

DATE: 7/11/2018

TO: City of Blaine
Attn: Mr. Bob Therres
10801 Town Square Dr. NE
Blaine, MN 55449

Subject: Chiller Replacement

Chiller Replacement and Installation Proposal

I am pleased to provide equipment and installation pricing for the above referenced project in accordance with the standard terms and condition of sale attached to this document.

(1) York Model YVAA Air Cooled Screw Chiller

Items Included:

- Refrigerant type: R134a, unit fully charged
- Two independent refrigerant circuits
- 460/3/60 application
- Control transformer
- Single point power connection with disconnect
- Variable speed drive screw compressors
- Low sound TEAO condenser fan motors
- Variable speed drives on condenser fans
- Flooded, shell and tube falling film evaporator
- 3/4 inch thick insulation of evaporator
- Service isolation valves
- Aluminum microchannel condenser coils
- Low ambient operation down to 0 deg. F
- ETL listed, ASME approval and ASHRAE 90.1 compliant
- One year entire unit parts and labor warranty including refrigerant
- Factory start up service
- In warranty service to include fall shutdown and spring startup services. Includes leak testing and oil filter change

Items included and shipped loose, installed by JCI

- Neoprene isolation pads
- Flow sensor

Installation

JCI shall provide labor and services to install the new air cooled chiller. A new roof sleeper shall be installed prior to removal of the existing chiller. The existing chiller shall be removed on a Friday afternoon and the new chiller set in place. The rental chiller shall be disconnect prior to the removal of the existing chiller and then reconnected and started after the new chiller is set in place. The new chilled water piping, electrical and insulation shall be completed the following week during normal business hours, between 7 a.m.- 3:30 p.m.. The scope of work shall include the following:

- Disconnect electrical power and control wiring from existing chiller
- Remove glycol to level below the roof line and store in containers
- Disconnect chilled water piping
- Remove oil and refrigerant from existing chiller and properly dispose
- Provide rigging and remove the existing chiller; haul chiller away and properly dispose
- Provide and install new roof sleeper and reuse one existing roof sleeper to accommodate new chiller
- Rig new chiller onto roof
- Provide and install new chilled water piping to existing chilled water supply and return openings at roof. All piping to use Victaulic fittings. Piping support included.
- Provide new chilled water isolation valves and pipe T's on supply and return chilled water lines
- Install pressure gauges on inlet and outlet of evaporator in system piping
- Provide 1-1/2" fiberglass insulation with PVC jacket on chilled water piping
- Connect power wiring to chiller
- Reconnect control wiring to new chiller
- Refill chilled water system with stored glycol solution. Add up to 400 gallons glycol solution to the system
- Leak check chilled water system
- Perform start-up functions on completed system
- Provide 4 hour owner training on chilled water system operation including chiller, pumps, valves and BAS
- Permit included
- Clean up of work areas after work is completed
- JCI is a member of the NJPA purchasing group

Clarifications & Exceptions:

- City of Blaine to provide Structural Engineer opinion as to new location of chiller on roof. Structural engineering and any potential roof/structural modifications not included in this proposal.
- Rebate amounts listed below were provided by Connexus Energy based on chiller performance. Final rebate amounts, availability and approvals to be provided and determined by Connexus Energy.



PRICING – Chiller & Installation of Chiller

All pricing is FOB factory with full freight allowed to jobsite, not including any taxes, fees or storage. Price is valid for 30 days after quotation.

Option 1

- York Air Cooled YVAA0273 Screw Chiller 263.2 Tons, 10.38 Full Load EER, 18.68 NPLV per attached rating.
- Connexus Energy Chiller Rebate - \$6,211.52 per Connexus Account Rep
- **Available To Ship 8/14/18 – first come first served basis**

Option #1 Total\$257,784.00

Option 2

- (1) York Air Cooled YVAA0245 Screw Chiller 240.3 Tons, 10.64 Full Load EER, 19.42 NPLV at design conditions per attached rating.
 - Change out (2) pump impellers to 9" impellers
 - Connexus Energy Chiller Rebate - \$6,920.64 per Connexus Account Rep
 - Ship 11 weeks after approved, released order

Option #2 Total.....\$262,703.00

Option 3

- (1) York Air Cooled YVAA0273 Screw Chiller 250 Tons, 10.90 Full Load EER, 19.36 NPLV at design conditions per attached rating. 3 pass evaporator.
 - Change out (2) pump impellers to 9" impellers
 - Connexus Energy Chiller Rebate - \$ To follow – estimated \$7300
 - Ship 11 weeks after approved, released order

Option #3 Total\$265,610.00

Option #4 Extended Chiller Warranty

- 5 Year Entire Unit Parts & Labor Warranty

Option #4 Total\$ 12,830.00

Option #5 Cottonwood Filters

- Provide and install cottonwood filters on entire chiller

Option #5 Total\$7,587.00

Option 6 Change to Variable Primary Pumping

- Provide and install (2) 15 HP VSDs and shaft grounding kits on chilled water pumps –
 - Connexus Energy VSD rebate \$30/HP= \$900 total
 - Remove (4) existing 3-way valves and balancing valves
 - Provide and install (4) 2 way pressure independent valves, (4) manual isolation valves and (1) DP water pressure sensor
 - Controls and wiring to new control valves and DP sensor by Harris Controls including updated graphics
- Option #6 Price.....\$26,432.00

Thank you for your consideration of York equipment for this project. If you have any questions please call me at (763) 585-5076.

