

Council Meeting  
August 8, 2006

Honorable Mayor and Members  
 of the Torrance City Council  
 City Hall  
 Torrance, California

**Members of the Council:**

**SUBJECT: General Services contract for heating, ventilation, and air conditioning (H.V.A.C.) work at Ken Miller Recreation Center and Torrance Art Museum. Expenditure: \$61,671.09**

**RECOMMENDATION**

The General Services Director recommends City Council:

- 1) Award a contract to DC Danco Air Conditioning Company for \$53,625.09 with a 5% contingency of \$2,683 for HVAC work at Ken Miller Recreation Center (FEAP #130) and the Torrance Art Museum (FEAP #131).
- 2) Authorize a 10% project management fee.

**FUNDING** Funding is available in Ken Miller Recreation Center- HVAC (FEAP #130) and Torrance Art Museum- HVAC (FEAP #131).

**BACKGROUND/ANALYSIS**

On July 11, 2006 staff held a job walk with prospective bidders for H.V.A.C. (Heating, Ventilating, and Air Conditioning) work at Ken Miller Recreation Center and the Torrance Art Museum.

The scope of work for the Ken Miller Recreation Center building entailed redesigning the hot water piping and adding insulation to improve hot water flow and reduce energy costs.

The Torrance Art Museum scope included installation of an air conditioning unit to serve the kitchen and prep room and insulating the existing ducts to improve energy efficiency.

Staff asked five contractors to bid and received the following two bids:

DC Danco Air Conditioning	\$	53,652.09
HVAC Mechanical Inc.	\$	60,059.00

DC Danco Air Conditioning Company was the lowest responsible bidder. After reviewing their proposal, their experience with similar projects, references, and licensing, the General Services Director recommends the City Council award a contract to DC Danco Air Conditioning Company for \$53,652.09 with a 5 % contingency for the H.V.A.C. work at Ken Miller Recreation Center and Torrance Art Museum.

Respectfully submitted,

SHERYL BALLEW  
General Services Director

  
By Diane Caseltine  
Business Manager

CONCUR:

  
Sheryl Ballew  
General Services Director

  
LeRoy J. Jackson  
City Manager



Attachment A: DC Danco Air Conditioning Contract Services Agreement

## CONTRACT SERVICES AGREEMENT

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into as of August 8, 2006 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and DC Danco Air Conditioning Company Inc., a California Corporation ("CONTRACTOR").

### RECITALS:

- A. CITY wishes to retain the services of an experienced and qualified CONTRACTOR to provide all labor, materials, tools, equipment and incidentals to complete the re-piping of HVAC equipment for Ken Miller Recreation Center and installation of air-conditioning unit for the Torrance Art Musuem per the specifications and drawings prepared by the City of Torrance.
- B. CONTRACTOR represents that it is qualified to perform those services.

### AGREEMENT:

- 1. **SERVICES TO BE PERFORMED BY CONTRACTOR**  
CONTRACTOR will provide the services listed in the Scope of Services attached as Exhibit A. CONTRACTOR warrants that all work and services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.
- 2. **TERM**  
Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through June 30, 2007.
- 3. **COMPENSATION**
  - A. CONTRACTOR's Fee.

For services rendered pursuant to this Agreement, CONTRACTOR will be paid in accordance with the Compensation Schedule attached as Exhibit B, provided, however, that in no event will the total amount of money paid the CONTRACTOR, for services initially contemplated by this Agreement, exceed the sum of \$53,652.09 ("Agreement Sum"), unless otherwise first approved in writing by CITY.

B. Schedule of Payment.

Provided that the CONTRACTOR is not in default under the terms of this Agreement, upon presentation of an invoice, CONTRACTOR will be paid the fees described in Paragraph 3.A. above, according to the Compensation Schedule. Payment will be due within 30 days after the date of the invoice.

4. **TERMINATION OF AGREEMENT**

A. Termination by CITY for Convenience.

1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.
2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONTRACTOR will:
  - a. cease operations as directed by CITY in the notice;
  - b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
  - c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.
3. In case of such termination for CITY's convenience, CONTRACTOR will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.
2. In the event this Agreement is terminated for cause by the default of the CONTRACTOR, the CITY may, at the expense of the CONTRACTOR and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys

due the CONTRACTOR under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONTRACTOR and its surety from liability for the default. Under these circumstances, however, the CONTRACTOR and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.

