

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

DEPT: Environmental Resources

BOARD AGENDA #: *B-16

AGENDA DATE: March 28, 2017

SUBJECT:

Approval of Amendment No. 3 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. 2017-139

On motion of Supervisor Withrow, Seconded by Supervisor Olsen
and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, DeMartini, and Chairman Chiesa

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:


PAM VILLARREAL, Assistant Clerk

File No.

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

DEPT: Environmental Resources
Urgent Routine

BOARD AGENDA #: *B-16

AGENDA DATE: March 28, 2017

CEO CONCURRENCE: 

4/5 Vote Required: Yes No

SUBJECT:

Approval of Amendment No. 3 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. 3 to the Agreement for Independent Contractor Services with N&S Tractor, in the amount of \$80,000, for Heavy Equipment Repair and Rental for the Fink Road Landfill's Case STX 450 Tractor, for a not-to-exceed amount of \$280,000.
2. Authorize the Director of Environmental Resources, or designee, to execute Amendment No. 3 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 \$288,000, which includes a contingency of \$8,000.

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 2003 Case STX 450 Tractor which is used daily to tow two box scrapers. The box scrapers are used to excavate and transport soil to cover refuse and for other landfill projects. This tractor and scraper combination is a key frontline piece of equipment required for daily landfill operations. The tractor was purchased from N&S Tractor, which is the sole vendor in the Central Valley area 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 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 Case

Approval of Amendment No. 3 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

STX 450 Tractor in the amount of \$45,000. The term of the contract is through November 12, 2018.

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 tractor. Amendment 1 increased the not-to-exceed dollar amount of the Agreement to \$99,000. While being repaired, additional areas of concern were observed by N&S staff that necessitated additional repair to the tractor before it could be returned to service. This resulted in additional work being necessary which increased the cost to \$110,845, which was greater than the not-to-exceed amount contained within Amendment 1.

On May 11, 2016, the Agreement was amended (Amendment 2) to cover the emergency repairs to the tractor as well as future repairs during the term of the contract. The needed repairs included major repairs to the transmission and both axles. Amendment 2 increased the overall not-to-exceed dollar amount of the Agreement to \$200,000.

On February 1, 2017, the left rear axle shaft on the tractor broke in half and the rear wheels came off the axle. As a result, the axle was removed by N&S Tractor staff and taken in to their shop for repairs. The associated repair costs totaled \$19,118. In addition, a rental tractor was needed in the interim at a cost of \$2,434. Combined, these expenses totaled \$21,552, which will deplete most of the remaining \$25,276 balance in the Agreement leaving only \$20,000 in contingency funds, which is unlikely to be sufficient to cover future servicing, remedial on-call repair, testing, troubleshooting services, and rental of replacement equipment during the remainder of the contract term.

Accordingly, staff recommends that the contract amount with N&S Tractor be increased by \$80,000 to \$280,000 with an additional 10% reserved as a contingency, or \$8,000. This not-to-exceed overall total of \$288,000 should be sufficient to cover the costs associated with the future repair and maintenance of the tractor. On March 7, 2017, as part of the Mid-Year Budget adjustments, the Board approved increasing appropriations by \$850,000 to replace this tractor unit due to its age and condition. It is slated to either be kept as stand-by equipment or sold once the new unit is received.

POLICY ISSUE:

Board of Supervisor's approval is required for all contracts exceeding \$100,000.

FISCAL IMPACT:

Sufficient appropriations exist in the Fiscal Year 2016-2017 Adopted Final Budget for Environmental Resources Fink Road Landfill to cover heavy equipment repair and rental.

Approval of Amendment No. 3 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:		\$ 88,000
Source(s) of Funding:		
Fink Road Landfill Fund Balance	\$ 88,000	
Funding Total:		<u>\$ 88,000</u>
Net Cost to County General Fund		<u><u>\$ -</u></u>

Fiscal Year:	2016-2017
Budget Adjustment/Appropriations needed:	No

Fund Balance as of February 28, 2017:
 Fink Road Landfill Operating Budget \$ 26,245,726

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 Agreement.

CONTACT PERSON:

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

ATTACHMENT(S):

- A. Amendment 3 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 3

This Amendment 3 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 _____, 2017.