Respectfully,



Mike Veceli
Sr. Systems Sales Engineer

CUSTOMER APPROVAL:	
Total Price:	_____
Customer Name:	_____
Signature (*)	_____
Date:	_____
<small>* By signing this proposal, you agree to purchase the bill of material as described in this proposal document, pursuant to the attached standard terms and conditions and for the Total Price documented on the above line.</small>	

Standard Terms and Conditions – U.S.A.

- References to "products", "equipment" or "services" herein shall mean those to be furnished by Seller as identified on the applicable Seller Quotation and all claims, suits, actions or proceeds ("Claims") against such parties based upon the infringement or alleged infringement, or violation or alleged violation, of (a) any United States patent and (b) any copyright, trademark, trade secret or other proprietary right of a third party which is enforceable in the United States, as a result of Buyer's use of the product or equipment within the United States, provided that: (i) Buyer gives Seller prompt written notice of any such Claim, (ii) Buyer gives Seller full authority to defend or settle any such Claim, and (iii) Buyer gives Seller proper and full information and assistance, at Seller's expense (except for Buyer's employees' time) to defend or settle any such Claim. THE FOREGOING IS IN LIEU OF ANY WARRANTIES OF NON-INFRINGEMENT, WHICH ARE HEREBY DISCLAIMED. The foregoing obligation of Seller does not apply with respect to products or equipment or portions or components thereof (a) not supplied by Seller, (b) made in whole or in part in accordance with Buyer or owner specifications, (c) which are modified after shipment by Seller, if the alleged infringement related to such modification, (d) combined with other products, processes or materials where the alleged infringement relates to such combination, (e) where Buyer continues allegedly infringing activity after being notified thereof and/or after being informed of modifications that would have avoided the alleged infringement without significant loss of performance or functionality, or (f) where Buyer's use of the product or equipment is incident to an infringement not resulting primarily from the product or equipment; Buyer will indemnify Seller and its officers, directors, agents, and employees from all damages, settlements, attorneys' fees and expenses related to a claim of infringement, misappropriation, defamation, violation of rights of publicity or privacy excluded from Seller's indemnity obligation herein.
- (1) **AGREEMENT AND LIMITATIONS.** Buyer accepts these Standard Terms and Conditions by signing and returning Seller's Quotation, by sending a purchase order in response to the Quotation, or Buyer's instructions to Seller to begin work, including shipment of product or performance of services. Upon Buyer's acceptance, Seller's Quotation and the related terms and conditions referred to in the Quotation shall constitute the entire agreement relating to the products, equipment and services covered by the Quotation (the "Agreement"). No terms, conditions or warranties other than those identified in the Quotation and no agreement or understanding, oral or written, in any way purporting to modify such terms and conditions whether contained in Buyer's purchase order or shipping release forms, or elsewhere, shall be binding on Seller unless hereafter made in writing and signed by Seller's authorized representative. Buyer is hereby notified of Seller's express rejection of any terms inconsistent with these Standard Terms and Conditions or to any other terms proposed by Buyer in accepting Seller's Quotation. Neither Seller's subsequent lack of objection to any such terms, nor the delivery of the products or services, shall constitute an agreement by Seller to any such terms.
- (2) **TERMINATION OR MODIFICATION.** If either party materially breaches this agreement, the other party may notify the breaching party in writing, setting out the breach, and the breaching party will have 60 days following such notice to remedy the breach. If the breaching party fails to remedy the breach during that period, the other party may by written notice terminate the Agreement. These Standard Terms and Conditions may be modified or rescinded only by a writing signed by authorized representatives of both Seller and Buyer. Accepted orders may be cancelled or modified by Buyer only with Seller's express written consent. If cancellation or modification is allowed, Buyer agrees to pay to Seller all expenses incurred and damage sustained by Seller on account of such cancellation or modification, plus a reasonable profit.
- (3) **PRICE, SHIPMENT, AND PAYMENT.** Prices on accepted orders are firm for a period of 90 days from date of acceptance. Price and delivery is F.O.B. point of manufacture, unless otherwise provided. Unless otherwise agreed to in writing by Seller, all payments are due net thirty (30) days from the date of invoice. Seller may, at its sole option, have the right to make any delivery under this Agreement payable on a cash or payment guarantee before-shipment basis. In the case of export sales, unless otherwise agreed to in writing by Seller, all payments are to be made by means of a confirmed irrevocable letter of credit.
- (4) **TAXES.** All prices exclude state and local use, sales or similar taxes. Such taxes, if applicable, will appear as separate items on the invoice unless Buyer provides a tax exemption certificate that is acceptable to taxing authorities.
- (5) **DELIVERY.** The delivery date(s) provided by Seller for the product and equipment is only an estimate and is based upon prompt receipt of all necessary information from Buyer. The delivery date(s) is subject to and shall be extended by delays caused by strikes, fires, accidents, shortages of labor or materials, embargoes, or delays in transportation, compliance with government agency or official requests, or any other similar or dissimilar cause beyond the reasonable control of Seller. FAILURE TO DELIVER WITHIN THE TIME ESTIMATED SHALL NOT BE A MATERIAL BREACH OF CONTRACT ON SELLER'S PART. If Buyer causes Seller to delay shipment or completion of the product or equipment, Seller shall be entitled to any and all extra cost and expenses resulting from such delay.
- (6) **LIMITED WARRANTY.** Seller warrants that the product and equipment furnished by Seller under the Agreement will be of good quality and that the services provided by Seller will be provided in a good and workmanlike manner. If Seller installs or furnishes product or equipment under the Agreement, and such product or equipment, or any part thereof, is covered by a manufacturer's warranty, Seller will transfer the benefits of that manufacturer's warranty to Buyer. This limited warranty does not cover failures caused in whole or in part by (i) improper installation or maintenance performed by anyone other than Seller; (ii) improper use or application; (iii) corrosion; (iv) normal deterioration; (v) operation beyond rated capacity; (vi) the use of replacement parts or lubricants which do not meet or exceed Seller's specifications, or (vii) if Seller's serial numbers or warranty date decals have been removed or altered. To qualify for warranty consideration for products or equipment, at the earlier of the Buyer's discovery of the defect or the time at which the Buyer should have discovered the defect; Buyer must immediately notify Seller in writing for instructions on warranty procedures. Seller's sole obligation for defective services shall be to repair or to replace defective parts or to properly redo defective services. All replaced equipment becomes Seller's property. THIS WARRANTY IS EXCLUSIVE AND IS PROVIDED IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY DISCLAIMED.
- (7) **INDEMNIFICATION, REMEDIES AND LIMITATIONS OF LIABILITY.** In addition to Paragraph 8 below regarding patents, Buyer agrees that Seller shall be responsible only for such injury, loss, or damage caused by the intentional misconduct or the negligent act or omission of Seller. In the event Buyer claims Seller has breached any of its obligations, whether of warranty or otherwise, Seller may request the return of the goods and tender to Buyer the purchase price theretofore paid by Buyer, and in such event, Seller shall have no further obligation under the Agreement except to refund such purchase price upon redelivery of the goods. If Seller so requests the return of the goods, the goods shall be redelivered to Seller in accordance with Seller's instructions and at Seller's expense. The remedies contained in these Standard Terms and Conditions shall constitute the sole recourse of Buyer against Seller for breach of any of Seller's obligations under the Agreement, whether of warranty or otherwise. In no event shall Seller be liable for special, indirect, incidental, or consequential damages, including loss of anticipated profit, or other economic loss, or for any damages arising in tort, whether by reason of strict liability, negligence, or otherwise, regardless of whether Seller has been apprised of the possibility of such.
- (8) **PATENTS.** Seller shall indemnify, defend, or at its option settle, and hold Buyer and its directors, officers, employees, agents, subsidiaries, affiliates, subcontractors and assignees, harmless from and against any
- (9) **GOVERNING LAW.** The formation and performance of the Agreement shall be governed by the laws of the State of Wisconsin, U.S.A. Any action for breach of the Agreement or any covenant or warranty must be commenced within one year after the cause of action has accrued unless such provision is not permitted by applicable law.
- (10) **DISPUTE RESOLUTION.** Seller shall have the sole and exclusive right to determine whether any dispute, controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be submitted to a court of law or arbitrated. The venue for any such arbitration shall be in Milwaukee, Wisconsin. The arbitrator's award may be confirmed and reduced to judgment in any court of competent jurisdiction. In the event the matter is submitted to a court, Seller and Buyer hereby agree to waive their right to trial by jury and covenant that neither of them will request trial by jury in any such litigation.
- (11) **SOFTWARE LICENSE.** To the extent software is provided by Seller under the Agreement, Buyer agrees that such software may only be used in accordance with the terms and conditions of the software license agreement that accompanies the software. Buyer agrees not to directly or indirectly decompile, disassemble, reverse engineer or otherwise derive the source code for the software. If Buyer is a U.S. Government agency, Buyer acknowledges that the software licensed under the Agreement is a commercial item that has been developed at private expense and not under a Government contract. The Government's rights relating to the software are limited to those rights applicable to Buyer's as set forth herein and is binding on Government users in accordance with Federal Acquisition Regulation 48 C.F.R. Section 12.212 for non-defense agencies and/or Defense FAR Supplement 48 C.F.R. Section 227.7202-1 for defense agencies.
- (12) **MISCELLANEOUS**
- (a) **CHANGES OF CONSTRUCTION AND DESIGN:** Seller reserves the right to change or revise the construction and design of the products or equipment purchased by Buyer, without liability or obligation to incorporate such changes to products or equipment ordered by Buyer unless specifically agreed upon in writing reasonably in advance of the delivery date for such products or equipment. Buyer agrees to bear the expense of meeting any changes or modifications in local code requirements which become effective after Seller has accepted Buyer's order.
- (b) **CHARACTER OF PRODUCT AND SECURITY INTEREST:** The goods delivered by Seller under the terms of the Agreement shall remain personal property and retain its character as such no matter in what manner affixed or attached to any structure or property. Buyer grants Seller a security interest in said goods, any replacement parts and any proceeds thereof until all sums due Seller have been paid to it in cash. This security interest shall secure all indebtedness or obligations of whatsoever nature now or hereafter owing Buyer to Seller. Buyer shall pay all expenses of any nature whatsoever incurred by Seller in connection with said security interest.
- (c) **INSURANCE:** Buyer agrees to insure the goods delivered under the Agreement in an amount at least equal to the purchase price against loss or damage from fire, wind, water or other causes. The insurance policies are to be made payable to Seller and Buyer in accordance with their respective interests, and when issued are to be delivered to Seller and held by it. Failure to take out and maintain such insurance shall entitle Seller to declare the entire purchase price to be immediately due and payable and shall also entitle Seller to recover possession of said goods.
- (d) **INSTALLATION:** If installation by the Seller is included within the Seller's Quotation, Buyer shall provide all of the following at its own expense and at all times pertinent to the installation: i) free, dry, and reasonable access to Buyer's premises; and ii) proper foundations, lighting, power, water and storage facilities reasonably required.
- (e) **COMPLIANCE WITH LAWS:** Seller's obligations are subject to the export administration and control laws and regulations of the United States. Buyer shall comply fully with such laws and regulation in the export, resale or disposition of purchased products or equipment. Quotations or proposals made, and any orders accepted by Seller from a Buyer outside the United States are with the understanding that the ultimate destination of the products or equipment is the country indicated therein. Diversion of the products or equipment to any other destination contrary to the United States is prohibited. Accordingly, if the foregoing understanding is incorrect, or if Buyer intends to divert the products or equipment to any other destination, Buyer shall immediately inform Seller of the correct ultimate destination.



