



## CITY COUNCIL STAFF REPORT

DATE: July 5, 2017

CONSENT AGENDA

SUBJECT: REPORT OF EMERGENCY REPLACEMENT OF AIR CONDITIONING AND COMPRESSOR UNIT FOR THE CITY HALL SERVER ROOM PURSUANT TO PALM SPRINGS MUNICIPAL CODE SECTION 7.04.040.

FROM: David H. Ready, City Manager

BY: Department of Maintenance & Facilities

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### SUMMARY

Pursuant to section 7.04.040 (3) of the Municipal Code, on June 14, 2017, the City Manager exercised his authority to approve the emergency replacement of the existing 15 ton air conditioning unit and roof top compressor, due to failures beyond repair. This unit is approximately 30 years old, with an anticipated life span of 20 years per the manufacturer. The failure of this air conditioning system now risks damaging approximately 30 computer servers with 10 of those servers deemed critical, for the city staff's ability to provide services and maintain daily functionality. Facilities Maintenance staff received and evaluated quotes from two vendors and chose Carrier Corporation, as the contractor to do perform replacement. Carrier Corporation will be responsible for the removal and proper disposal of the existing air conditioner, air handler unit and roof top condenser. They will then install a new 16 ton air conditioning unit in the amount of \$62,310.00, pursuant to its proposal dated February 27, 2017, to preserve the public's health, safety, and welfare. This proposal was provided in compliance with the California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"). Section 7.04.040 (4) requires that a written report of the circumstances for emergency purchases in excess of \$25,000 be made to the Council at the next regularly scheduled meeting after the emergency procurement is made.

### RECOMMENDATION:

Receive and File.

### STAFF ANALYSIS:

ITEM NO. 1.C.

In February of 2017, the monitoring system in the City of Palm Springs, Information Technology's Server Room, located inside City Hall began to send notification warnings that the room temperature had exceeded the threshold limit for the computers and other electronic equipment in that space. At that time a repair was performed by Carrier Commercial Services, in an attempt to replace the motors, controllers and related equipment that was still available on the market, from the original manufacturer who has since gone out of business. At this time, the contractor did explain that this repair was a short term fix and due to the age of the equipment, lack of replacement parts and electrical component failures, as complete replacement of the air handler unit and condenser and all related components would be required in the near future.

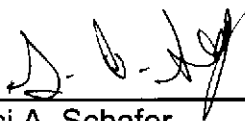
Since that repair we have experienced additional component failures, with overheating compressors, failing contactors and other air conditioning related issues. In late May 2017, the main components lost power and failed to restart. In response the Facilities Maintenance staff purchased and installed 4 portable air conditioning units to maintain the temperature in that space until the replacement can be completed.

ENVIRONMENTAL IMPACT:

Section 21084 of the California Public Resources Code requires Guidelines for Implementation of the California Environmental Quality Act ("CEQA"). The Guidelines are required to include a list of classes of projects which have been determined not to have a significant effect on the environment and which are exempt from the provisions of CEQA. In response to that mandate, the Secretary for Resources identified classes of projects that do not have a significant effect on the environment, and are declared to be categorically exempt from the requirement for the preparation of environmental documents. In accordance with Section 15301 "Existing Facilities," Class 1 projects consist of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public structures, facilities, mechanical equipment or topographical features involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. Therefore, in accordance with Section 15301(c), staff determined that replacement of the City Hall Server Room air conditioning system was considered categorically exempt from CEQA.

FISCAL IMPACT:

Funds for this emergency replacement are available from the Maintenance & Facilities Contractual Services Fund in account 520-71-43200.



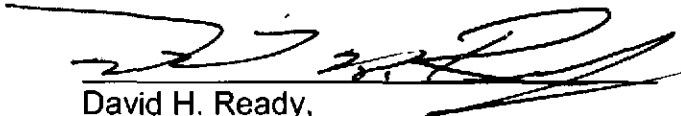
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Staci A. Schafer,  
Director of Maintenance & Facilities



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Marcus L. Fuller,  
City Engineer/Assistant City Manager



David H. Ready,  
City Manager

Attachments:

1. Quote from vendors.



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Carrier Corporation  
License # 499642  
2478 Peck Road  
City of Industry, CA 90601  
Luis C Soto  
Cell: 619.371.1690  
Fax: 860.755.1647

June 15, 2017

Proposal LS2017-0128A

**City of Palm Springs**  
**Mitch Taylor**  
425 North Civic Drive  
Palm Springs, CA 92262

**RE: Computer Room Unit Replacement**  
**Location: City Hall – Computer Room**

Dear Mitch,

Carrier Corporation is pleased to provide you with this proposal for the replacement of the existing Pomona Air Computer Room Unit. As we have discussed, the existing unit is beyond the normal operating life-cycle of a typical computer room unit. Additionally, the manufacturer of this unit is no longer in business and therefore we have selected a DATA AIRE unit for replacement. Please review the scope of work and quotation below to ensure that it meets your specifications.

