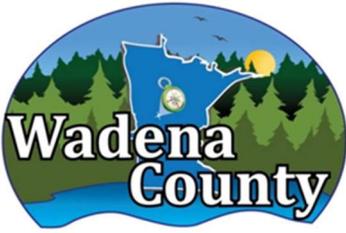


Wadena County, MN Board Action Form



Action Requested	
<input checked="" type="checkbox"/> Action/Motion	<input type="checkbox"/> Report
<input checked="" type="checkbox"/> Discussion	<input type="checkbox"/> Resolution
<input checked="" type="checkbox"/> Information Item	<input type="checkbox"/> Other
<input type="checkbox"/> Consent Agenda Item	

Replacement of Wadena County Human Services' HVAC System	
Date of Meeting: 7/8/2025	Total time requested: 20 minutes
Department Requesting Action: Interim Administrator/HR Director	
Presenting Board Action/Discussion at Meeting: Jennifer Westrum, MS, LP	
Background <input checked="" type="checkbox"/> Supporting Documentation enclosed	
At the request of the county board after the last Building & Grounds Committee Meeting, a quote was sought from Johnson Controls to replace the HVAC System at Human Services. This was done through the Sourcewell Cooperative Purchasing Procurement Program. The total dollar amount to replace the HVAC System is \$398,200.00.	
Options <input type="checkbox"/> Supporting Documentation enclosed	
Recommendation <input checked="" type="checkbox"/> The Wadena County Board of Commissioners approves the following by Motion:	
The Wadena County Board of Commissioners.....	
Financial Implications:	Comments
Funding Source:	
Budgeted: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Action	Voting in Favor	Voting Against
Motion:	<input type="checkbox"/> Noon	<input type="checkbox"/> Noon
Second:	<input type="checkbox"/> Winkels	<input type="checkbox"/> Winkels
<input type="checkbox"/> Passed	<input type="checkbox"/> Stearns	<input type="checkbox"/> Stearns
<input type="checkbox"/> Failed	<input type="checkbox"/> Kreklau	<input type="checkbox"/> Kreklau
<input type="checkbox"/> Tabled	<input type="checkbox"/> Kangas	<input type="checkbox"/> Kangas

<p>Signatures</p> <p>STATE OF MINNESOTA} COUNTY OF Wadena}</p> <p>I, Heather Olson, County Auditor/Treasurer, Wadena County, Minnesota hereby certify that I have compared the foregoing copy of the proceedings of the County Board of said County with the original record thereof on file in the Administration Office of Wadena County in Wadena, Minnesota as stated in the minutes of the proceedings of said board and that the same is a true and correct copy of said original record and of the whole thereof, and that said motion was duly passed by said board at said meeting. Witness my hand and seal:</p>
--



Wadena County Human Services

Date: May 18, 2025

Name: HVAC Upgrades

Document Type: Construction Agreement

Wadena County

Owner: Wadena County

Address: 415 Jefferson Street
Wadena, MN 56482

Phone: (218) 631-7650

Website: www.co.wadena.mn.us

Owner Contact: Sean Uselman

Title: Building Services Supervisor

Phone: (218) 631-7644

Mobile: (218) 539-2614

Email: sean.uselman@co.wadena.mn.us

Johnson Controls Inc

Name: Johnson Controls Inc.

Address: HVAC Branch Office
2320 12th Street North
Fargo, ND 58102

Phone: (701) 293-1140

24x7 Service Calls: (866) 818-5332

Website: www.johnsoncontrols.com

Contact: Jonathan Paul

Title: HVAC Account Executive

Phone: (701) 630-0548

Email: jonathan.f.paul@jci.com

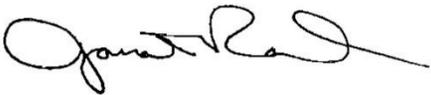
EXECUTIVE SUMMARY

Wadena County has requested Johnson Controls to propose a retrofit project aimed at replacing the HVAC equipment at the Human Services Building. The County has identified the equipment requiring replacement, and Johnson Controls has provided pricing for each equipment type on this construction contract proposal. Pricing for each Facility Improvement Measure is provided to help the County make financial decisions aligned with their priorities. By completing this HVAC upgrade, the County can ensure the facility operates efficiently, minimizing downtime and avoiding unexpected repair costs associated with aging equipment.

The proposed project is structured as a turnkey construction agreement and will leverage a cooperative purchasing arrangement through Sourcewell, ensuring a streamlined and cost-effective process. This approach follows the same successful framework used in our previous collaboration on the Courthouse project in 2023-24. Johnson Controls will manage all aspects of the retrofit, including procurement, installation, and commissioning, enabling the County to focus on selecting the Facility Improvement Measures that align with their operational and financial goals.

Once Wadena County identifies the specific measures they wish to implement, Johnson Controls will immediately begin procuring long-lead equipment to prevent delays and ensure timely completion of the project. Additionally, we will work collaboratively with the County to develop a detailed project schedule based on the final scopes of work and confirmed lead times for the new HVAC equipment. This partnership-driven approach ensures transparency and alignment throughout the project timeline. We look forward to continuing our partnership with Wadena County and delivering another successful project that enhances the performance and reliability of its facilities.

Respectfully,

A handwritten signature in black ink, appearing to read "Jonathan Paul".

Jonathan Paul
HVAC Account Executive
Johnson Controls, Inc.



Prime Retrofit Team Simplified Procurement of HVAC Equipment, Products, and Services

Project Proposal

Overview

We propose to furnish and install the equipment and materials for the project described in the scopes of work below for the net price of:

\$398,200.00

THREE HUNDRED NINETY-EIGHT THOUSAND, TWO HUNDRED AND 00/100 DOLLARS

Scopes of Work

See scopes of work listed in the sections below:

- This proposal incorporates the responsibilities for turnkey services for each of the Facility Improvement Measures and their individual scopes of work referenced in this proposal.

Facility Improvement Measure (FIM) List:

FIM 1:	RTU Replacements	\$262,400.00
FIM 2:	Exhaust Fan Replacements	\$23,500.00
FIM 3:	Twinned Furnace Replacement	\$95,800.00
FIM 4:	Boiler Demo / New Electric Radiant Ceiling Panels	\$24,400.00
		\$406,100.00
FIM 1-4	Bundle All FIM's (Reduces Pricing)	\$398,200.00

- Our equipment and workmanship will be warranted for a period of one year from substantial completion.
- Exclusions and Terms & Conditions at the back of this contract are to be included as part of the contract.
- This was priced in accordance with the Sourcwell Master Agreement #080824-JHN in compliance with Minnesota's State Statute § 471.345. Uniform Municipal Contracting Law.

This proposal and alternates listed below are hereby accepted and Johnson Controls is authorized to proceed with work; subject, however to credit approval by Johnson Controls, Inc., Milwaukee, Wisconsin.

This proposal is valid until: June 19, 2025

Wadena County

Johnson Controls, Inc.

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Sign: _____

Sign: _____

FACILITY IMPROVEMENT MEASURES

FIM 1: Roof Top Unit Replacements

Turnkey Pricing

\$ 262,400.00 Labor and Materials

Scope of work:

- Remove five (5) Roof Top Units and associated materials and dispose of properly.
- Furnish five (5) new Roof Top Units with Curb Adapters
- Set new Curb Adapter on existing roof curbs ensuring a watertight seal to the roof curb.
- Crane in place five (5) new Roof Top Units on the new Curb Adapters ensuring a watertight seal.
- Gas lines to be disconnected from existing and reconnected to new Roof Top Units with new Regulators.
- All gas lines on the roof will be supported with poly blocking.
- Supply a roof hydrant for cleaning RTU coils. Includes the plumbing and roofing as needed.
- Electrical will be disconnected and reconnected to each Roof Top Unit including the fire detection.
- New Roof Top Units will come with BACnet Control Boards, which Johnson Controls will tie into Metasys. A new wall sensor will be installed for each Roof Top Unit in the same location as the existing stand-alone thermostats.
- A new BACnet Router will be installed as part of this FIM. This router will provide the communication device needed to tie the Human Services building to the Metasys engine at the County Courthouse.
- Complete the factory start up needed on each new Roof Top Unit.
- Complete a performance test and balance on the Roof Top Units.
- Owner's instructions will be provided during the startup of the equipment and for the new controls.

FIM 2: Exhaust Fan Replacements

Turnkey Pricing

\$ 23,500.00 Labor and Materials

Scope of work:

- Remove four (4) Exhaust Fans on the roof and dispose of properly.
- Furnish four (4) new Exhaust Fans to fit on existing roof curbs.
- Set new Exhaust Fans on existing roof curbs ensuring a watertight seal to the roof curb.
- Electrical will be disconnected and reconnected to each Exhaust Fan reusing the existing electrical conductors.
- Exhaust fans will also be added to the Metasys system and can be controlled with a schedule.
- