

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: Environmental Resources

BOARD AGENDA #: *B-5

AGENDA DATE: May 10, 2016

SUBJECT:

Approval of Amendment No. 2 to the Agreement for Independent Contractor Services with N&S Tractor for Heavy Equipment Repair and Rental of the Fink Road Landfill's Case STX 450 Tractor

BOARD ACTION AS FOLLOWS:

No. 2016-235

On motion of Supervisor O'Brien, Seconded by Supervisor Withrow
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST: 
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

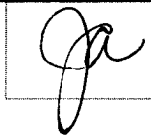
**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Environmental Resources
Urgent Routine

BOARD AGENDA #: *B-5

AGENDA DATE: May 10, 2016

CEO CONCURRENCE: *ph*



4/5 Vote Required: Yes No

SUBJECT:

Approval of Amendment No. 2 to the Agreement for Independent Contractor Services with N&S Tractor for Heavy Equipment Repair and Rental of the Fink Road Landfill's Case STX 450 Tractor

STAFF RECOMMENDATIONS:

1. Approve Amendment No. 2 to the Agreement for Independent Contractor Services with N&S Tractor, for Heavy Equipment Repair and Rental for the Fink Road Landfill's Case STX Tractor, for a not to exceed amount of \$200,000.
2. Authorize the Director of Environmental Resources, or designee, to execute Amendment No. 2 with N&S Tractor and sign any necessary documents.
3. Authorize the Director of Environmental Resources, or designee, to sign amendments to the Agreement for an overall total not-to-exceed amount of \$220,000, which includes a contingency of \$20,000.

DISCUSSION:

The Department of Environmental Resources (Department), Landfill Division, maintains and operates the Fink Road and Geer Road Landfills. The day-to-day operation and minor routine maintenance of the Fink Road Landfill and much of its equipment is performed by in-house staff. Specialized services and expertise are, however, often required for more difficult, non-routine, and catastrophic equipment break-down and failures. For specialized maintenance and repair of heavy equipment, the Department has historically hired specialized outside vendors.

The Landfill owns a Case STX 450 Tractor, which is used on a daily basis to excavate daily cover materials and for other landfill projects. N&S Tractor is the sole vendor in the Central Valley area who is certified by the manufacturer to service the Case brand. N&S Tractor owns every Case dealership from Willows, California to Dos Palos, California. Parts for the Case brand are not interchangeable with other manufacturers of heavy equipment, making N&S Tractor a sole source for parts, services and repairs to the Case STX 450 Tractor.

On November 20, 2015, the Department entered into an Agreement for Independent Contractor Services (Agreement) with N&S Tractor for heavy equipment service of the Landfill's Case STX 450 Tractor. The term of the contract is through November 12, 2018.

Approval of Amendment No. 2 to the Agreement for Independent Contractor Services with N&S Tractor for Heavy Equipment Repair and Rental of the Fink Road Landfill's Case STX 450 Tractor

On January 27, 2016, the Agreement was amended (Amendment 1) to cover estimated repair costs following a catastrophic failure of the transmission and drivetrain of the Case STX 450 Tractor. Amendment 1 increased the not-to-exceed dollar amount of the Agreement to \$99,000. While in service, additional areas of concern were observed by N&S that necessitate additional repair to the Case STX 450 Tractor before it may return to service, causing the estimate for necessary work to increase to \$110,845, which is beyond the not-to-exceed amount contained within Amendment 1 to the Agreement.

Accordingly, staff recommends that the contract amount with N&S Tractor be increased to \$200,000 with an additional 10% reserved as a contingency, in the amount of \$20,000. This not-to-exceed total of \$220,000 should be sufficient to cover the costs associated with the immediate repair of the Case STX 450 Tractor as well as be applied, as future needs may dictate, to other routine servicing, remedial on-call repair, testing, troubleshooting services, and rental of replacement equipment during any unanticipated additional repairs over the contract term. The current repair will considerably extend the serviceable lifetime of this tractor, and no significant additional repairs are anticipated for at least three years.

A cost analysis will be completed after this repair to determine the remaining useful life of this equipment and when a scheduled replacement will be warranted. The current manufacturer's suggested retail price for a new comparable replacement unit including applicable taxes is approximately \$405,000.

POLICY ISSUE:

The Fink Road Landfill services Stanislaus County, its incorporated municipalities, as well as other adjacent communities for the disposal of solid waste and other refuse. Maintaining a variety of heavy equipment is absolutely necessary for the proper and efficient operation of the landfill as well as to ensure that the operation is compliant with all operating requirements and applicable State regulations, which include California Code of Regulations (CCR) Title 27, and the requirements of the Central Valley Regional Water Quality Control Board and CalRecycle. The Case STX 450 Tractor is used to satisfy CCR Title 27's requirement to cover all disposed solid waste with a maximum of six inches of compacted earthen material at the end of each operating day, along with other essential landfill operational duties.