**Scope of Work:**

- Coordinate work with customer
- Check in with customer upon arrival
- Secure system mechanically and electrically
- Recover all refrigerants as required
- Remove existing remote condenser and indoor evaporator sections
- Furnish and install one (1) 15-ton air cooled DATA AIRE unit on the existing equipment pads (Remote condenser on roof, evaporator in the computer room)
- Connect new equipment to existing piping is possible
- Leak check system to ensure integrity of piping
- Refill system with refrigerant as required
- The new unit uses 410-A which is a more environmentally friendly refrigerant
- Reconnect existing electrical and controls
- Provide all rigging as required
- Start-up and test system for proper operation
- **Note: if any additional repairs are required they will be quoted separately and your approval will be required prior to performing additional repairs**
- Run system under load conditions and ensure proper operation

**Exclusions:**


Overtime labor, temporary cooling, piping upgrades if required, controls, electrical upgrades if required, any required modifications to existing equipment pad if required, any trouble-shooting and repairs on additional equipment, or any work not listed above

**Total Price to perform this work:.....\$58,450.00 tax included**

*Handwritten signature and date: 5, 2017*

*Handwritten initials and date: 6/19/17*



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**Option**

The standard lead time for them unit is 8 – 10 weeks. The unit build can be expedited to 3 weeks for an additional fee of:.....**\$3,860.00 tax included**

**Pricing:**

Carrier agrees to fully comply with all applicable federal and state labor laws including, without limitation California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq. ("Prevailing Wage Laws"). Carrier shall bear all risks of payment or non-payment of prevailing wages under California law, and Carrier hereby agrees to defend, indemnify, and hold the City, its officials, officers, employees, agents and volunteers, free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

Carrier's total price to provide and install all materials and services outlined in this proposal based on Straight time labor– including all taxes, labor, standard freight, disposal of non-hazardous material. Pricing is valid for 30 days from date at top of proposal.

Once you have approved this proposal, please forward your purchase order so we can schedule the work. If you have any questions or concerns regarding the informaiton in this proposal please give me a call at 619-371-1690. We look forward to working with you on this project.

Sincerely,

**Carrier Corporation**

Luis C Soto  
Sr. Account Executive

**ENVIRONMENTAL, HEALTH AND SAFETY**


**CARRIER** is committed to conducting its operations in compliance with all environmental-regulations and to providing a safe and healthful workplace for all of its employees. Our environmental, health and safety goals include preventing incidents that harm the environment, accidental injury to our employees and visitors, and/or exposure to harmful chemical or physical agents. Our goals also include the elimination of accidents that cause property loss, environmental damage, or result in the interruption to our business. To achieve these goals, environmental and safety rules and procedures will be enforced equally with production, quality, cost and ethical standards. Our objective is to provide quality products and services while actively conserving our human and natural resources. **CARRIER** firmly believes that all accidents and undesirable environmental incidents are preventable. Furthermore, every job can, and will, be done safely and in an environmentally-sound manner. Realization of these goals and objectives will demand maximum effort from every employee.

**CARRIER's EH&S GOALS:**

- A. Create and maintain "Safety Awareness". Safety is everyone's responsibility, therefore make safety an integral part of every service job.
- B. Strive to maintain a hazard-free work environment by requiring everyone to provide special attention to the equipment, processes and procedures utilized in the performance of our work.
- C. Provide for the safeguarding of our employees while improving the effectiveness of our quality assurance and customer satisfaction programs.
- D. Ensure compliance with applicable standards, regulations and codes established by local, state and federal agencies (re:OSHA).
- E. Utilize safety and health training, positive reinforcement techniques, identification, evaluation and correction of hazards and

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- unsafe work procedures and performance to achieve regulatory compliance.
- F. Significant reduction in lost-time injuries, reportable accidents with the long range goal of no lost-time injuries and no recordable accidents.
- G. Active participation by all **CARRIER** employees in applicable aspects of the safety program.
- H. Provide **CARRIER** service operations with effective training based on both OSHA and **CARRIER** Safety Standards in the recognition, evaluation and control of hazards and dangerous work procedures and performances.
- I. Establish safety kits to provide proper personal protective equipment for the assigned tasks.
- J. Establishment of procedures for natural disasters, fire and emergency situations, including safe locations, exit routes, methods for accounting for employees in natural disasters.
- K. Achieve and ensure the implementation of the safety program with the performance of safety, health and record-keeping audits by representatives of **CARRIER**'s Safety Committee, and if necessary, enforcement through an accepted, written, adequately communicated disciplinary program.
- L. Baseline' plot of equipment under current standard conditions.

