

**RESOLUTION NO. R15-34**

**A RESOLUTION OF THE CITY COUNCIL AUTHORIZING  
THE MAYOR TO SIGN A CONTRACT WITH  
CENTRAL HEATING AND AIR CONDITIONING INC.  
FOR HVAC SERVICES AT CITY HALL.**

BE IT RESOLVED by the City Council of the City of Laurel, Montana:

Section 1: Approval. The Contract between the City of Laurel and Central Heating and Air Conditioning Inc. for HVAC services at Laurel City Hall, a copy attached hereto, is hereby approved.

Section 2: Execution. The Mayor and City Clerk of the City of Laurel are hereby given authority to execute said contract on behalf of the City.

Introduced at a regular meeting of the City Council on May 5, 2015, by Council Member  
Eaton.

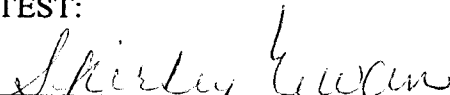
PASSED and ADOPTED by the City Council of the City of Laurel, Montana, this 5<sup>th</sup> day  
of May, 2015.


APPROVED by the Mayor this 5<sup>th</sup> day of May, 2015.

CITY OF LAUREL

  
\_\_\_\_\_  
Mark A. Mace, Mayor

ATTEST:

  
\_\_\_\_\_  
Shirley Ewan, Clerk/Treasurer

  
\_\_\_\_\_  
Sam S. Painter, Civil City Attorney

## **HVAC Contract**

This Contract for Services is made effective as of May 5, 2015, by and between The City of Laurel of 115 West First, Laurel, Montana 59044, and Central Heating and Air Conditioning Inc. ("Central Heating") of 1428 1/2 Grand Ave, Billings, Montana 59102.

**DESCRIPTION OF SERVICES.** Beginning on May 5, 2015, Central Heating will provide to The City of Laurel the following HVAC services (collectively, the "Services"):

Remove existing rooftop unit, and install Mitsubishi MXZ-8B48 multizone mini split system. There will be 8 individual indoor units each with their own temperature control. Condensing unit to be located on roof. Ductwork from existing unit to remain abandoned in ceiling and capped off on roof.

All services shall be performed at 115 West First, Laurel, Montana 59044.

**SCOPE OF WORK.** Central Heating shall provide all labor and materials, to do the above described HVAC services in the The City of Laurels property.

**SITE CONDITIONS.** The City of Laurel acknowledges that this Contract is based upon Central Heatings observations of conditions. Conditions which could not be known by a reasonable inspection, such as termite damage, hidden water damage, hidden code violations, or other concealed conditions, may require extra labor or materials, which are nto part of this contract. If such hidden conditions are discovered, Central Heating will notify the The City of Laurel and will attempt to reach an agreement for a change order to this contract that addresses those problems.

**PAYMENT.** Payment shall be made to Central Heating and Air Conditioning Inc., Billings, Montana 59102, in the amount of \$20,708.00 upon completion of the services described in this Contract.

If any invoice is not paid when due, interest will be added to and payable on all overdue amounts at 18 percent per year, or the maximum percentage allowed under applicable laws, whichever is less. The City of Laurel shall pay all costs of collection, including without limitation, reasonable attorney fees.

In addition to any other right or remedy provided by law, if The City of Laurel fails to pay for the Services when due, Central Heating has the option to treat such failure to pay as a material breach of this Contract, and may cancel this Contract and/or seek legal remedies.

**TERM.** This Contract will terminate automatically upon completion by Central Heating of the Services required by this Contract.

**INSURANCE:** Central Heating shall maintain general liability, and workers compensation insurance. Before commencing the work, Central Heating shall furnish a certificate of that insurance to The City of Laurel. The City of Laurel shall maintain insurance covering the replacement cost of the improvements under this Contract in the event of loss through fire, casualty, storm or other disasters.

**CHANGE ORDERS:** The City of Laurel may make changes to the scope of the work from time to time during the term of this Contract. However, any such change or modification shall only be made by written "Change Order" signed by both parties. Such Change Orders shall become part of this Contract. The City of Laurel agrees to pay any increase in the cost of the HVAC services as a result of a Change Order. In the event the cost of a Change Order is not known at the time a Change Order is executed, the Central Heating shall estimate the cost thereof and The City of Laurel shall pay the actual cost whether or not it is in excess of the estimated cost.

**ACCESS.** The City of Laurel will allow free access to work areas for workers and vehicles and will allow areas for the storage of materials and debris. Central Heating will make reasonable efforts to protect driveways, lawns, shrubs, and other vegetation.

**WARRANTY.** Central Heating shall provide its services and meet its obligations under this Contract in a timely and workmanlike manner, using knowledge and recommendations for performing the services which meet generally acceptable standards in Central Heating's community and region, and will provide a standard of care equal to, or superior to, care used by service providers similar to Central Heating on similar projects.

Central Heating further warrants that materials to be used are of good quality. Central Heating will maintain all manufacturers warranties. The customer is limited to the manufacturers warranties for defects in the manufacture of equipment, components and materials. All Central Heatings warranties are limited to a period of no more than 5 year compressor, 1 yr parts , 1yr labor. Central Heatings warranties are limited to the cost of labor and materials only, and exclude ordinary wear and tear or abuse by others.

**DEFAULT.** The occurrence of any of the following shall constitute a material default under this Contract:

- a. The failure to make a required payment when due.
- b. The insolvency or bankruptcy of either party.
- c. The subjection of any of either party's property to any levy, seizure, general assignment for the benefit of creditors, application or sale for or by any creditor or government agency.

d. The failure to make available or deliver the Services in the time and manner provided for in this Contract.