3. Termination for cause will not affect or terminate any of the rights of the CITY as against the CONTRACTOR or its surety then existing, or which may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event the CONTRACTOR or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause the CITY determines to be so serious and compelling as to affect CONTRACTOR's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then the CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. The CITY will not take action until CONTRACTOR has been given notice and an opportunity to present evidence in mitigation.

5. **FORCE MAJEURE**

If any party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental control, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, then that party's performance shall be excused for a period equal to the period of such cause for failure to perform.

6. **RETENTION OF FUNDS**

CONTRACTOR authorizes CITY to deduct from any amount payable to CONTRACTOR (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate CITY for any losses, costs, liabilities, or damages suffered by CITY, and all amounts for which CITY may be liable to third parties, by reason of CONTRACTOR's acts or omissions in performing or failing to perform CONTRACTOR's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONTRACTOR, or any indebtedness exists that appears to be the basis for a claim of lien, CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONTRACTOR to insure, indemnify, and protect CITY as elsewhere provided in this Agreement.

**7. CITY REPRESENTATIVE**

Hrand Ibranossian is designated as the "City Representative," authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONTRACTOR.

**8. CONTRACTOR REPRESENTATIVE(S)**

The following principal(s) of CONTRACTOR are designated as being the principal(s) and representative(s) of CONTRACTOR authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

Dan Velasco

**9. INDEPENDENT CONTRACTOR**

The CONTRACTOR is, and at all times will remain as to CITY, a wholly independent contractor. Neither CITY nor any of its agents will have control over the conduct of the CONTRACTOR or any of the CONTRACTOR's employees, except as otherwise set forth in this Agreement. The CONTRACTOR may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

10. **BUSINESS LICENSE**

The CONTRACTOR must obtain a City business license prior to the start of work under this Agreement, unless CONTRACTOR is qualified for an exemption.

11. **OTHER LICENSES AND PERMITS**

CONTRACTOR warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**

By executing this Agreement, CONTRACTOR warrants that CONTRACTOR (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, CONTRACTOR warrants that CONTRACTOR has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services set forth in this Agreement. Should CONTRACTOR discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONTRACTOR must immediately inform CITY of that fact and may not proceed except at CONTRACTOR's risk until written instructions are received from CITY.

13. **CARE OF WORK**

CONTRACTOR must adopt reasonable methods during the term of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages, to persons or property, until acceptance of the work by CITY, except those losses or damages as may be caused by CITY's own negligence.

14. **CONTRACTOR'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS**

Records of the CONTRACTOR's time pertaining to the project, and records of accounts between CITY and the CONTRACTOR, will be kept on a generally recognized accounting basis. CONTRACTOR will also maintain all other records, including without limitation specifications, drawings, progress reports and the like, relating to the project. All records will be available to CITY during normal working hours. CONTRACTOR will maintain these records for three years after final payment.

15. **INDEMNIFICATION**

CONTRACTOR will indemnify, defend, and hold harmless CITY, the City Council, each member thereof, present and future, its officers, agents and employees from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal

injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of CONTRACTOR, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONTRACTOR's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of CITY, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONTRACTOR and CITY, as to whether liability arises from the sole negligence of the CITY or its officers, employees, agents, subcontractors or vendors, CONTRACTOR will be obligated to pay for CITY's defense until such time as a final judgment has been entered adjudicating the CITY as solely negligent. CONTRACTOR will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

**16. NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES**

No officer or employee of CITY will be personally liable to CONTRACTOR, in the event of any default or breach by the CITY or for any amount that may become due to CONTRACTOR.

**17. INSURANCE**

A. CONTRACTOR and its subcontractors must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:

1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
  - a. Primary Bodily Injury with limits of at least \$500,000 per person, \$500,000 per occurrence; and
  - b. Primary Property Damage of at least \$250,000 per occurrence; or
  - c. Combined single limits of \$1,000,000 per occurrence.
2. General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations with combined single limits of coverage of at least \$1,000,000 per occurrence.
3. Workers' Compensation with limits as required by the State of California and Employer's Liability with limits of at least \$1,000,000.

- B. The insurance provided by CONTRACTOR will be primary and non-contributory.
- C. CITY, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insured under the automobile and general liability policies.
- D. CONTRACTOR must provide certificates of insurance and/or endorsements indicating appropriate coverage, to the City Clerk of the City of Torrance before the commencement of work.
- E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

**18. SUFFICIENCY OF INSURERS**

Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to CITY, the CONTRACTOR agrees that the minimum limits of any insurance policies or performance bonds required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONTRACTOR will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of CITY within 10 days of receipt of notice from the Risk Manager.

