MAINTENANCE AND REPAIR SERVICES

THIS AGREEMENT is made by and between the City of Beverly Hills, a municipal corporation (hereinafter called "CITY"), and Layne Christensen Company (hereinafter called "CONTRACTOR").

RECITALS

A. CITY desires to have certain services provided (the "services") as set forth in Exhibit A, attached hereto and incorporated herein.

B. CONTRACTOR represents that it is qualified and able to perform the services.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONTRACTOR's Services. CONTRACTOR shall perform the services as described in Exhibit A to the full satisfaction of CITY.

Section 2. Time of Performance. CONTRACTOR shall perform the services on or by the Termination Date set forth above. The City Manager or his designee may extend the time of performance in writing for three additional one-year terms pursuant to the same terms and conditions of this Agreement.

Section 3. Compensation. CITY agrees to compensate CONTRACTOR, and CONTRACTOR agrees to accept in full satisfaction for the services required by this Agreement an amount not to exceed the Consideration set forth above and based on the hourly rates and unit costs set forth in Exhibit B-1. Said Consideration shall constitute reimbursement of CONTRACTOR's fee for the services as well as the actual cost of any equipment, materials, and supplies necessary to provide the services (including all labor, materials, delivery, tax, assembly, and installation, as applicable). CITY shall pay CONTRACTOR said Consideration in accordance with the schedule of payment set forth in Exhibit B-2, attached hereto and incorporated herein.

Section 4. Independent Contractor. CONTRACTOR is and shall at all times remain, as to CITY, a wholly independent contractor. Neither CITY nor any of its agents shall have control over the conduct of CONTRACTOR or any of CONTRACTOR's employees, except as herein set forth. CONTRACTOR shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

Section 5. Assignment. This Agreement may not be assigned in whole or in part by either party, without the prior written consent of CITY.

Section 6. Responsible Principal.

(a) CONTRACTOR's Responsible Principal set forth above shall be principally responsible for CONTRACTOR's obligations under this Agreement and shall serve as principal liaison between CITY and CONTRACTOR. Designation of another Responsible Principal by CONTRACTOR shall not be made without the prior written consent of CITY.

(b) CITY's Responsible Principal shall be the City Manager or his designee set forth above who shall administer the terms of the Agreement on behalf of CITY.

Section 7. Personnel. CONTRACTOR represents that it has, or will secure at its own expense, all personnel required to perform the services under this Agreement. All personnel engaged in the work shall be qualified to perform such services.

Section 8. Interests of CONTRACTOR. CONTRACTOR affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the services contemplated by this Agreement. No person having any such interest shall be employed by or be associated with CONTRACTOR.

Section 9. Insurance.

(a) CONTRACTOR shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive General Liability Insurance, including liquor liability, 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.

(b) CONTRACTOR shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, 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 services required by this Agreement.

(c) CONTRACTOR agrees to maintain in force at all times during the performance of work under this Agreement workers' compensation and employer's liability insurance as required by law.

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

(e) 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.

(f) CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect CITY may 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.

(g) 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 C, 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 policies of insurance required by this Agreement shall contain an endorsement naming the 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.

(h) 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.

(i) 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 10. Indemnification. CONTRACTOR agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee and agent of CITY, from any claim, liability or financial loss (including, without limitation, attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONTRACTOR or any person employed by CONTRACTOR in the performance of this Agreement.

Section 11. Termination.

(a) CITY may cancel this Agreement at any time upon five (5) days written notice to CONTRACTOR. CONTRACTOR agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by CITY, due to no fault or failure of performance by CONTRACTOR, CONTRACTOR shall be paid full compensation for all services performed by CONTRACTOR, in an amount to be determined as follows: For work done in accordance with all of the terms and provisions of this Agreement, CONTRACTOR shall be paid an amount equal to the amount of services performed prior to the effective date of termination or cancellation based on the rates set forth in Exhibit A, provided, in

no event shall the amount of money paid under the foregoing provisions of this paragraph exceed the amount which would be paid CONTRACTOR for the full performance of the services required by this Agreement.