FISCAL IMPACT:

Sufficient appropriations exist in the Fiscal Year 2015-2016 Adopted Final Budget for Environmental Resources Fink Road Landfill budget to cover heavy equipment repair and rental.

Approval of Amendment No. 2 to the Agreement for Independent Contractor Services with N&S Tractor for Heavy Equipment Repair and Rental of the Fink Road Landfill's Case STX 450 Tractor

Cost of recommended action:		\$	220,000
Source(s) of Funding:			
Fink Road Landfill Fund Balance	\$	220,000	
Funding Total:		\$	220,000
Net Cost to County General Fund		\$	-

Fiscal Year:	2015-2016
Budget Adjustment/Appropriations needed:	No

Fund Balance as of March 31, 2016:
 Fink Road Landfill budget \$ 25,396,470

BOARD OF SUPERVISORS' PRIORITY:

The recommended actions are consistent with the Board's priorities of A Safe Community, A Healthy Community, A Well Planned Infrastructure System, and the Efficient Delivery of Public Services. Landfill services are also critical to supporting the Department's mission to promote a safe and healthy environment and improve the quality of life in the community through a balance of science, education, partnerships and environmental regulation.

STAFFING IMPACT:

Existing staff will continue to oversee the work related to this Master Agreement.

CONTACT PERSON:

Jami Aggers, Director of Environmental Resources Telephone: 209-525-6770

ATTACHMENT(S):

- A. Amendment 2 to the Agreement for Independent Contractor Services with N&S Tractor



DEPARTMENT OF ENVIRONMENTAL RESOURCES
3800 Cornucopia Way, Suite C, Modesto, CA 95358
Phone: (209) 525-6700
Fax: (209) 525-6773

**STANISLAUS COUNTY
AGREEMENT FOR INDEPENDENT CONTRACTOR SERVICES**

AMENDMENT 2

This Amendment 2 to the Agreement for Independent Contractor Services (the "Agreement") is made and entered into by and between the County of Stanislaus ("County") and N&S Tractor, ("Contractor") as of May 11, 2016.

WHEREAS, as of November 20, 2015, the County and Contractor entered into an Agreement for remedial on-call/as needed repair services and rental services for the Fink Road Landfill's Case STX 450 Tractor (the "Agreement"), which was amended on January 27, 2016; and

WHEREAS, Amendment 1 increased the contract's not-to exceed dollar amount because the STX 450 Tractor required an unexpected major repair to the transmission and both axles; and

WHEREAS, it was discovered that more damage was done to the axles than originally anticipated and the cost of repair has increased substantially; and

WHEREAS, the County has a need to increase the Agreement's not-to exceed amount by \$101,000 in order to pay for the repair and allow for other future expenses under the contract; and

WHEREAS, Section 17 "Amendment" of the Agreement stipulates that the Agreement may be amended in writing; and

WHEREAS, this Amendment is for the mutual benefit of County and Contractor;

Now, therefore, the County and Contractor agree as follows:

1. Exhibit "A" Section "D" – Limit of Expenditure is amended to read as follows:

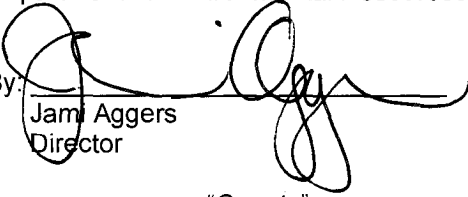
"The parties hereto acknowledge the maximum amount to be paid by the County for services provided shall not exceed **Two Hundred Thousand Dollars (\$200,000.00)** including, without limitation, the cost of any subcontractors, consultants, experts or investigators retained by the Contractor to perform or to assist in the performance of its work under this Agreement."

2. Except as stated herein, all other terms and conditions of the Agreement remain unchanged.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date written above.

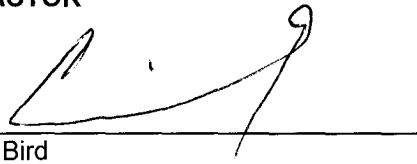
[Signatures appear on next page]

COUNTY OF STANISLAUS
Department of Environmental Resources

By: 
Jam Aggers
Director


"County"

N&S TRACTOR

By: 
Clark Bird
CFO

"Contractor"

APPROVED AS TO FORM:
John P. Doering
County Counsel

By: 
Amanda M. Dehart
Deputy County Counsel