**19. CONFLICT OF INTEREST**

- A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.
- B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any

program requirement, contract or subcontract, or to any solicitation or proposal.

**20. NOTICE**

- A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:
1. Personal delivery. When personally delivered to the recipient: notice is effective on delivery.
  2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.
  3. Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.
  4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.
  5. Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

6. Addresses for purpose of giving notice are as follows:

CONTRACTOR                      DC Danco Air Conditioning Co. Inc.  
21414 So. Alameda Street  
Carson, CA 90810-1214

Fax: 310-847-7132

CITY:                                      City Clerk  
City of Torrance  
3031 Torrance Boulevard  
Torrance, CA 90509-2970  
Fax: (310) 618-2931

- B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

**21. PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING**

This Agreement and all exhibits are binding on the heirs, successors, and assigns of the parties. The Agreement may not be assigned or subcontracted by either CITY or CONTRACTOR without the prior written consent of the other.

**22. INTEGRATION; AMENDMENT**

This Agreement represents the entire understanding of CITY and CONTRACTOR as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

**23. INTERPRETATION**

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

**24. SEVERABILITY**

If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

**25. TIME OF ESSENCE**

Time is of the essence in the performance of this Agreement.

**26. GOVERNING LAW; JURISDICTION**

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

**27. COMPLIANCE WITH STATUTES AND REGULATIONS**

CONTRACTOR will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

**28. WAIVER OF BREACH**

No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party's consent or approval of any act by the other party requiring the party's consent or approval will not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

**29. ATTORNEY'S FEES**

Except as provided for in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

**30. EXHIBITS**

All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

**31. CONTRACTOR'S AUTHORITY TO EXECUTE**

The persons executing this Agreement on behalf of the CONTRACTOR warrant that (i) the CONTRACTOR is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONTRACTOR; (iii) by so executing this Agreement, the CONTRACTOR is formally bound to the provisions of this Agreement; and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the CONTRACTOR is bound.

CITY OF TORRANCE  
a Municipal Corporation

DC Danco Air Conditioning Co. Inc.  
a California Corporation

\_\_\_\_\_  
Frank Scotto, Mayor

By: \_\_\_\_\_  
Dan Velasco  
President Sales and Services

ATTEST:

\_\_\_\_\_  
Sue Herbers  
City Clerk

APPROVED AS TO FORM:  
JOHN L. FELLOWS III  
City Attorney

By: \_\_\_\_\_

Attachments:      Exhibit A      Scope of Services  
                         Exhibit B      Compensation Schedule