### Carrier Terms and Conditions

1. **PAYMENT AND TAXES-** Payment shall be made net 30 days from date of invoice. Carrier reserves the right to require cash payment or other alternative method of payment prior to shipment or completion of work if Carrier determines, in its sole discretion, that Customer or Customer's assignee's financial condition at any time does not justify continuance of the net 30 days payment term. In addition to the price, the Customer shall also pay Carrier any taxes or government charges arising from this Agreement.
2. **EXTRAS-** Equipment, parts or labor in addition to those specified in this Agreement will be provided upon receipt of Customer's written authorization and paid for as an extra and subject to the terms of this Agreement.
3. **RETURNS-** No items will be accepted for return without prior written authorization. Returned goods may be subject to a restocking charge. Special order and non-stock items cannot be returned.
4. **SHIPMENT-** All shipments shall be F.O.B. shipping point, freight prepaid and allowed to the job site. Shipment dates quoted are approximate. Carrier does not guarantee a particular date for shipment or delivery.
5. **PARTIAL SHIPMENT-** Carrier shall have the right to ship any portion of the equipment included in this Agreement and invoice Customer for such partial shipment.
6. **DELAYS-** In the event Carrier is delayed in manufacturing, shipping or delivery by causes beyond the control and without the fault or negligence of Carrier, including but not restricted to acts of God, acts of a public enemy, acts of government, acts of terrorism, fires, floods, epidemics, quarantine restrictions, freight embargoes, supplier delays, strikes, or labor difficulties, Carrier agrees to notify Customer in writing as soon as practicable of the causes of such delay and Carrier shall further be entitled to an extension of the time equivalent to the duration of any such delay and a reasonable time in which to recover from said delay to resume production.
7. **WARRANTY-** Carrier warrants that all equipment manufactured by Carrier Corporation and all Carrier equipment; parts or components supplied hereunder will be free from defects in material and workmanship. Carrier shall at its option repair or replace, F.O.B. point of sale, any equipment, part or component sold by Carrier and determined to be defective within one (1) year from the date of initial operation or eighteen (18) months from date of shipment, whichever is earlier. Carrier does not warrant products not manufactured by Carrier Corporation, but it does pass on to Customer any available manufacturer's warranty for those products. Carrier warrants that all service provided by Carrier hereunder shall be performed in a workmanlike manner. In the event any such service is determined to be defective within ninety (90) days of completion of that service, Carrier shall at its option re-perform or issue a credit for such service. Carrier's obligation to repair or replace any defective equipment, parts or components during the warranty period shall be Customer's exclusive remedy. Carrier shall not be responsible for labor charges for removal or reinstallation of defective equipment, parts or components, for charges for transportation, handling and shipping or refrigerant loss, or for repairs or replacement of such equipment, parts or components, required as a consequence of faulty installation, misapplication, vandalism, abuse, exposure to chemicals, improper servicing, unauthorized alteration or improper operation by persons other than Carrier. THIS WARRANTY IS GIVEN IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
8. **WORKING HOURS-** All services performed under this Agreement including major repairs, are to be provided during Carrier's normal working hours unless otherwise agreed.
9. **ADDITIONAL SERVICE-** Services or parts requested by Customer in addition to those specified in this Agreement will be provided upon receipt of Customer's written authorization and invoiced at Carrier's prevailing labor rates and parts charges. Additional services or parts shall be supplied under the terms of this Agreement.
10. **CUSTOMER RESPONSIBILITIES (Service Contracts only) -** Customer shall:
  - Provide safe and reasonable equipment access and a safe work environment.
  - Permit access to Customer's site, and use of building services including but not limited to: water, elevators, receiving dock facilities, electrical service and local telephone service.
  - Keep areas adjacent to equipment free of extraneous material, move any stock, fixtures, walls or partitions that may be necessary to perform the specified service.
  - Promptly notify Carrier of any unusual operating conditions.
  - Upon agreement of a timely mutual schedule, allow Carrier to stop and start equipment necessary to perform service.
  - Provide adequate water treatment.
  - Provide the daily routine equipment operation (if not part of this Agreement) including availability of routine equipment log readings.
  - Where Carrier's remote monitoring service is provided, provide and maintain a telephone line with long distance direct dial and answer capability.
  - Operate the equipment properly and in accordance with instructions.
  - Promptly address any issues that arise related to mold, fungi, mildew or bacteria.
  - Identify and label any asbestos containing material that may be present. The customer will provide, in writing, prior to the start of a job, a signed statement regarding the absence or presence of asbestos for any job where the building or the equipment to be serviced is older than



