



MEMORANDUM

TO: CITY COUNCIL

FROM: GEOFF ENGLISH, DIRECTOR OF PUBLIC WORKS
KELLY WETMORE, DIRECTOR OF LEGISLATIVE AND INFORMATION SERVICES

SUBJECT: AUTHORIZATION TO REPAIR BATTERY BACK-UP SYSTEM FOR THE POLICE STATION

DATE: SEPTEMBER 22, 2015

RECOMMENDATION:

It is recommended the City Council approve the repair of an Uninterruptible Power Supply (UPS) battery for the Police Station from RAMTEK in the amount of \$15,862.22.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

Two recently completed Information Technology capital projects were achieved with minor balances remaining. Staff recommends reallocating \$7,146.65 in savings from the Police Department server virtualization project and \$8,715.57 in savings from the Voice over Internet Protocol (VoIP) telephone project to fund the UPS repair project. This project is not identified in the Critical Needs Action Plan.

BACKGROUND:

The Arroyo Grande Police Department utilizes an Eaton 9155 UPS unit to provide battery backup power during electrical power events, including outages. The unit provides "clean" power to sensitive equipment during the automatic switch to generator power to avoid potential damage related to power fluctuations. Protected areas include both network data rooms and designated power outlets throughout the building. It has been determined that the batteries have not been replaced since 2008, which is well over the recommended replacement period of 3-5 years. Damage to the logic portion of the unit is also apparent due to exposure to moisture and debris occurring during the Police Department remodel project.

ANALYSIS OF ISSUES:

It was discovered that the UPS unit was inoperable following the recent building remodel project. Following an onsite visit on September 8, 2015, an Eaton technician determined that all batteries and the logic portion of the UPS require replacement due to the age of the batteries and exposure to moisture and debris.

**CITY COUNCIL
AUTHORIZATION TO REPAIR BATTERY BACK-UP SYSTEM FOR THE POLICE STATION
SEPTEMBER 22, 2015
PAGE 2**

ALTERNATIVES:

The following alternatives are provided for Council consideration:

- Approve the recommended repair in the amount of \$15,862.22;
- Do not approve the repair;
- Modify as appropriate and approve staff's recommendation; or
- Provide direction to staff.

ADVANTAGES:

Repairing the UPS will help ensure that mission critical equipment remains operable in the event of a power outage to the Police Department building.

DISADVANTAGES:

The only disadvantage identified is the cost of the project.

ENVIRONMENTAL REVIEW:

No environmental review is required for this item.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted in front of City Hall on Thursday, September 17, 2015. The Agenda and staff report were posted on the City's website on Friday, September 18, 2015.

Attachments:

1. Price Quote



NOTICE OF BATTERY REPLACEMENT PROPOSAL

QUOTE #: BO090815BU
 INVOICE TO: (CUSTOMER)

Company Name City of Arroyo Grande
 Street _____
 City, State, Zip _____
 Contact Walt Cuzick
 PH _____
 Fax / E-Mail wcuzick@arroyogrande.org

TODAY'S DATE: **September 8, 2015**

INSTALL SITE: (CUSTOMER)

Company Name City of Arroyo Grande
 Street _____
 City, State, Zip _____
 Contact Walt Cuzick
 PH _____
 Fax / E-Mail wcuzick@arroyogrande.org

Payment Term: Net 30

LIST OF COVERED EQUIPMENT:

Item	Product Line	Serial Number	Battery Type	Service Choice	Quantity	Price
1 <input type="checkbox"/>	9155	TBD	PHWR1234W2FR	Battery Replacement: PWHR1234W2FR -New Batteries – 16 strings of 8 batteries -7x24 installation (before or after normal business hours or weekends) -Removal of old batteries with EPA approved disposal -Freight chargers (dock to dock only – does not include any inside delivery) -2 Year Battery Warranty – 1 Year Labor	128	\$7,355.00
1 <input type="checkbox"/>	9155	TBD	Top Cabinet for 9155 UPS	Part Number 1024064 Labor to install part	1 1	\$5,749.22 \$2,760.00

Batteries to be delivered at time of installation and not shipped to site.

Total Amount: \$15,864.22

PRICING VALID FOR 30 DAYS – SUBJECT TO CHANGE THEREAFTER

Eaton Corporation terms and conditions govern this proposal and any purchase order submitted to Eaton pursuant thereto. Additional or different terms proposed by Buyer, whether in its purchase order or otherwise, shall not be binding upon Eaton Corporation and are hereby rejected unless expressly agreed to in writing by Eaton Corporation.

Freight Notice: All prices are FOB Origin, Pre-paid and Add. If freight rate is provided, it is for dock to dock ground freight unless otherwise indicated. Any special delivery requirements such as inside delivery, pallet jack, lift gate, or other, may incur additional costs. Please advise immediately if you have any special delivery requirements. Upon arrival of batteries, it is important to note any damage or missing batteries on the carrier's delivery receipt in order to avoid additional costs to your company.

Tax Notice: In order to comply with tax regulations, we will be including sales/use tax when you are invoiced. If you feel that you are not liable for this tax, fax an executed tax exemption or resale certificate for the appropriate state to 919-431-6350 and refer to Eaton Corporation's proposal number. Also include your contact name and telephone number in case there are any questions.

ORDERING INSTRUCTIONS

***PLEASE SIGN AND RETURN THIS PROPOSAL TO ORDER SERVICES*.**

Fill in the information on the space provided below under Customer/Purchaser and Fax back to 949-334-0960. Attention: Beth Ord

CUSTOMER / PURCHASER

Company Name: _____
Signature: _____
Date: _____
Printed Name: _____
Title: _____
E-Mail: _____

PROPOSAL ORIGINATION

Eaton Corporation
c/o RAMTEK, LLC
1382 Valencia Avenue, Unit M
Tustin, CA 92780
Phone: (949) 266-1418
Fax: (949) 334-0960

REMIT-TO ADDRESS

Eaton Corporation
P.O. Box 100193
Pasadena, CA 91189
Tax ID: 34-0196300

For New Product Sales Please Contact:

Los Angeles County	Kurt Richard	(949) 266-1412	krichard@ram-tek.com
LA/Ventura County	Shirley Gordon	(805) 497-8788	sgordon@ram-tek.com
Orange County	Dean Miles	(949) 266-1411	dmiles@ram-tek.com
Orange County	Michael Ohmer	(949) 266-1417	mohmer@ram-tek.com
San Diego County	Dan Wettstein	(858) 842-7040	dnettstein@ram-tek.com
Southern Nevada	Roger Ramsey	(702) 978-1925	rramsev@ram-tek.com
Arizona	Randy Vincelette	(480) 435-0365	rvincelette@ram-tek.com

For All Service Sales Including Contracts & Battery Replacements Please Contact:

LA, Ventura, Kern, Santa Barbara, Clark & San Bernardino Counties	Beth Ord	(949) 266-1418	bord@ram-tek.com
Orange, San Diego, Riverside, LA & Imperial Counties	Erica Carrillo	(949) 266-1410	ecarrillo@ram-tek.com

**RAMTEK is the exclusive Eaton Corporation representative for all of Southern California, Southern Nevada and Arizona. For more information on the products and services we offer, please contact us at any one of the above numbers or visit us on the Web at www.ram-tek.com.*

EATON CORPORATION
SERVICE AGREEMENT – TERMS AND CONDITIONS (T-0)

TERMS AND CONDITIONS: The terms and conditions set forth herein, and any supplements which may be attached hereto, constitute the full and final expression of the contract for the sale of UPS services by Eaton Corporation, and supersede all prior quotations, purchase orders, correspondence or communications whether written or oral between Eaton Corporation and the customer. Notwithstanding any contrary language in the customer's purchase order, correspondence or other form of acknowledgment, customer shall be bound by these terms and conditions when it sends a purchase order or otherwise indicates acceptance of this contract, or when it accepts delivery from Eaton Corporation of the products or services. THE CONTRACT FOR SALE OF SERVICES IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS STATED HEREIN. ANY ADDITIONAL OR DIFFERENT TERMS PROPOSED BY CUSTOMER ARE REJECTED UNLESS EXPRESSLY AGREED TO IN WRITING BY CONTRACTOR. No contract shall exist except as herein provided.

1. DEFINITIONS: As used in this Service Agreement, the terms listed below shall have the following meanings:
"Agreement" shall mean Eaton Corporation's Service Agreement Terms and Conditions, the quote, and the applicable Scope(s) of Work."
"Battery" shall mean the electric storage portion of a UPS.
"Contractor" shall mean Eaton Corporation.
"Covered Equipment" shall mean the equipment as listed on the quote.
"CPM" shall mean the Contracted Period of Maintenance or Hours of Service.
"Customer" shall mean the purchaser of this Agreement.
"Drop Ship Items" shall mean batteries, battery monitoring systems, battery containment, battery materials, racks and cabinets.
"Emergency Service" shall mean all services provided on an as needed basis that is not scheduled in advance
"PCS" shall mean Pre-Contract Survey.
"On-Site" shall mean Service performed at Customer's physical location as listed on the quote
"Power Module" shall mean the electronic portion of a UPS or other power quality device.
"Scope of Work" shall mean the services, procedures, methods, exclusions and coverage as purchased by the Customer
"Service" shall mean installation, maintenance (including Preventive Maintenance as defined in Scope of Work Attachment R-2), repairs, inspection, adjusting, etc. of the UPS equipment provided by Contractor to Customer.
"UPS" shall mean Uninterruptible Power Supply which is comprised of the Power Module and Batteries.