Revised:      1/30/01

**EXHIBIT A**  
**SCOPE OF SERVICES**  
**[To be attached]**

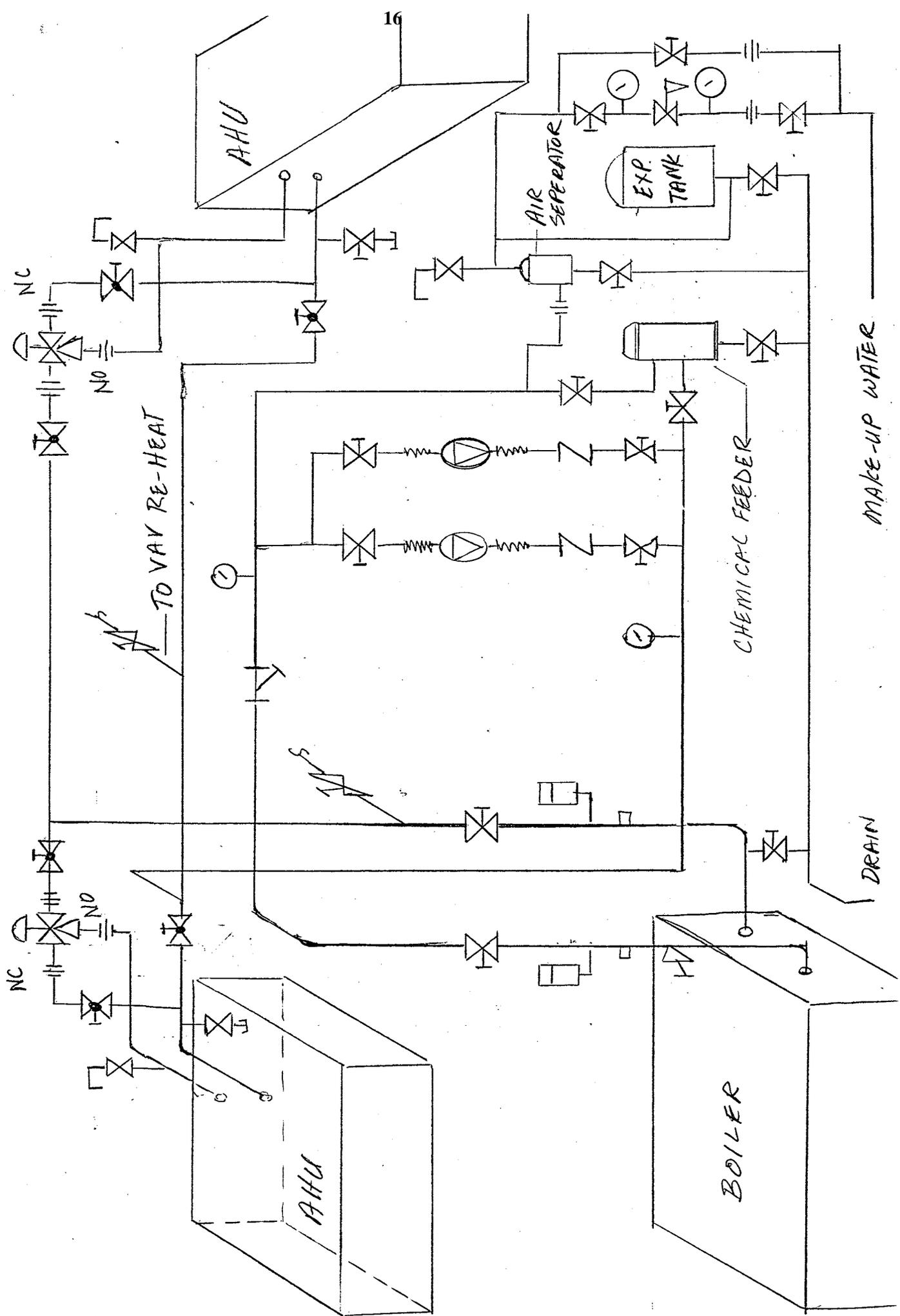
## **Technical specifications for the re-piping of boiler and air handlers at Ken Miller Recreation Center**

### **Scope of the work:**

The purpose of this bid is to re-pipe and modify the hot water piping inside the mechanical room of the Ken Miller Recreation Center. The following is a list of technical specification for the above work.

- The system shall be shut down by the HVAC division employee and be drained the day before contractor starting the work.
- Contractor to disconnect (cut or de-solder) all existing pipes and fittings that must be rearranged as per the attached isometric piping diagram, the isometric diagram is only to show the arrangement and direction of flow of water rather to be an exact pictorial of the equipment or the location of equipment.
- Contractor to use the existing pipes, valves and fittings to the extent possible, any new fitting or valve shall be the same brand of the existing or a compatible brand.
- All new pipes shall be copper type "L" hard drawn seamless copper tubing with solder joint sweat fittings.
- Contractor to properly secure or hung all pipes and fittings, to avoid vibration of sagging.
- Provide and install two new solar powered digital thermometers for the supply and return water of the boiler.
- Provide and install all necessary balancing valves for each heating coil and the boiler, also provide Pete's plugs across each of the above devices to allow for proper water flow balancing of the system.
- Provide and install automatic air vents both at the highest point of the piping an on top of air separating device.
- After completion of piping contractor to start-up the system, test and balance the water flow as per the manufacturers flow requirements for coils and the boiler.
- Contractor to insulate the entire hot water piping and fittings with 1.5" thick factory pre-molded fiberglass pipe insulation and cover it with all purpose jacket.
- After completion of the insulation, contractor to identify the correct direction of water flow in every pipe by the use of proper stickers or insignia.