Proposal
 (Valid for 30 days from Proposal date)

Prepared For:
 City of Blaine
 Attn: Robert Therres

Date: July 11, 2018
Proposal Number: S3-123689-1

Job Name:
 Blaine City Hall Chiller Replacement
 10801 Town Square Drive NE

 BLAINE, MN 55449

Delivery Terms:
 Freight Allowed and Prepaid - F.O.B. Factory

Payment Terms:
 Net 30 Days

Trane Chiller Option 1 – Packed Stock RTAC-250 Available to ship in 3-5 business days

RTAC - Air-Cooled Helical Rotary Water Chiller

- Air cooled Series R(TM) model RTAC
- Startup Included - Trane Service must start equipment for warranty to be honored
- 460v/60 hz/3 ph
- 2 pass arrangement, 0.75" insulation
- Fluid type = ethylene glycol
- Standard ambient temperature range
- Aluminum slit fins
- Condenser fans with TEAO motors
- Wye-delta closed transition starter
- Single point connection main line unit power-ancillary items require other power
- Circuit breaker(s) - HACR rated
- BACnet interface
- Default Amp short circuit rating
- Factory installed flow switch - for use when evap fluid type = non-water fluids
- Refrigerant isolation valves
- Elastomeric isolators (Fld)

Notes:
 Controls integration and pricing is **NOT** included

Total Net Installed Price – (Excluding Sales Tax)\$ 174,344.00
****This price includes premium time due to this being a packed stock option****

****See Line item for additional installation scope at end of proposal****

Trane Chiller Option 2 – Made to Order Prem. Eff RTAE Stealth Chiller

Item	Tag(s)	Qty	Est delivery	Tons at 44-59, 35% EG, 95 Amb	Est Rebate	EER - FL/IPLV	Total Installed Price
A1	RTAE-275	1	9/12/18	270.0	\$13,805	11.71 / 19.82	\$192,658.00
A2	RTAE-300	1	9/12/18	298.1	\$15,360	11.76 / 20.05	\$214,845.00

- Air-cooled Series R model RTAE
- Startup Included - Trane Service must start equipment for warranty to be honored
- InvisiSound Standard
- Adaptive Frequency Drive 3rd generation
- Single point connection main line unit power-ancillary items require other power

Notes:
 Controls integration and pricing is **NOT** included
 Installation pricing is based on standard time **NOT** premium time

Trane Chiller Option 3 – Made to Order High Eff RTAF Sintesis Chiller

Tag Data - Air-cooled Sintesis (TM) (Qty: 3)

Item	Tag(s)	Qty	Est delivery	Tons at 44-59, 35% EG, 95 Amb	Est Rebate	EER - FL/IPLV	Total Installed Price
B1	RTAF-270	1	9/12/18	242.2	\$3,024	9.76 / 16.26	\$174,866.00
B2	RTAF-280	1	9/12/18	260.3	\$8,568	10.73 / 16.54	\$181,489.00
B3	RTAF-310	1	9/12/18	289.1	\$10,912	10.96 / 16.86	\$189,878.00

Unit startup by Trane
 460V/60Hz/3 phase
 Refrigerant charge R-134a
 AHRI certified
 Standard cooling
 Fluid type - ethylene glycol
 Grooved pipe
 Factory installed flow switch
 Factory insulation-all cold parts 0.75 inch
 Standard ambient - 95
 Microchannel coil
 Variable speed fans
 Variable speed compressors
 Circuit breaker

Notes:

Controls integration and pricing is **NOT** included
 Installation pricing is based on standard time **NOT** premium time

Trane Chiller Option 4 – Made to Order High Eff RTAC Chiller

Tag Data - Air-Cooled Helical Rotary Water Chillers (Qty: 3)

Item	Tag(s)	Qty	Est delivery	Tons at 44-59, 35% EG, 95 Amb	Est Rebate	EER - FL/IPLV	Total Installed Price
C1	RTAC-275HE	1	9/05/18	267.3	\$8,965	10.67 / 15.30	\$182,919.00
C2	RTAC-300HE	1	9/05/18	302.5	\$7,860	10.51 / 14.65	\$189,981.00

Air cooled Series R(TM) model RTAC
 Startup Included - Trane Service must start equipment for warranty to be honored
 460v/60 hz/3 ph
 2 pass arrangement, 0.75" insulation
 Fluid type = ethylene glycol
 Standard ambient temperature range
 Aluminum slit fins
 Condenser fans with TEAO motors
 Wye-delta closed transition starter
 Single point connection main line unit power-ancillary items require other power
 Circuit breaker(s) - HACR rated
 BACnet interface
 Default Amp short circuit rating
 Factory installed flow switch - for use when evap fluid type = non-water fluids
 Refrigerant isolation valves
 Elastomeric isolators (Fld)

Notes:

Controls integration and pricing is **NOT** included
 Installation pricing is based on standard time **NOT** premium time

Option 5: install 4 AHU ePIV valves, chiller bypass with ePIV valve, new chilled water pumps and VFDs

Total Net Price (Excluding Sales Tax)\$ 56,842.00

Notes:

Controls integration and pricing is **NOT** included in any of this pricing
Pricing includes all standard time, not premium with the EXCEPTION of the packed stock option listed 1st on the proposal

Sincerely,

Spencer Ingaldson - Trane U.S. Inc. dba Trane

775 Vandalia Street
Saint Paul, MN 55114
Phone: (651) 468-2700
Cell: (612) 201-3598
Fax: (651) 468-2720

This proposal is subject to your acceptance of the attached Trane terms and conditions.