2. ELIGIBILITY: All Covered Equipment that has experienced a lapse in Service coverage with the Contractor (or factory warranty coverage) or has had no service history with Contractor within the previous ninety (90) days, is subject to a PCS inspection by Contractor prior to eligibility for any Service under this Agreement. Customer is subject to charges for a PCS inspection at Contractor's then current Time and Material Service Rate Schedule (refer to Exhibit 1-PCS and Attachment X-1). If a PCS inspection is required for eligibility, a list of the equipment requiring a PCS inspection will be provided to Customer and will be incorporated into this Agreement.

3. HOURS OF SERVICE: Contractor will provide scheduled and emergency services portal-to-portal 8:00AM to 5:00 PM Monday-Friday (alternatively described as "5X8 Service") excluding all holidays observed by Contractor. The Customer may optionally purchase extended hours of scheduled and Emergency Service coverage (alternately described as "7x24 Service") which will include Emergency Service being provided on all holidays observed by Contractor. Notwithstanding anything herein or otherwise to the contrary, scheduled services are not available on Contractor's observed holidays. Contractor's observed holidays shall be the same as public holidays for Federal employees as established by U.S. Federal law (5 U.S.C. 6103).

4. ON-SITE RESPONSE TIME: Following Customer's request for Service, Contractor will arrive at the location of the Covered Equipment the next business day or if optionally purchased by Customer, Contractor will arrive at the location of the Covered Equipment within eight (8), four (4) or two (2) CPM hours, provided the Covered Equipment is located within one hundred (100) miles of a Contractor service location. Response time does not include battery replacement service.



Powering Business Worldwide

5. LABOR AND MATERIAL RATES: For any additional Service outside the Scope(s) of Work purchased for Covered Equipment under this Agreement, Customer shall be billed at Contractor's then current Time and Material Rate Schedule (refer to Attachment X-1). This excludes any flat-rate quoted by Contractor representative.

6. ENGINEERING CHANGES: All engineering changes deemed necessary by Contractor will be installed during scheduled Service visits during the CPM. Any engineering changes deemed optional by Contractor will be offered to Customer on an as-available, per charge basis.

7. CUSTOMER'S RESPONSIBILITY:

A. Communication and Scheduling - Customer shall contact Contractor's Customer Reliability Center (1-800-843-9433) regarding all Service and Preventive Maintenance requests and all other matters arising out of or relating to this Agreement. With respect to Preventive Maintenance purchased by Customer, it shall be Customer's responsibility to contact Contractor to schedule the Preventive Maintenance. In the event that Customer fails to schedule and/or does not permit, for any reason, Preventive Maintenance to be completed within ninety (90) days of the scheduled service date, Contractor's obligation for that Preventive Maintenance shall be considered fulfilled.

B. Movement - If Covered Equipment is moved to another location within the United States, Service coverage will continue only upon the following conditions: (i) Customer shall notify Contractor in writing at least thirty (30) days in advance of power-down of Covered Equipment; (ii) Contractor reserves the right to supervise the power-down, disconnection, rigging, packing, movement, unpacking, reinstallation and re-start of the Covered Equipment for which Customer will be charged according to Contractor's then current Time and Material Service Rate Schedule; and (iii) resumption of Service coverage under this Agreement is subject to acceptance by Contractor of Covered Equipment at the new location.

C. Safety - Customer shall, at all times during the provision of Service hereunder, have a representative present at the Service site at no cost to, and solely for, the safety of Contractor.

D. Access - Customer shall grant ready access to the Covered Equipment, subject to reasonable security requirements, so that Contractor may perform Service under this Agreement.

8. TERM AND TERMINATION: This Agreement and all that is stated herein shall automatically be renewed for successive twelve (12) month periods at the prices in effect at the time of each renewal. Customer will be provided written notice of renewal of the Agreement sixty (60) days prior to its expiration, stating the prices for the applicable renewal term. In the event Customer elects not to renew this Agreement, Customer shall provide thirty (30) days written notice prior to the expiration of this Agreement. Notwithstanding the foregoing, Customer or Contractor may terminate this Agreement at any time upon thirty (30) days written notice to the other, subject to Section 16 herein.