KEN MILLER REC. CTR. RE-PIPING



**Technical specification for installation of one split system air conditioning unit and modification to existing ducts at  
Torrance Arts Museum**

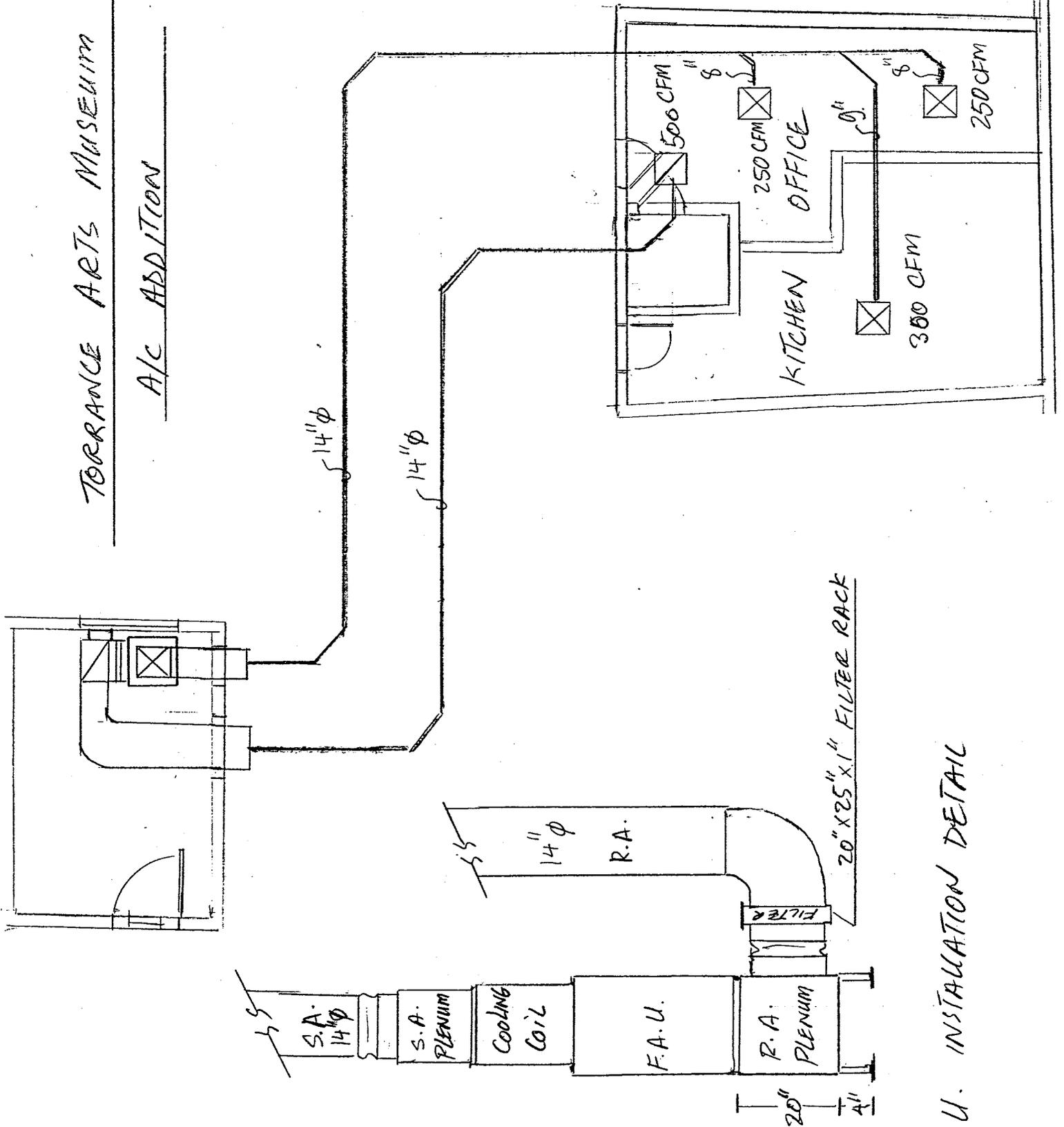
**Scope of work:**

The purpose of this bid is to add one 3 ton split air conditioning system and modify and correct existing exposed ducts on the roof top of the Torrance Arts Museum, the detail of the work is as follows.