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1981. Should this document state that no asbestos is present, the customer will also provide in writing the method used to determine the absence of asbestos.

**11. EXCLUSIONS-** Carrier is not responsible for items not normally subject to mechanical maintenance including but not limited to: duct work, casings, cabinets, fixtures, structural supports, grillage, water piping, steam piping, drain piping, cooling tower fill, boiler tubes, boiler refractory, disconnect switches and circuit breakers. Carrier is not responsible for repairs, replacements, alterations, additions, adjustments, repairs by others, unscheduled calls or emergency calls, any of which may be necessitated by negligent operation, abuse, misuse, prior improper maintenance, vandalism, obsolescence, building system design, damage due to freezing weather, chemical/electrochemical attack, corrosion, erosion, deterioration due to unusual wear and tear, any damage related to the presence of mold, fungi, mildew, or bacteria, damage caused by power reductions or failures or any other cause beyond Carrier's control. Carrier shall not be required to perform tests, install any items of equipment or make modifications that may be recommended or directed by insurance companies, government, state, municipal or other authority. However, in the event any such recommendations occur, Carrier, at its option, may submit a proposal for Customer's consideration in addition to this Agreement. Carrier shall not be required to repair or replace equipment that has not been properly maintained.

**12. EQUIPMENT CONDITION & RECOMMENDED SERVICE (Service Contracts only) -** Upon the initial scheduled operating and/or initial annual stop inspection, should Carrier determine the need for repairs or replacement, Carrier will provide Customer in writing an 'equipment condition' report including recommendations for corrections and the price for repairs in addition to this Agreement. In the event Carrier recommends certain services (that are not included herein or upon initial inspection) and if Customer does not elect to have such services properly performed in a timely fashion, Carrier shall not be responsible for any equipment or control failures, operability or any long-term damage that may result. Carrier at its option will either continue to maintain equipment and/or controls to the best of its ability, without any responsibility, or remove such equipment from this Agreement, adjusting the price accordingly.

**13. PROPRIETARY RIGHTS (Service Contracts only)-** During the term of this Agreement and in combination with certain services, Carrier may elect to install, attach to Customer equipment, or provide portable devices (hardware and/or software) that shall remain the personal proprietary property of Carrier. No devices installed, attached to real property or portable device(s) shall become a fixture of the Customer locations. Customer shall not acquire any interest, title or equity in any hardware, software, processes, and other intellectual or proprietary rights to devices that are used in connection with providing service on Customer equipment.

**14. LIMITATION OF LIABILITY-** Under no circumstances shall Carrier be liable for any incidental, special or consequential damages, including loss of revenue, loss of use of equipment or facilities, or economic damages based on strict liability or negligence. Carrier shall be liable for damage to property, other than equipment provided under this Agreement, and to persons, to the extent that Carrier's negligent acts or omissions directly contributed to such injury or property damage. Carrier's maximum liability for any reason (except for personal injuries) shall consist of the refunding of all moneys paid by Customer to Carrier under this Agreement.

**15. CANCELLATION-** Customer may cancel this Agreement only with Carrier's prior written consent, and upon payment of reasonable cancellation charges. Such charges shall take into account costs and expenses incurred, and purchases or contract commitments made by Carrier and all other losses due to the cancellation including a reasonable profit.

**16. CUSTOMER TERMINATION FOR CARRIER NON-PERFORMANCE -** Customer shall have the right to terminate this Agreement for Carrier's non-performance provided Carrier fails to cure such non-performance within 30 days after having been given prior written notice of the non-performance. Upon early termination or expiration of this Agreement, Carrier shall have free access to enter Customer locations to disconnect and remove any Carrier personal proprietary property or devices as well as remove any and all Carrier-owned parts, tools and personal property. Additionally, Customer agrees to pay Carrier for all incurred but unamortized service costs performed by Carrier including overheads and a reasonable profit.

