

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal
Dept: City Manager
Subject: APPROVAL OF AMENDMENT NO. 2 TO
THE AGREEMENT WITH 911 VEHICLE, INC.
INCREASING THE COMPENSATION FOR THE
INSTALLATION AND CHANGE OUT OF
EQUIPMENT FOR POLICE PATROL VEHICLES

From: William E. Murray
Dept: Public Works
Date: August 12, 2014

OBJECTIVE

To secure City Council approval of Amendment No. 2 to the 911 Vehicle Inc. Agreement increasing the compensation threshold of the existing agreement with 911 Vehicle, Inc. for installation and change out of equipment on Police patrol vehicles.

BACKGROUND

An average of eight (8) Police patrol vehicles are replaced annually. Before these vehicles are sent to auction, the emergency equipment must be removed and reinstalled on the new patrol vehicles. In April 2011, City Council approved a three-year agreement with 911 Vehicle in the amount of \$300,000, with an option to extend for an additional two (2) years at \$100,000 per option year, for a total \$500,000 over a five (5) year period.

DISCUSSION

Due to Ford's elimination of the Crown Victoria and the subsequent change to the Ford SUV Interceptor platform, extensive equipment purchases are required. As a result, the compensation threshold of the agreement with 911 Vehicle, Inc. has been reached. Consequently, Public Works is requesting an increase of \$175,000 to the approved service agreement with \$75,000 to be applied to the current option year (2014) and \$100,000 to the remaining available option year (2015) of the agreement.

FINANCIAL IMPACT

There is no impact to the General Fund. The \$175,000 will be paid for from the Fleet Management Fund.

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RECOMMENDATION

It is recommended that City Council:

- Approve Amendment No. 2 to the Agreement with 911 Vehicle, Inc. increasing the compensation threshold of the existing agreement by \$175,000, for a total of \$675,000, to cover the costs for the remainder of the two option years of the agreement; and
- Authorize the City Manager to execute the Agreement on behalf of the City, and to make minor modifications as appropriate.


WILLIAM E. MURRAY, P.E.
Public Works Director


By: Phillip Carter
Equipment Maintenance Supervisor

Attachment: Amendment No. 2

Recommended for Approval


Matthew J. Fertal
City Manager

City of Garden Grove

AMENDMENT NO. 2

FOR: Contractor to Furnish all labor, material, and equipment to provide new installation and change out of equipment to safety vehicles on an as-needed basis.

This Amendment No. 2 to Contract is made and entered into this ____ day of _____, 2014, by and between the City of Garden Grove, hereinafter referred to as the "CITY", and **911 Vehicle, Inc.**, hereinafter referred to as "CONTRACTOR".

WHEREAS, Contractor and CITY entered into Contract No. 11-2940 effective April 12, 2011, and;

WHEREAS, Contractor and CITY desire to amend the Existing Contract as provided herein.

Now, therefore, it is mutually agreed, by and between the parties as follows:

Section 3.1, Compensation, shall be revised as follows:

The contract Amount is hereby increased from \$400,000.00 to a new Not to Exceed Amount of \$575,000.00 this is an increase of \$175,000.00 to accommodate extra equipment needed due to the elimination of the Crown Victoria.

Section 4.0. INSURANCE - shall be revised as follows:

- 4.1 COMMENCEMENT OF WORK. CONTRACTOR shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance.
- 4.2 WORKERS COMPENSATION INSURANCE. During the duration of this Agreement, CONTRACTOR and all subcontractors shall maintain Workers Compensation Insurance in the amount and type required by law, if applicable.
- 4.3 INSURANCE AMOUNTS. CONTRACTOR shall maintain the following insurance for the duration of this Agreement:
 - (a) Commercial general liability in an amount of \$1,000,000.00 per occurrence (**claims made and modified occurrence policies are not**

acceptable); Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

- (b) Automobile liability in an amount of \$1,000,000.00 combined single limit **(claims made and modified occurrence policies are not acceptable);** Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

- (b) Garage Keepers liability, in an amount not less than \$1,000,000 per occurrence; **(claims made and modified occurrence policies are not acceptable);** Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

- (c) Garage Keeper Liability in an amount of \$1,000,000.00 combined single limit: Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A- Class VII or better, as approved by the CITY.

An **On-Going and Completed Operations Additional Insured Endorsement** for the policy under section 4.3 (a) shall designate CITY, it's officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.3 (b) shall designate CITY, it's officers, officials, employees, agents, and volunteers as additional insureds for automobiles, owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, it's officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, it's officers, officials, employees, agents, and volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

Except as expressly amended hereby, the Existing Contract remains in full force and effect as originally executed.

IN WITNESS WHEREOF, the parties have caused this Amendment No. 2 to the Existing Contract to be executed by their respective officers duly authorized on the date first written above.

Date: _____

**"CITY"
CITY OF GARDEN GROVE**

By: _____
City Manager

ATTESTED:

City Clerk

Date: _____

**"CONTRACTOR"
911 Vehicle, Inc.**

By: 

Name: Dan Walters

Title: President

Date: 8/6/14

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY.

APPROVED AS TO FORM:



Garden Grove City Attorney

8/6/14

Date