BATTERY REPLACEMENT SERVICES AND TERMINATION: Prices stated in a quote do not include installation, freight, and handling charges unless these items are specifically listed and priced in the quote. Prices stated in a quote are F.O.B. factory (unless otherwise stated) and title and risk of loss to each article sold by Contractor to Customer shall pass to Customer upon delivery at the F.O.B. point.

Shipment estimates are after receipt of Customer's purchase order at the factory. If drawings are required for approval before Contractor is authorized to proceed with manufacture, then shipment estimates are after receipt of written approval to proceed. If the Customer cannot accept delivery of equipment, Customer will arrange for storage. Contractor shall not be liable or responsible for any damages or loss for delay or default in delivery due to any cause beyond Contractor's reasonable control, nor shall Customer cancel or have the right to cancel its purchase order because of delays or default in delivery due to such causes.

Customer may not cancel or terminate its purchase order without prior written notice to the Contractor and upon payment of cancellation charges which shall take into account, among other things, expenses already incurred and commitments made by the Contractor. Cancellation charges are as follows: for batteries and Drop Ship Items, cancellation 31 days or more prior to shipment, 50% of the total invoice; between 0-30 days prior to shipment, 100% of the total invoice. Changes made to an order may be subject to increase or decrease in purchase order amount, change order charges, and changes in schedule date. Customer is responsible for return freight charges related to cancellation.



Powering Business Worldwide

9. END OF SERVICE LIFE (“EOSL”)/BEST EFFORTS: Contractor may designate a Power Module as “End of Service Life/Best Efforts” which shall mean that limited parts are available or Service will be provided on a best efforts basis. This designation will be indicated on the quote provided to Customer for Service renewal. In the event that Contractor cannot perform or complete a covered repair, Contractor may terminate coverage subject to Section 8 herein. Customer may request a pro-rated refund for the terminated portion of this Agreement, subject to Section 16 herein. Customer acknowledges EOSL/Best Efforts designation on the quote will serve as Contractor’s notice of limited service support and its recommendation to replace or decommission the Power Module.

10. INSURANCE: During the term of this Agreement, Contractor, at its own cost and expense, shall maintain in full force and effect the following insurance with sound and reputable insurers: (1) worker’s compensation insurance in accordance with the statutory requirements of the state where the Service is to be performed; (2) automobile liability insurance on all motor vehicles licensed for highway use, both owned and non-owned; and (3) commercial general liability insurance for bodily injury and property damage.

11. WARRANTY: Contractor shall perform all Service in a professional and workmanlike manner. Contractor warrants repairing or replacing defective parts or materials and correcting defective workmanship reported to Contractor and/or diagnosed by Contractor’s personnel during the term of this Agreement. Contractor warrants its corrective maintenance and replacement parts to be free from defects in material and workmanship for the term of this Agreement or for a period of ninety (90) days from the completion date of the repair or replacement of parts or materials, whichever is longer. In the event the parts or materials fail to meet published specifications due to a defect in parts or materials or workmanship covered by this Warranty, Contractor, at its discretion, will repair or replace the warranted parts or materials at no cost to Customer. This Warranty shall not apply to any Power Module and/or Battery that has been: (i) subject to damage caused by accident, fire, flood, lightning, vandalism, acts of God, Customer’s neglect, misuse, misapplication, incorrect connection or external damage; (ii) subject to repair or alteration by Customer (or a third party) not authorized by Contractor in writing; or (iii) moved without thirty (30) days’ notice to Contractor. Contractor reserves the right to supervise the move. THIS WARRANTY IS EXCLUSIVE EXCEPT FOR WARRANTY OF TITLE. CONTRACTOR DISCLAIMS ALL OTHER WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CORRECTION OF NON-CONFORMITIES IN THE MANNER AND FOR THE PERIOD OF TIME PROVIDED ABOVE SHALL CONSTITUTE CONTRACTOR’S SOLE LIABILITY AND CUSTOMER’S EXCLUSIVE REMEDY FOR FAILURE OF CONTRACTOR TO MEET ITS WARRANTY OBLIGATIONS, WHETHER CLAIMS OF CUSTOMER ARE BASED IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHERWISE. Parts or materials supplied, but not manufactured by Contractor, are warranted solely by the manufacturer. Contractor’s obligation under this Warranty is conditioned upon receipt of all payments due from Customer.