Section 12. Materials and Workmanship. CITY shall have the right to inspect any material used. Material furnished shall be new, complete, ready-for-use and of the latest model, shall not have been used in demonstration or other services and shall have all the usual equipment as shown by its manufacturer's current specifications and catalogs, unless otherwise specified. Equipment, supplies or services that fail to comply with the Agreement requirements regarding design, material or workmanship may be rejected at the option of CITY. Any materials rejected shall be removed from CITY premises at the CONTRACTOR's sole expense.

Section 13. Licenses and Permits. Except as provided herein below, CONTRACTOR shall obtain and pay for all permits and licenses required by federal, state or local law, rule or regulation. Costs for obtaining CITY permits required under this Agreement will be waived. All requirements for obtaining permits (including CITY permits) remain in effect and are not waived; only the costs of CITY permits are waived.

Section 14. Notice. Any notice required to be given to CONTRACTOR shall be deemed duly and properly given upon delivery, if sent to CONTRACTOR postage prepaid to the CONTRACTOR's address set forth above or personally delivered to CONTRACTOR at such address or other address specified to CITY in writing by CONTRACTOR.

Any notice required to be given to CITY shall be deemed duly and properly given upon delivery, if sent to CITY postage prepaid to CITY's address set forth above or personally delivered to CITY at such address or other address specified to CONTRACTOR in writing by CITY.

Section 15. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONTRACTOR, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and CONTRACTOR.

Section 16. Attorney's Fees. In the event that CITY or CONTRACTOR commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to recover its costs of suit, including reasonable attorney's fees.

Section 17. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 18. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

EXECUTED the _____ day of _____, 200____, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

BARRY BRUCKER
Mayor of the City of
Beverly Hills, California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

CONTRACTOR: LAYNE CHRISTENSEN
COMPANY


DOUGLAS L. WATSON
General Manager

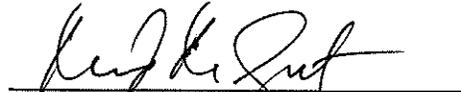
APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

RODERICK J. WOOD
City Manager



DAVID D. GUSTAVSON
Director of Public Works & Transportation



KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF SERVICES

CONTRACTOR shall provide CITY with all material, supplies, equipment and services in connection with water well and pump maintenance services at all CITY well and pumping station facilities directed by CITY. Such services shall include, but not limited to: removing and reinstalling pumps and any piping; pump and/or motor replacement/repair; video logging; swabbing and wire brushing water well casings; repair of water well casings; water well development and redevelopment and electrical repair; vibration analysis (semi-annual); alignment checks. Prepare detailed maintenance and cost break down reports in hard copy and electronic format for each repair and/or analysis for each piece of equipment at each site. Provide recommendations for future upgrades and/or improvements. Provide recommended preventative maintenance program for each piece of equipment at each site. CONTRACTOR shall maintain all required Federal, State (C-57 and C-61) and Local licenses and permits. CONTRACTOR shall respond within 4 to 24 hours of emergency call.

EXHIBIT B-1

HOURLY RATES OR UNIT COSTS

CITY shall pay CONTRACTOR for the satisfactory performance of services under this Agreement an amount not to exceed One Hundred Thousand Dollars (100,000.00) based on the following:

1. 2 Man crew and pump rig	\$239/hour
2. 3 man crew and pump rig	\$328/hour
3. Rotary crane and 1 man crew	\$141/hour
4. Rotary crane and 2 man crew	\$268/hour
5. Service truck and field serviceman	\$132/hour
6. Service truck 2 man crew	\$200/hour
7. Flat bed truck and driver	\$115/hour
8. Emergency call	\$132/hour
9. Additional helper	\$66/hour
10. Control and instrumentation specialist	\$120/hour
11. Shop labor	\$ 79/hour
12. Overtime- addition to above rates	\$ 40/hour
13. Wire brush or swab rental	\$500/Each
14. Video log service color dual camera	\$750/Each
15. Labor- portal to portal	\$68/hour
16. Electrician	\$132/hour
17. Vibration Analysis	\$1645/semi-annual
18. Alignment checks and realignment of each pump if necessary as listed below:	\$ 2832/annual
Reservoir 6-	2 pumps
Reservoir 5-	2 pumps
Reservoir 4B-	2 pumps
Greystone Reservoir	2 pumps
Sunset Reservoir	2 pumps
Woodland Reservoir-	2 pumps
Green Acres Reservoir-	2 pumps
Reservoir 3A-	4 pumps

Parts and materials shall not exceed actual cost plus 30% markup.