- Provide and install one Carrier forced air furnace model 58STX045-1-12
- Provide and install one up-flow cooling coil ADP model HD12424D
- Provide and install one Carrier 13SEER condensing unit model 24ABR324 A006 on top of prefabricated 16 gage sheet metal platform.
- Fabricate and install 20 gage galvanized internally lined return air plenum under the FAU with 6" high legs.
- Fabricate and install internally lined sheet metal supply and return air ducts pass the fire wall.
- Seal all around duct penetrations, continue the supply and return air ducts in the ceiling space, terminate to supply and return air boxes as per the drawing.
- All connections of ducts to the unit shall be with flex connect.
- Run refrigeration copper lines from cooling coil to the condensing unit, run gas and electrical to the FAU and condensing unit.
- Provide and install one digital programmable thermostat to match the existing in the building.
- After completion of the installation start-up and test the unit.
- Fabricate and install two 12' long double wall duct with interior duct to match the existing ducts with the humidifier and to be stainless steel, with 2" duct insulation on the outside and 22 gage galvanized sheet metal cover, ducts must be sectional and shall be connected by duct mate and properly sealed, ducts shall have ¼ inch of slope every 1' toward the unit.
- Replace existing duct smoke detectors on the roof top, install new duct detectors at least two feet before (up stream) the steam humidifier manifold.
- Provide and install three linear bar grills 4"x 40" with 30 degree deflection and OBD dampers, Metal Aire or approved equal to match the existing in the entry hallway.

TORRANCE ARTS MUSEUM

A/C ADDITION



F.A.U. INSTALLATION DETAIL

**EXHIBIT B**  
**COMPENSATION SCHEDULE**

**[To be attached]**

### WORK AUTHORIZATION

**DC DANCO AIR CONDITIONING CO., INC.**  
 21414 So. Alameda Street  
 Carson, CA 90810-1214  
 Phone (310) 847-7405

**Service Order No. 06C0761**  
 Date: July 18, 2006  
 Contractor's Lic.# 698149

Fax (310) 847-7132

<u>B</u> Attn: Ms. Diane Caseltine	<u>J</u> City of Torrance
<u>I</u> City of Torrance General Services	<u>O</u> 3341 Torrance Blvd.
<u>L</u> 3350 Civic Center Drive	<u>B</u> Torrance, CA 90503
<u>L</u> Torrance, CA 90503	<b>Ken Miller Recreation and Torrance Art Museum</b>

The undersigned hereby authorizes and directs DC DANCO AIR CONDITIONING CO., INC. to furnish the following labor and materials substantially described below:

**A. Ken Miller Recreation Center:**

1. Provide all piping, valves and labor for changes as per drawing from job walk on July 11, 2006.
2. Perform start-up, test and balance as per manufactures flow requirements.
3. Insulate piping. Tag flow direction, valves and piping as listed on print.

Total For The above Described Work Section A: \$20,890.41

**B. Torrance Art Museum:**

1. Provide all electrical, gas line, condensate line and ducting. All related 3-ton Carrier equipment. Carrier condensing unit pad to be mounted on roof. Soft refrigerant line set, start-up and test.
2. Provide 12 foot long sections of ducting with stainless steel ducting and 2" inch double wall insulation section to be installed on roof. Replace smoke duct detector, provide linear bar type diffusers, seal ducting, start-up and check for leaks.

Total For The Above Described Work Section B:\$32,761.68

- X The total contract combined price is: \$53,652.09
- X Total is due upon completion of contracted work
- X Terms: Net 30 Days

**IMPORTANT NOTICE:** This work authorization is only for work herein stated. Contract price will be protected for 30 days from the submitted date. Upon completion of stated work, further testing may be performed and you will be advised if further repairs are necessary. You will receive an estimate for any additional repairs needed before the work is done.

It is expressly agreed that DC DANCO AIR CONDITIONING CO., shall retain title to the above described personal property until Buyer pays the full contract price, at which time title passes to the Buyer. In case of default by Buyer, of any of its obligations under this contract, Seller may pursue any and all legal litigation costs, including a reasonable attorney's fee. There are no warranties, express or implied, unless expressly set forth in this contract, and this contract contains the entire agreement of the parties. DC DANCO AIR CONDITIONING CO., shall not be liable for any delay, loss or damage caused by acts of God, strikes, accidents, or any other reason beyond its control.

DC DANCO AIR CONDITIONING CO., INC.

*Dan Pasich July 18, 06*  
 Accepted By Seller \_\_\_\_\_ Date \_\_\_\_\_

Accepted By Buyer \_\_\_\_\_ Date \_\_\_\_\_

**President/Sales and Service**  
 \_\_\_\_\_  
 Official Title

\_\_\_\_\_  
 Official Title

**Please sign and return the Original Copy. Original Copy Customer Copy**