12. ASSIGNMENT: Neither party shall assign this Agreement or any of its rights and interests herein without the prior written consent of the other party. Notwithstanding anything in this Agreement or otherwise to the contrary, upon written notice to the other party, either party may assign this Agreement or any of its rights and interests herein to: (i) any parent, subsidiary, affiliated or successor corporation; or the purchaser of any of these entities; (ii) any corporation to which the party has sold all or substantially all of its assets (including the purchaser of any of the party’s subsidiaries); or (iii) any corporation or legal entity with which the party may merge or consolidate.

13. SUBCONTRACTING: Contractor reserves the right to subcontract any portion of Service provided for under this Agreement without the prior consent of Customer.

14. INDEMNITY: Subject to Section 15 herein, Contractor shall defend, indemnify and hold harmless Customer, its officers, employees and agents (Indemnified Parties), from and against any and all claims, liabilities, damages, demands, losses, causes of action and suits brought against the Indemnified Parties, to the extent they result directly from or out of (1) bodily injury to or death of any person or damage to or destruction of any property caused by the negligent acts, errors, omissions or willful misconduct of Contractor, its agents or employees, and (2) any violation of federal or state law, regulation, order, rule or of any other governmental authority having jurisdiction by Contractor, its employees or agents, while Contractor is performing work on site.

15. LIABILITY: The remedies of the Customer set forth in this Agreement are exclusive and are its sole remedies for any failure of Contractor to comply with its obligations hereunder. Notwithstanding anything in this Agreement or otherwise to the contrary, in no event shall Contractor or Customer, or their respective officers, directors, employees or agents be liable to the other for damage to property or equipment, other than to equipment sold or



Powering Business Worldwide

serviced hereunder, or any incidental, indirect, special or consequential damages, such as, but not limited to, delay damages, lost profits or revenue, lost data, loss of use or lost opportunity damages, resulting from or in connection with any claim or cause of action, whether brought in contract or in tort, even if Contractor or Customer knew or should have known of the possibility of such damages. The total cumulative liability of Contractor arising from or related to this Agreement whether the claims are based in contract, in tort (including negligence or strict liability) or otherwise, shall not exceed the price of the product or services on which such liability is based

16. PAYMENT: All payments are due net thirty (30) days in full from date of invoice. Customer shall be invoiced for, and shall pay for, all Service not expressly provided for by the terms hereof, such as, but not limited to, site calls involving no-fault found inspections where no corrective maintenance was required. If any payment is not made when due, Contractor reserves the right to refuse to provide any further Service until such payment has been received. Customer shall be liable for expenses, including reasonable attorneys' fees, associated with collection proceedings for non-payment. In the event of early termination: i) Customer will be liable for any Service rendered to the reasonable satisfaction of Customer prior to the effective date of termination; and ii) Contractor, at its discretion, will provide a credit against any advance payments received as follows: a) a pro-rated amount based on the terminated portion of the fixed-price fee due Contractor, or b) an amount based on the difference between the amount paid by Customer prior to the effective date of early termination and the actual cost of Service completed (including emergency repair calls) by Contractor prior to the effective date of early termination.

17. TAX: Contractor's price is exclusive of any applicable tax. All orders will be subject to all applicable sales tax unless a current tax exemption certificate is on file with Contractor covering the state where Covered Equipment under this Agreement is located.

18. PARTS: Unless otherwise agreed to by the parties in writing, all parts removed for replacement shall be Contractor's property. Parts used from Customer-owned spare parts kit shall be replaced by Contractor at no cost. Replacement parts shall be new or of the same quality as new.

19. FORCE MAJEURE: Contractor shall not be liable for any failure to perform, or delay in performing Service for Customer to the extent that such failure or delay results from causes beyond its reasonable control including, without any limitation, any act of God, war, revolution, riot, civil commotion, labor strike or any applicable governmental or judicial law or regulation, order or decree.

20. INFORMATION: All information of Customer shall be deemed non-confidential and Contractor will be under no duty of non-disclosure unless both parties execute a mutual non-disclosure agreement.

21. GENERAL: The terms and conditions of this Agreement cannot be modified or waived except by a writing signed by the parties hereto and waiver by Contractor or Customer of any provision hereof in any one instance shall not constitute a waiver as to any other instance. If a provision of this Agreement is invalidated for any reason, this Agreement remains binding except for such invalid provision. This Agreement shall be construed in accordance with and governed by the laws of the State of North Carolina. Customer and Contractor hereby agree that all disputes arising out of this Agreement shall be submitted solely to the jurisdiction of the state and federal courts located in Wake County, North Carolina.

Eaton is a trademark of Eaton Corporation.