



County of El Dorado

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Legislation Text

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Transportation Department recommending the Board make findings pursuant to Article II, Section 210 b (6) of the El Dorado County Charter that there are specialty skills required for the work performed under this Agreement that are not expressly identified in County classifications, and that the on-going aggregate of the work performed under this Agreement is not sufficient to warrant the addition of permanent staff; and Chairman be authorized to sign Agreement for Services AGMT 07-1601 with Smith Power Products, Inc. in an amount not to exceed \$631,100.30 for a three year term to assist said Department with diesel equipment retrofit project.

RECOMMENDED ACTION: Approve.

FUNDING: Road Fund and California Air Resources Board Low-Emission Construction Equipment Grant.

BUDGET SUMMARY:		
Total Estimated Cost		\$631,100.30
Funding		
Budgeted	\$631,100.30	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$631,100.30	
Change To Net County Cost		\$-0-

Fiscal Impact/Change to Net County Cost:

The cost of the work performed under the proposed Agreement with Smith Power Products, Inc. is \$631,100.30, \$411,064 will be funded a by grant from the California Air Resources Board (CARB) and \$220,036.30 will be provided as matching funds from the Road Fund. The matching funds are included in the fiscal year 2007/2008 Road Fund budget.

Background:

On July 26, 2007, The California Air Resources Board approved a regulation to reduce emissions from existing off-road diesel vehicles in California. This legislation applies to twenty-three units of equipment used by the Department of Transportation. The regulation requires application of particulate filtering devices (retrofitting) and accelerated turnover to newer, cleaner engines. Turnover may include replacing engines with a newer, cleaner models (re-powering), retiring a vehicle, replacing a vehicle or designating a vehicle as low-use. The regulation establishes fleet

average emission rates that decline over time. Each year, the regulation requires each fleet to meet the average emission rate targets with the first compliance dates in 2010.

The cost of compliance with this measure is estimated at \$1,288,369 which includes replacement of four units of equipment, repowering eleven units of equipment and retrofitting all twenty-three. The Department submitted a grant application to the California Air Resources Board to fund the requisite particulate matter reduction efforts. El Dorado County was awarded twenty-three projects (units of equipment) for a total of \$823,766 which must be spent by June 30, 2008 with a possible extension to June 30, 2009. The work under the proposed Agreement with Smith Power Products, Inc. at a cost of \$631,100.30, includes retrofitting and repowering of engines only. The purchase of four replacement units of equipment will be handled separately in accordance with applicable procurement regulations.

Reason for Recommendation:

The CARB is in the process of verifying, or approving, retrofit devices to be used for these projects and has recently verified several for off-road equipment. One recently verified particulate filter, the Huss Umwelttechnik FS-MK Series device, has been identified as the most efficient and cost effective device based on the equipment type and use. The Huss particulate filter is the technology the Department proposes to use to fulfill the CARB requirements for off-road equipment.

Smith Power Products, Inc., located in Sparks, Nevada, is the only dealer that has gone through the certification process to become a qualified installer of the Huss particulate filter for off-road equipment. Under the proposed agreement with Smith Power Products, nineteen of the twenty-three units would receive new engines, retrofit devices or both. While it is possible that other companies could install the engines required for re-powering, only Smith Power Products, Inc. can install the Huss devices on off-road equipment. The Department proposes to contract with Smith Power Products, Inc. to re-power and retrofit nineteen units of equipment for a total of \$631,100.30 inclusive of all parts and labor.

While the amount of this Agreement is \$631,100.30, the labor portion is only \$152,894. The majority of the expenditure is for the particulate filters and engines. Specialized training and equipment are required to install the emission control devices. Since this project is a one-time effort, it does not warrant the additional of County staff, training and equipment that would be required to complete it.

The Purchasing Agent has reviewed the Department of Transportation's request to contract with Smith Power Products, Inc. to furnish materials, labor, equipment and services necessary to re-power and/or retrofit nineteen (19) units of off-road equipment as required by the California Air Resources Board particulate reduction regulations. The Purchasing Agent has determined that it is appropriate to dispense with outside review and any competitive selection processes for services performed by Smith Power Products, Inc. as this contractor is the only qualified installer of the Huss retrofit device on off-road equipment and is also qualified to install engines where re-powering is required. The Purchasing Agent concurs that the Department's request is in compliance with Board of Supervisors Policy C-17, Sections 7.5 and 7.10.

Action to be taken following Board approval:

The Board Chairman will sign Agreement for Services AGMT 07-1601 and forward one original to the

Department of Transportation for further processing.

Contact: Tom Celio x 4905

Concurrences: County Counsel, Risk Management, Purchasing Agent