WHEREAS, on November 20, 2015, the County and Contractor entered into the 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 ("Amendment 1") and again on May 11, 2016 ("Amendment 2"); and

WHEREAS, the County has a need to increase the Agreement's not-to-exceed amount by \$80,000 in order to pay, in part, for a major repair to the Case STX Tractor, to cover rental of another unit during the time of this repair, and to allow for other future expenses thru the remaining term of this Agreement; and

WHEREAS, the Department of Industrial Relations has determined that work under this Agreement does not require prevailing wage rates be applied; 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 Eighty Thousand Dollars (\$280,000.00)** 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. Exhibit A, Section E – "Invoice Remit To", Number Four (4) "Maintenance and Submission of Certified Payroll Records" is now hereby removed from the Agreement.
- 3. Exhibit B "Schedule of Rates" is replaced with the attached, revised Exhibit B.
- 4. 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: _____
Jami 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

**EXHIBIT B
SCHEDULE OF RATES**

A. Schedule of Rates

1. Contractor shall provide all of the supervision, labor, materials, parts, supplies, tools, incidentals, and equipment to perform on-call remedial repair, testing and troubleshooting services on the County's owned Case STX 450 Tractor as requested by the County Representative, accordance with Exhibit "A" and this Agreement and the below rate schedule.
2. The pricing for the three (3) year Contract term is identified in the price schedule below. The unit price is a delivered and set in place price and includes but is not limited to, shipping/freight, delivery, disposal of any packaging that accompanies the items, equipment to offload, offloading, and travel to the County Fink Road Landfill to repair the equipment.

3. Hourly Billable Rates

- a. The Contractor shall be compensated on a time and material basis based on the hourly rates as set forth below.

TITLE	Hourly Billable Rate
Labor	\$105.00

Note: Items such a telephone, fax, postage, on-site service fee, etc., are already included in the billable hourly rate and shall also not be billed out separately to the County.

4. Fees:

<u>Description</u>	<u>Unit of Measure</u>	<u>Unit Price</u>
Hauling Charges	Round Trip	\$500.00/ per round trip
Field Call	Per Field Call	\$600.00 / per field call
Miscellaneous Shop Supplies	% of total	4% of total shop supplies related to the service call, not to exceed \$50.00

Parts

- a. When invoicing for parts Contractor shall include the part description, quantity, model number and price.

Rental of Equipment

- a. County shall issue individual Purchase Orders against this Agreement for each piece of equipment rented. The rental terms and conditions shall be in accordance with Exhibit A, Section 2 of this Agreement. Each Purchase Order issued under this Contract shall identify the information contained in Exhibit D of this Agreement.

5. Payment Terms:

Payment Discount of 2% for payment within 10 calendar day of the following month.



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 4

This Amendment 4 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 October 30, 2018.

WHEREAS, on November 20, 2015, the County and Contractor entered into the Agreement for remedial on-call/as needed repair services and rental services for the Fink Road Landfill's Case STX 450 Tractor (the "Agreement"), for a not to exceed amount of \$45,000; and

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

WHEREAS, on January 27, 2016, the Director of Purchasing approved Amendment No. 1 for an additional \$54,000; and

WHEREAS, on May 11, 2016, the Board of Supervisors approved Amendment No. 2 for an additional \$101,000; and

WHEREAS, on March 28, 2017, the Board of Supervisors approved Amendment No. 3 for an additional \$80,000, bringing the contract not to exceed amount to \$280,000, and approving the Director of Environmental Resources to sign amendments to this Agreement for an overall total not to exceed amount of \$288,000; and

WHEREAS, the County and Contractor desire to extend the Agreement's term for an additional four years; and

WHEREAS, the County has a need to increase the Agreement's not-to-exceed amount by \$8,000 in order to allow for future expenses during the extended term of this Agreement; 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" Scope of Work, 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 Eighty-Eight Thousand Dollars (\$288,000.00)** 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. Exhibit "A" Scope of Work, Section I – "Agreement Period" is amended to read as follows:

"This Agreement shall be effective from **November 13, 2015**, through **November 12, 2022**."

- Exhibit "B" Schedule of Rates, Section 3 – "Hourly Billable Rates" is amended to read as follows:

"a. The Contractor shall be compensated on a time and materials basis based on the hourly rates as set forth below:

TITLE	Hourly Billable Rate
Labor	\$115.00

Note: Items such a telephone, fax, postage, on-site service fee, etc., are already included in the billable hourly rate and shall also not be billed out separately to the County."

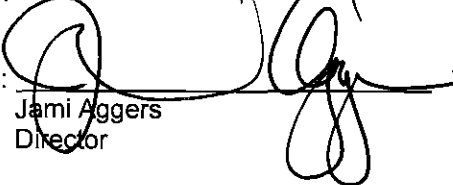
- Exhibit "B" Schedule of Rates, Section 4 – "Fees" is amended to read as follows:

Description	Unit of Measure	Unit Price
Hauling Charges	Round Trip	\$600.00/ per round trip
Field Call	Per Field Call	\$600.00 / per field call
Miscellaneous Shop Supplies	% of total	4% of total shop supplies related to the service call, not to exceed \$100.00

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

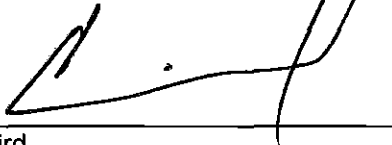
IN WITNESS WHEREOF, the parties have executed this Amendment on the date written above.

COUNTY OF STANISLAUS
Department of Environmental Resources

By: 
Jami 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