**17. CARRIER TERMINATION -** Carrier reserves the right to discontinue its service any time payments have not been made as agreed or if alterations, additions or repairs are made to equipment during the term of this Agreement by others without prior agreement between Customer and Carrier.

**18. CLAIMS-** Any suits arising from the performance or nonperformance of this Agreement, whether based upon contract, negligence, and strict liability or otherwise, shall be brought within one (1) year from the date the claim arose.

**19. GOVERNMENT PROCUREMENTS-** The components, equipment and services provided by Carrier are "commercial items" as defined in Section 2.101 of the Federal Acquisition Regulations ("FAR"), and the prices of such components, equipment and services are based on Carrier's commercial pricing policies and practices (which do not consider any special requirements of U.S. Government cost principles, FAR Part 31, or any similar procurement regulations). As such, Carrier will not agree to provide

or certify cost or pricing data, nor will Carrier agree to comply with the Cost Accounting Standards (CAS). In addition, no federal government procurement regulations, such as FARs or DFARs, shall apply to this Agreement except those regulations expressly accepted in writing by Carrier.

**20. HAZARDOUS MATERIALS-** Carrier is not responsible for the identification, detection, abatement, encapsulating or removal of asbestos, products or materials containing asbestos, similar hazardous substances, or mold, fungi, mildew, or bacteria. If Carrier encounters any asbestos or other hazardous material while performing this Agreement, Carrier may suspend its work and remove its employees from the project, until such material and any hazards associated with it are abated. The time for Carrier's performance shall be extended accordingly, and Carrier shall be compensated for the delay.

**21. WASTE DISPOSAL -** Customer is wholly responsible for the removal and proper disposal of waste oil, refrigerant and any other material generated during the term of this Agreement.

**22. SUPERSEDE, ASSIGNMENT AND MODIFICATION-** This Agreement contains the complete and exclusive statement of the agreement between the parties and supersedes all previous or contemporaneous, oral or written, statements. Customer may assign this Agreement only with Carrier's prior written consent. No modification to this Agreement shall be binding unless in writing and signed by both parties.

**23. CUSTOMER CONSENT -** Customer consents and agrees that Carrier may, from time to time, publicize Carrier related projects with Customer, including the value of such projects, in all forms and media for advertising, trade, and any other lawful purposes.

**24. FOR WORK BEING PERFORMED IN CALIFORNIA:** Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

Equipment and/ or Service  
CCS-TCES 040811



590 WILLIAMS RD • PALM SPRINGS, CA 92264  
(760) 323-3383 • FAX (760) 323-8983  
[www.desertairps.com](http://www.desertairps.com)  
LICENSE NO. 276586

June 15, 2017 revised

City of Palm Springs Computer Room  
Attn: Mitch

RE: Computer Room Air Conditioning unit

PROPOSED COMPUTER ROOM AIR CONDITIONING UNIT REPLACEMENT

Work to include:

- Removal and disposal of existing 15 ton computer room indoor unit and outdoor condenser
- Installation of new indoor unit in existing location
- Installation of new rooftop condenser in existing location
- Connecting new units to existing refrigerant lines
- Connecting new units to existing electrical circuit
- Connection new units to existing condensate drain line
- Start up and check out

Data Aire model # DAAD-05632 sixteen-ton computer room air conditioning unit  
Data Aire model # DARC-17632 condensing unit

Installed price \$59,458.00

One year labor warranty with an 18 month parts warranty.

Payment schedule: 10% upon ordering unit, remainder in full upon completion

Prevailing Wages. Desert Air Conditioning, Inc. agrees to fully comply with all applicable federal and state labor laws including, without limitation California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq. ("Prevailing Wage Laws"). Desert Air Conditioning, Inc. shall bear all risks of payment or non-payment of prevailing wages under California law, and Desert Air Conditioning, Inc. hereby agrees to defend, indemnify, and hold the City, its officials, officers, employees, agents and volunteers, free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

Note: We originally walked this job with Pat back in 2013. I would like to see it again if you choose to go forward with this project. The 16 ton condenser is 4 feet longer than the existing. We will need to see if it will fit in the parapet. The standard lead time for the unit is 8 - 10 weeks.

Sincerely,

*Todd Shaw*

\_\_\_\_\_  
Customer acceptance

\_\_\_\_\_  
Acceptance date