

July 31, 2023



City of Salinas
200 Lincoln Ave
Salinas, CA 93901
Email: seans@ci.salinas.ca.us

Attention: Sean Schmidt

Reference: City Hall- Emergency HVAC System Replacement

Quote: CITY443-23

Environmental Systems, Inc. proposes to provide the labor and material to complete the following:

FINDINGS SUMMARY:

During last week's service to shut down City Halls HVAC for asbestos abatement, the following was noted: The first-floor east side air handling systems has failed and is not repairable. The air-handler interior insulation is delaminating causing debris particles to become airborne and blown into the occupied space. The frame/chassis for the air handler are rusted due to on-going heating water leaks. The structural strength of the metal frame is compromised and could collapse. The condensing utilizes R-22 refrigerant (no longer manufactured) currently the unit is low on charge and sitting idle at atmospheric conditions. The effort to repair and recharge a 20 plus year old piece of equipment would not be the most cost-effective decision for the city. The equipment needs to be replaced ASAP. Due to shipping / manufacturing conditions, there is a 12 – 16-week lead-time for equipment delivery. This is a like-in-kind maintenance replacement project. The equipment needs to be ordered within the next two weeks for a possible November start-up.

Proposed Work:

1. Evacuate and disposed of refrigerant and oil per EPA guidelines
2. Disconnect, remove and dispose of existing condensing unit and refrigerant piping
3. Disconnect remove and dispose of existing air-handler and sheet metal plenums
4. Install two (2) new air handlers and plenums
5. Install one (1) new condensing units and refrigerant piping
6. Install new hot water heating valve and piping
7. Install/add onto the existing Delta Controller temperature/schedules/building pressure controls/OSA CO2 monitoring

Proposal for emergency HVAC replacement: \$225,972.00

Labor: \$87,880.00 Materials: \$138,092.00

Exclusions:

Overtime labor, permits, service, engineering, repairs or component replacement not stated, Line voltage electrical installation, boiler operation, upgrades or modifications other than stated above. Hazardous Material abatement.

Please feel free to contact us if you have any questions or if we can be of further assistance. If you are satisfied with our proposal and would like us to proceed, please sign below and email to service@esite.net. Price is valid for 30 days.

Kenneth J Filice

Senior Project Manager

Acceptance of the above proposal:

The price, specifications, and conditions of this proposal are satisfactory and hereby acceptable. I/We have read and acknowledge, and understand Environmental Systems Inc.'s General Terms and conditions attached, and hereby incorporate the same as part of this Proposal & Contract. I/We agree to make all payments as outlined above.

P.O. Number: _____ Amount: _____

Signature: _____ Date: _____

Print Name: _____

Environmental Systems Inc – General Terms and Conditions

SECTION 1. ENTIRE AGREEMENT. The proposal on page 1, and these General Terms and Conditions represents the entire agreement. Owner may issue a Purchase order for accounting purposes, but these General terms and conditions will prevail.

SECTION 2. PAYMENT TERMS: Owner agrees to pay Environmental Systems Inc as follows: (A) 100% upon completion of project. (B) Any other payment terms must be mutually agreed to in writing between Owner and Environmental Systems Inc. (C) Progress payments based on amount of work completed each month.

SECTION 3. CHANGES IN WORK. Contractor shall not be required to make any changes in the work without a mutually agreed to written change order authorization which includes the new scope of work and agreed to price. If Owner provides verbal direction, Owner agrees to follow up in writing within 5 days, but in no event shall verbal direction preclude Environmental Systems Inc from being reimbursed for the change order work. Written changes will not be required if Contractor acts in response to an emergency situation.

SECTION 4. CLAIMS. If any dispute shall arise between Owner and Contractor regarding performance of the work, or any alleged change in the work, Contractor may perform the disputed work and shall submit a notice of a claim for additional compensation for the work within ten (10) days after commencement of the disputed work. Any and all claims shall first be addressed in an Owner/Contractor meeting for resolution. If that is unsuccessful, Contractor may request and Owner agrees to binding arbitration. SECTION 5.

GUARANTEE. Environmental Systems Inc guarantees and warrants all materials and workmanship and agrees to replace at his sole cost and expense any and all materials adjudged defective or damaged from said installation during a period of either (A) 30 days for repair work or (B) one year from completion for installation of new equipment. These specifications shall control unless a greater period of guarantee is provided by Equipment or material manufacturers.

SECTION 6. INSURANCE. Environmental Systems Inc shall, at its expense, procure limits and maintain insurance on all of its operations. The following will be considered acceptable insurance requirements on all projects. a. Workers Compensation and Employer's Liability insurance; amounts as required by statute. b. Comprehensive General Liability or Commercial General

Liability insurance covering all operations: \$1,000,000.00 c. Automobile Liability insurance, including coverage for allow owned, hired and non-owned automobiles: \$1,000,000.00

All insurance coverages shall be in amounts and for duration of the project.

SECTION 7. INDEPENDENT CONTRACTOR. Environmental Systems Inc is an independent contractor and not an agent for Owner

SECTION 8. ASBESTOS. Contractor agrees to stop work immediately and notify Owner should asbestos or asbestos related products be discovered during the course of construction. Work will continue only after the asbestos hazard has been abated by Owner and the Owner has authorized work to be restarted. Any such Asbestos remediation is not included in this contract.

SECTION 9. SEVERABILITY. If any one or more of the provisions of this Agreement, or the applicability of any such provision to a specific situation, is deemed invalid or unenforceable, then such provision shall be modified to the minimum extent necessary to make it or its application valid or enforceable, and the validity and enforceability of all other provisions of this agreement, and all other applications of such provisions, shall not be affected.

SECTION 10. JURISDICTION AND VENUE. Contractor and Owner agree that this contract shall be construed in accordance with, and governed by, the laws of the State of California. The jurisdiction and venue for any dispute arising from this contract shall be Santa Clara County, California.

SECTION 11. ATTORNEYS FEES. If any action is commenced between the parties hereto concerning the project or enforcement of this Agreement, the prevailing party in such litigation shall be entitled to, in addition to such other relief as may be granted, court costs, legal expenses, and reasonable attorneys' fees.

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, and P.O. BOX 26000, SACRAMENTO, CALIFORNIA 94826.