TERMS AND CONDITIONS – COMMERCIAL INSTALLATION

"Company" shall mean Trane U.S. Inc. dba Trane.

1. **Acceptance; Agreement.** These terms and conditions are an integral part of Company's offer and form the basis of any agreement (the "Agreement") resulting from Company's proposal (the "Proposal") for the commercial goods and/or services described (the "Work"). COMPANY'S TERMS AND CONDITIONS ARE SUBJECT TO PERIODIC CHANGE OR AMENDMENT. The Proposal is subject to acceptance in writing by the party to whom this offer is made or an authorized agent ("Customer") delivered to Company within 30 days from the date of the Proposal. If Customer accepts the Proposal by placing an order, without the addition of any other terms and conditions of sale or any other modification, Customer's order shall be deemed acceptance of the Proposal subject to Company's terms and conditions. If Customer's order is expressly conditioned upon Company's acceptance or assent to terms and/or conditions other than those expressed herein, return of such order by Company with Company's terms and conditions attached or referenced serves as Company's notice of objection to Customer's terms and as Company's counter-offer to provide Work in accordance with the Proposal and the Company terms and conditions. If Customer does not reject or object in writing to Company within 10 days, Company's counter-offer will be deemed accepted. Customer's acceptance of the Work by Company will in any event constitute an acceptance by Customer of Company's terms and conditions. This Agreement is subject to credit approval by Company. Upon disapproval of credit, Company may delay or suspend performance or, at its option, renegotiate prices and/or terms and conditions with Customer. If Company and Customer are unable to agree on such revisions, this Agreement shall be cancelled without any liability, other than Customer's obligation to pay for Work rendered by Company to the date of cancellation.
2. **Pricing and Taxes.** Unless otherwise noted, the price in the Proposal includes standard ground transportation and, if required by law, all sales, consumer, use and similar taxes legally enacted as of the date hereof for equipment and material installed by Company. Tax exemption is contingent upon Customer furnishing appropriate certificates evidencing Customer's tax exempt status. Company shall charge Customer additional costs for bonds agreed to be provided. Equipment sold on an uninstalled basis and any taxable labor/labour do not include sales tax and taxes will be added. Following acceptance without addition of any other terms and condition of sale or any other modification by Customer, the prices stated are firm provided that notification of release for immediate production and shipment is received at the factory not later than 3 months from order receipt. If such release is received later than 3 months from order receipt date, prices will be increased a straight 1% (not compounded) for each one-month period (or part thereof) beyond the 3 month firm price period up to the date of receipt of such release. If such release is not received within 6 months after date of order receipt, the prices are subject to renegotiation, or at Company's option, the order will be cancelled. Any delay in shipment caused by Customer's actions will subject prices to increase equal to the percentage increase in list prices during that period of delay and Company may charge Customer with incurred storage fees.
3. **Exclusions from Work.** Company's obligation is limited to the Work as defined and does not include any modifications to the Work site under the Americans With Disabilities Act or any other law or building code(s). In no event shall Company be required to perform work Company reasonably believes is outside of the defined Work without a written change order signed by Customer and Company.
4. **Performance.** Company shall perform the Work in accordance with industry standards generally applicable in the area under similar circumstances as of the time Company performs the Work. Company may refuse to perform any Work where working conditions could endanger property or put at risk the safety of persons. Unless otherwise agreed to by Customer and Company, at Customer's expense and before the Work begins, Customer will provide any necessary access platforms, catwalks to safely perform the Work in compliance with OSHA or state industrial safety regulations.
5. **Payment.** Customer shall pay Company's invoices within net 30 days of invoice date. Company may invoice Customer for all equipment or material furnished, whether delivered to the installation site or to an off-site storage facility and for all Work performed on-site or off-site. No retention shall be withheld from any payments except as expressly agreed in writing by Company, in which case retention shall be reduced per the contract documents and released no later than the date of substantial completion. Under no circumstances shall any retention be withheld for the equipment portion of the order. If payment is not received as required, Company may suspend performance and the time for completion shall be extended for a reasonable period of time not less than the period of suspension. Customer shall be liable to Company for all reasonable shutdown, standby and start-up costs as a result of the suspension. Company reserves the right to add to any account outstanding for more than 30 days a service charge equal to 1.5% of the principal amount due at the end of each month. Customer shall pay all costs (including attorneys' fees) incurred by Company in attempting to collect amounts due and otherwise enforcing these terms and conditions. If requested, Company will provide appropriate lien waivers upon receipt of payment. Customer agrees that, unless Customer makes payment in advance, Company will have a purchase money security interest in all equipment from Company to secure payment in full of all amounts due Company and its order for the equipment, together with these terms and conditions, form a security agreement. Customer shall keep the equipment free of all taxes and encumbrances, shall not remove the equipment from its original installation point and shall not assign or transfer any interest in the equipment until all payments due Company have been made.
6. **Time for Completion.** Except to the extent otherwise expressly agreed in writing signed by an authorized representative of Company, all dates provided by Company or its representatives for commencement, progress or completion are estimates only. While Company shall use commercially reasonable efforts to meet such estimated dates, Company shall not be responsible for any damages for its failure to do so.
7. **Access.** Company and its subcontractors shall be provided access to the Work site during regular business hours, or such other hours as may be requested by Company and acceptable to the Work site' owner or tenant for the performance of the Work, including sufficient areas for staging, mobilization, and storage. Company's access to correct any emergency condition shall not be restricted. Customer grants to Company the right to remotely connect (via phone modem, internet or other agreed upon means) to Customer's building automation system (BAS) and or HVAC equipment to view, extract, or otherwise collect and retain data from the BAS, HVAC equipment, or other building systems, and to diagnose and remotely make repairs at Customer's request.
8. **Completion.** Notwithstanding any other term or condition herein, when Company informs Customer that the Work has been completed, Customer shall inspect the Work in the presence of Company's representative, and Customer shall either (a) accept the Work in its entirety in writing, or (b) accept the Work in part and specifically identify, in writing, any exception items. Customer agrees to re-inspect any and all excepted items as soon as Company informs Customer that all such excepted items have been completed. The initial acceptance inspection shall take place within ten (10) days from the date when Company informs Customer that the Work has been completed. Any subsequent re-inspection of excepted items shall take place within five (5) days from the date when Company informs Customer that the excepted items have been completed. Customer's failure to cooperate and complete any of said inspections within the required time limits shall constitute complete acceptance of the Work as of ten (10) days from date when Company informs Customer that the Work, or the excepted items, if applicable, has/have been completed.
9. **Permits and Governmental Fees.** Company shall secure (with Customer's assistance) and pay for building and other permits and governmental fees, licenses, and inspections necessary for proper performance and completion of the Work which are legally required when bids from Company's subcontractors are received, negotiations thereon concluded, or the effective date of a relevant Change Order, whichever is later. Customer is responsible for necessary approvals, easements, assessments and charges for construction, use or occupancy of permanent structures or for permanent changes to existing facilities. If the cost of such permits, fees, licenses and inspections are not included in the Proposal, Company will invoice Customer for such costs.
10. **Utilities During Construction.** Customer shall provide without charge to Company all water, heat, and utilities required for performance of the Work.
11. **Concealed or Unknown Conditions.** In the performance of the Work, if Company encounters conditions at the Work site that are (i) subsurface or otherwise concealed physical conditions that differ materially from those indicated on drawings expressly incorporated herein or (ii) unknown physical conditions of an unusual nature that differ materially from those conditions ordinarily found to exist and generally recognized as inherent in construction activities of the type and character as the Work, Company shall notify Customer of such conditions promptly, prior to significantly disturbing same. If such conditions differ materially and cause an increase in Company's cost of, or time required for, performance of any part of the Work, Company shall be entitled to, and Customer shall consent by Change Order to, an equitable adjustment in the Contract Price, contract time, or both.
12. **Pre-Existing Conditions.** Company is not liable for any claims, damages, losses, or expenses, arising from or related to conditions that existed in, on, or upon the Work site before the Commencement Date of this Agreement ("Pre-Existing Conditions"), including, without limitation, damages, losses, or expenses involving Pre-Existing Conditions of building envelope issues, mechanical issues, plumbing issues, and/or indoor air quality issues involving mold/mould and/or fungi. Company also is not liable for any claims, damages, losses, or expenses, arising from or related to work done by or services provided by individuals or entities that are not employed by or hired by Company.
13. **Asbestos and Hazardous Materials.** Company's Work and other services in connection with this Agreement expressly excludes any identification, abatement, cleanup, control, disposal, removal or other work connected with asbestos, polychlorinated biphenyl ("PCB"), or other hazardous materials (hereinafter, collectively, "Hazardous Materials"). Customer warrants and represents that, except as set forth in a writing signed by Company, there are no Hazardous Materials on the Work site that will in any way affect Company's Work and Customer has disclosed to Company the existence and location of any Hazardous Materials in all areas within which Company will be performing the Work. Should Company become aware of or suspect the presence of Hazardous Materials, Company may immediately stop work in the affected area and shall notify Customer. Customer will be exclusively responsible for taking any and all action necessary to correct the condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for and, to the fullest extent permitted by law, shall indemnify and hold harmless Company (including its employees, agents and subcontractors) from and against any loss, claim, liability, fees, penalties, injury (including death) or liability of any nature, and the payment thereof arising out of or relating to any Hazardous Materials on or about the Work site, not brought onto the Work site by Company. Company shall be required to resume performance of the Work in the affected area only in the absence of Hazardous Materials or when the affected area has been rendered harmless. In no event shall Company be obligated to transport or handle Hazardous Materials, provide any notices to any governmental agency, or examine the Work site for the presence of Hazardous Materials.
14. **Force Majeure.** Company's duty to perform under this Agreement is contingent upon the non-occurrence of an Event of Force Majeure. If Company shall be unable to carry out any material obligation under this Agreement due to an Event of Force Majeure, this Agreement shall at Company's election (i) remain in effect but Company's obligations shall be suspended until the uncontrollable event terminates or (ii) be terminated upon 10 days notice to Customer, in which event Customer shall pay Company for all parts of the Work furnished to the date of termination. An "Event of Force Majeure" shall mean any cause or event beyond the control of Company. Without limiting

the foregoing, "Event of Force Majeure" includes: acts of God; acts of terrorism, war or the public enemy; flood; earthquake; tornado; storm; fire; civil disobedience; pandemic insurrections; riots; labor/labour disputes; labor/labour or material shortages; sabotage; restraint by court order or public authority (whether valid or invalid), and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by Company; and the requirements of any applicable government in any manner that diverts either the material or the finished product to the direct or indirect benefit of the government.

15. Customer's Breach. Each of the following events or conditions shall constitute a breach by Customer and shall give Company the right, without an election of remedies, to terminate this Agreement or suspend performance by delivery of written notice: (1) Any failure by Customer to pay amounts when due; or (2) any general assignment by Customer for the benefit of its creditors, or if Customer becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, or makes or proposes to make any proposal or arrangement with creditors, or if any steps are taken for the winding up or other termination of Customer or the liquidation of its assets, or if a trustee, receiver, or similar person is appointed over any of the assets or interests of Customer; (3) Any representation or warranty furnished by Customer in this Agreement is false or misleading in any material respect when made; or (4) Any failure by Customer to perform or comply with any material provision of this Agreement. Customer shall be liable to Company for all Work furnished to date and all damages sustained by Company (including lost profit and overhead).

16. Indemnity. To the fullest extent permitted by law, Company and Customer shall indemnify, defend and hold harmless each other from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to real or tangible personal property, to the extent caused by the negligence or misconduct of their respective employees or other authorized agents in connection with their activities within the scope of this Agreement. Neither party shall indemnify the other against claims, damages, expenses or liabilities to the extent attributable to the acts or omissions of the other party. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault. The duty to indemnify will continue in full force and effect, notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination.

17. Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY, IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT CONSEQUENTIAL, OR PUNITIVE OR EXEMPLARY DAMAGES (INCLUDING WITHOUT LIMITATION BUSINESS INTERRUPTION, LOST DATA, LOST REVENUE, LOST PROFITS, LOST DOLLAR SAVINGS, OR LOST ENERGY USE SAVINGS, EVEN IF A PARTY HAS BEEN ADVISED OF SUCH POSSIBLE DAMAGES OR IF SAME WERE REASONABLY FORESEEABLE AND REGARDLESS OF WHETHER THE CAUSE OF ACTION IS FRAMED IN CONTRACT, NEGLIGENCE, ANY OTHER TORT, WARRANTY, STRICT LIABILITY, OR PRODUCT LIABILITY). In no event will Company's liability in connection with the provision of products or services or otherwise under this Agreement exceed the entire amount paid to Company by Customer under this Agreement.

18. Patent Indemnity. Company shall protect and indemnify Customer from and against all claims, damages, judgments and loss arising from infringement or alleged infringement of any United States patent by any of the goods manufactured by Company and delivered hereunder, provided that in the event of suit or threat of suit for patent infringement, Company shall promptly be notified and given full opportunity to negotiate a settlement. Company does not warrant against infringement by reason of Customer's design of the articles or the use thereof in combination with other materials or in the operation of any process. In the event of litigation, Customer agrees to reasonably cooperate with Company. In connection with any proceeding under the provisions of this Section, all parties concerned shall be entitled to be represented by counsel at their own expense.

19. Limited Warranty. Company warrants for a period of 12 months from the date of substantial completion ("Warranty Period") commercial equipment manufactured and installed by Company against failure due to defects in material and manufacture and that the labor/labour furnished is warranted to have been properly performed (the "Limited Warranty"). Trane equipment sold on an uninstalled basis is warranted in accordance with Company's standard warranty for supplied equipment. **Product manufactured by Company that includes required startup and is sold in North America will not be warranted by Company unless Company performs the product start-up.** Substantial completion shall be the earlier of the date that the Work is sufficiently complete so that the Work can be utilized for its intended use or the date that Customer receives beneficial use of the Work. If such defect is discovered within the Warranty Period, Company will correct the defect or furnish replacement equipment (or, at its option, parts therefor) and, if said equipment was installed pursuant hereto, labor/labour associated with the replacement of parts or equipment not conforming to this Limited Warranty. Defects must be reported to Company within the Warranty Period. Exclusions from this Limited Warranty include damage or failure arising from: wear and tear; corrosion, erosion, deterioration; Customer's failure to follow the Company-provided maintenance plan; refrigerant not supplied by Trane; and modifications made by others to Company's equipment. Company shall not be obligated to pay for the cost of lost refrigerant. Notwithstanding the foregoing, all warranties provided herein terminate upon termination or cancellation of this Agreement. No warranty liability whatsoever shall attach to Company until the Work has been paid for in full and then said liability shall be limited to the lesser of Company's cost to correct the defective Work and/or the purchase price of the equipment shown to be defective. Equipment, material and/or parts that are not manufactured by Company are not warranted by Company and have such warranties as may be extended by the respective manufacturer. **THE WARRANTY AND LIABILITY SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND/OR OTHERS ARISING FROM COURSE OF DEALING OR TRADE. COMPANY MAKES NO REPRESENTATION OR WARRANTY EXPRESS OR IMPLIED REGARDING PREVENTION BY THE WORK, OR ANY COMPONENT THEREOF, OF MOLD/MOULD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES. COMPANY SPECIFICALLY DISCLAIMS ANY LIABILITY IF THE WORK OR ANY COMPONENT THEREOF IS USED TO PREVENT OR INHIBIT THE GROWTH OF SUCH MATERIALS.**

20. Insurance. Company agrees to maintain the following insurance while the Work is being performed with limits not less than shown below and will, upon request from Customer, provide a Certificate of evidencing the following coverage:

Commercial General Liability	\$2,000,000 per occurrence
Automobile Liability	\$2,000,000 CSL
Workers Compensation	Statutory Limits

If Customer has requested to be named as an additional insured under Company's insurance policy, Company will do so but only subject to Company's manuscript additional insured endorsement under its primary Commercial General Liability policies. In no event does Company waive its right of subrogation.

21. Commencement of Statutory Limitation Period. Except as to warranty claims, as may be applicable, any applicable statutes of limitation for acts or failures to act shall commence to run, and any alleged cause of action stemming therefrom shall be deemed to have accrued, in any and all events not later than the last date that Company or its subcontractors physically performed work on the project site.

22. General. Except as provided below, to the maximum extent provided by law, this Agreement is made and shall be interpreted and enforced in accordance with the laws of the state or province in which the Work is performed, without regard to choice of law principles which might otherwise call for the application of a different state's or province's law. Any dispute arising under or relating to this Agreement that is not disposed of by agreement shall be decided by litigation in a court of competent jurisdiction located in the state or province in which the Work is performed. Any action or suit arising out of or related to this Agreement must be commenced within one year after the cause of action has accrued. To the extent the Work site is owned and/or operated by any agency of the Federal Government, determination of any substantive issue of law shall be according to the Federal common law of Government contracts as enunciated and applied by Federal judicial bodies and boards of contract appeals of the Federal Government. This Agreement contains all of the agreements, representations and understandings of the parties and supersedes all previous understandings, commitments or agreements, oral or written, related to the subject matter hereof. This Agreement may not be amended, modified or terminated except by a writing signed by the parties hereto. No documents shall be incorporated herein by reference except to the extent Company is a signatory thereon. If any term or condition of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, all other terms and conditions of this Agreement will nevertheless remain in full force and effect as long as the economic or legal substance of the transaction contemplated hereby is not affected in a manner adverse to any party hereto. Customer may not assign, transfer, or convey this Agreement, or any part hereof, or its right, title or interest herein, without the written consent of the Company. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of Customer's permitted successors and assigns. This Agreement may be executed in several counterparts, each of which when executed shall be deemed to be an original, but all together shall constitute but one and the same Agreement. A fully executed facsimile copy hereof or the several counterparts shall suffice as an original.

23. Equal Employment Opportunity/Affirmative Action Clause. Company is a federal contractor that complies fully with Executive Order 11246, as amended, and the applicable regulations contained in 41 C.F.R. Parts 60-1 through 60-60, 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in 41 C.F.R. Part 60-250 Executive Order 13496 and Section 29 CFR 471, appendix A to subpart A, regarding the notice of employee rights in the United States and with Canadian Charter of Rights and Freedoms Schedule B to the Canada Act 1982 (U.K.) 1982, c. 11 and applicable Provincial Human Rights Codes and employment law in Canada.

24. U.S. Government Work.

The following provision applies only to direct sales by Company to the US Government. The Parties acknowledge that all items or services ordered and delivered under this Agreement are Commercial Items as defined under Part 12 of the Federal Acquisition Regulation (FAR). In particular, Company agrees to be bound only by those Federal contracting clauses that apply to "commercial" suppliers and that are contained in FAR 52.212-5(e)(1). Company complies with 52.219-8 or 52.219-9 in its service and installation contracting business.

The following provision applies only to indirect sales by Company to the US Government. As a Commercial Item Subcontractor, Company accepts only the following mandatory flow down provisions: 52.219-8; 52.222-26; 52.222-35; 52.222-36; 52.222-39; 52.247-64. If the Work is in connection with a U.S. Government contract, Customer certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the contracting officer and officials of the Small Business Administration, on all matters related to the prime contract, including but not limited to all aspects of its ownership, eligibility, and performance. Anything herein notwithstanding, Company will have no obligations to Customer unless and until Customer provides Company with a true, correct and complete executed copy of the prime contract. Upon request, Customer will provide copies to Company of all requested written

communications with any government official related to the prime contract prior to or concurrent with the execution thereof, including but not limited to any communications related to Customer's ownership, eligibility or performance of the prime contract. Customer will obtain written authorization and approval from Company prior to providing any government official any information about Company's performance of the work that is the subject of the Proposal or this Agreement, other than the Proposal or this Agreement.

25. Limited Waiver of Sovereign Immunity. If Customer is an Indian tribe (in the U.S.) or a First Nation or Band Council (in Canada), Customer, whether acting in its capacity as a government, governmental entity, a duly organized corporate entity or otherwise, for itself and for its agents, successors, and assigns: (1) hereby provides this limited waiver of its sovereign immunity as to any damages, claims, lawsuit, or cause of action (herein "Action") brought against Customer by Company and arising or alleged to arise out of the furnishing by Company of any product or service under this Agreement, whether such Action is based in contract, tort, strict liability, civil liability or any other legal theory; (2) agrees that jurisdiction and venue for any such Action shall be proper and valid (a) if Customer is in the U.S., in any state or United States court located in the state in which Company is performing this Agreement or (b) if Customer is in Canada, in the superior court of the province or territory in which the work was performed; (3) expressly consents to such Action, and waives any objection to jurisdiction or venue; (4) waives any requirement of exhaustion of tribal court or administrative remedies for any Action arising out of or related to this Agreement; and (5) expressly acknowledges and agrees that Company is not subject to the jurisdiction of Customer's tribal court or any similar tribal forum, that Customer will not bring any action against Company in tribal court, and that Customer will not avail itself of any ruling or direction of the tribal court permitting or directing it to suspend its payment or other obligations under this Agreement. The individual signing on behalf of Customer warrants and represents that such individual is duly authorized to provide this waiver and enter into this Agreement and that this Agreement constitutes the valid and legally binding obligation of Customer, enforceable in accordance with its terms.

1-26.251-10(0315)
Supersedes 1-26.251-10(0614)