EXHIBIT B-2

Schedule of Payment

Upon completion of the services required by this Agreement, CONTRACTOR shall submit an itemized statement to CITY for its services performed in the prior month, which shall include documentation setting forth in detail a description of the services rendered. CITY shall pay CONTRACTOR the amount of such billing within thirty (30) days of receipt of same.



CERTIFICATE OF INSURANCE

This is to certify that the following endorsement is part of the policy(ies) described below:

NAMED INSURED

COMPANIES AFFORDING COVERAGE

- A.
- B.
- C.

ADDRESS

COMPANY (A. B. C.)	COVERAGE	POLICY NUMBER	EXPIRATION DATE	B.I.	LIMITS P.D.	AGGREGATE
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS <input type="checkbox"/> BLANKET CONTRACTUAL <input type="checkbox"/> CONTRACTOR'S PROTECTIVE <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> WORKERS' COMPENSATION <input type="checkbox"/>					

It is hereby understood and agreed that the City of Beverly Hills, its City Council and each member thereof and every officer and employee of the City shall be named as joint and several assureds with respect to claims arising out of the following project or agreement:

It is further agreed that the following indemnity agreement between the City of Beverly Hills and the named insured is covered under the policy: Contractor agrees to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all liability or financial loss resulting from any suits, claims, losses or actions brought against and from all costs and expenses of litigation brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the wrongful or negligent actions of contractor's officers, employees, agents or others employed by Contractor while engaged by Contractor in the (performance of this agreement) construction of this project.

It is further agreed that the inclusion of more than one assured shall not operate to increase the limit of the company's liability and that insurer waives any right of contribution with insurance which may be available to the City of Beverly Hills.

In the event of cancellation or material change in the above coverage, the company will give 30 days written notice of cancellation or material change to the certificate holder.

Except to certify that the policy(ies) described above have the above endorsement attached, this certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

DATE: _____

BY: _____
Authorized Insurance Representative

AGENCY: _____

TITLE: _____
ADDRESS _____
:

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

5/1/2008

DATE (MM/DD/YYYY)
3/26/2008

PRODUCER Lockton Companies, LLC-1 Kansas City
444 W. 47th Street, Suite 900
Kansas City MO 64112-1906
(816) 960-9000

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED LAYNE CHRISTENSEN COMPANY
426 11001 ETIWANDA AVENUE
PHONE: (909) 390-2833
FONTANA, CA 92337

INSURERS AFFORDING COVERAGE

NAIC #

INSURER A: ACE AMERICAN INSURANCE CO
INSURER B: A.M. BEST RATING: A+ XV
INSURER C:
INSURER D:
INSURER E:

THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER AND THE CERTIFICATE HOLDER.

COVERAGES LAYIN01 FK

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CONTRACTUAL GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	HDO G23721466	5/1/2007	5/1/2008	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 5,000,000 PRODUCTS - COMP/OP AGG \$ 5,000,000
A		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	ISA H07942941	5/1/2007	5/1/2008	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO	NOT APPLICABLE			AUTO ONLY - EA ACCIDENT \$ XXXXXXXX OTHER THAN AUTO ONLY: EA ACC \$ XXXXXXXX AGG \$ XXXXXXXX
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> UMBRELLA FORM RETENTION \$	NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$ XXXXXXXX \$ XXXXXXXX \$ XXXXXXXX
A	A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? NO If yes, describe under SPECIAL PROVISIONS below	SCFC 44468669 (WI) WLR W44468621	5/1/2007 5/1/2007	5/1/2008 5/1/2008	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 5,000,000 E.L. DISEASE - EA EMPLOYEE \$ 5,000,000 E.L. DISEASE - POLICY LIMIT \$ 5,000,000
		OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
RE: WATER WELL AND PUMP RELATED MAINTENANCE & REPAIR SERVICES.

CERTIFICATE HOLDER

3596775
CITY OF BEVERLY HILLS
455 N, REXFORD DRIVE
BEVERLY HILLS CA 90210

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