**COMPLETION OF SERVICES.** Upon the completion of the HVAC services by the Central Heating, Central Heating shall see to it that The City of Laurels property is restored to the condition they were in prior to the entry by the Central Heating, and Central Heating shall see to it that all portions used by the Central Heating during the term of this Contract shall be broom clean and free of debris.

**REMEDIES.** In addition to any and all other rights a party may have available according to law, if a party defaults by failing to substantially perform any provision, term or condition of this Contract (including without limitation the failure to make a monetary payment when due), the other party may terminate the Contract by providing written notice to the defaulting party. This notice shall describe with sufficient detail the nature of the default. The party receiving such notice shall have 10 days from the effective date of such notice to cure the default(s). Unless waived by a party providing notice, the failure to cure the default(s) within such time period shall result in the automatic termination of this Contract.

**FORCE MAJEURE.** If performance of this Contract or any obligation under this Contract is prevented, restricted, or interfered with by causes beyond either party's reasonable control ("Force Majeure"), and if the party unable to carry out its obligations gives the other party prompt written notice of such event, then the obligations of the party invoking this provision shall be suspended to the extent necessary by such event. The term Force Majeure shall include, without limitation, acts of God, fire, explosion, vandalism, storm or other similar occurrence, orders or acts of military or civil authority, or by national emergencies, insurrections, riots, or wars, or strikes, lock-outs, work stoppages. The excused party shall use reasonable efforts under the circumstances to avoid or remove such causes of non-performance and shall proceed to perform with reasonable dispatch whenever such causes are removed or ceased. An act or omission shall be deemed within the reasonable control of a party if committed, omitted, or caused by such party, or its employees, officers, agents, or affiliates.

**DISPUTES.** Disputes will be resolved with either negotiation, mediation, and or litigation as appropriate.

**ENTIRE AGREEMENT.** This Contract contains the entire agreement of the parties, and there are no other promises or conditions in any other agreement whether oral or written concerning the subject matter of this Contract. This Contract supersedes any prior written or oral agreements between the parties.

**SEVERABILITY.** If any provision of this Contract will be held to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed to be written, construed, and enforced as so limited.

**AMENDMENT.** This Contract may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

**GOVERNING LAW.** This Contract shall be construed in accordance with the laws of the State of Montana.

**NOTICE.** Any notice or communication required or permitted under this Contract shall be sufficiently given if delivered in person or by certified mail, return receipt requested, to the address set forth in the opening paragraph or to such other address as one party may have furnished to the other in writing.

**WAIVER OF CONTRACTUAL RIGHT.** The failure of either party to enforce any provision of this Contract shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Contract.

**SIGNATORIES.** This Agreement shall be signed on behalf of The City of Laurel by Heidi Jensen, Chief Administrative Officer and on behalf of Central Heating by Leonard Earnst, President and effective as of the date first above written.

Service Recipient:  
The City of Laurel

By: Mark A Mace  
Mark A Mace  
Mayor

Service Provider:  
Central Heating and Air Conditioning Inc.

By: Leonard Earnst  
Leonard Earnst  
President



CENTHEA-04

ASUTTON

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/22/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Billings-2nd Ave. Office PayneWest Insurance, Inc. P.O. Box 30638 Billings, MT 59107-0638	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): <b>(406) 238-1900</b> FAX (A/C, No): E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE      NAIC # INSURER A : <b>Cincinnati Insurance Companies</b> <b>10677</b> INSURER B : <b>State Compensation Ins Fund of MT</b> <b>561499</b> INSURER C : INSURER D : INSURER E : INSURER F :
<b>INSURED</b>  Central Heating & Air Conditioning Inc 1428 1/2 Grand Ave Billings, MT 59102	

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
<b>A</b>	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			<b>EPP0232461</b>	<b>02/01/2015</b>	<b>02/01/2016</b>	EACH OCCURRENCE \$ <b>1,000,000</b> DAMAGE TO RENTED PREMISES (Ea occurrence) \$ <b>500,000</b> MED EXP (Any one person) \$ <b>10,000</b> PERSONAL & ADV INJURY \$ <b>1,000,000</b> GENERAL AGGREGATE \$ <b>2,000,000</b> PRODUCTS - COMP/OP AGG \$ <b>2,000,000</b> \$
<b>A</b>	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			<b>EPP0232461</b>	<b>02/01/2015</b>	<b>02/01/2016</b>	COMBINED SINGLE LIMIT (Ea accident) \$ <b>1,000,000</b> BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
<b>A</b>	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ <b>0</b>			<b>EPP0232461</b>	<b>02/01/2015</b>	<b>02/01/2016</b>	EACH OCCURRENCE \$ <b>1,000,000</b> AGGREGATE \$ <b>1,000,000</b> \$ PER STATUTE    OTH-ER
<b>B</b>	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	<b>033800012</b>	<b>02/01/2015</b>	<b>02/01/2016</b>	E.L. EACH ACCIDENT \$ <b>500,000</b> E.L. DISEASE - EA EMPLOYEE \$ <b>500,000</b> E.L. DISEASE - POLICY LIMIT \$ <b>500,000</b>

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 Primary Additional Insured and Waiver of Subrogation applies per form GA233MT.

**CERTIFICATE HOLDER****CANCELLATION**

City of Laurel Atth: Heidi Jensen P.O Box 10 Laurel, MT 59044	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE <i>Andrea Sutton</i>
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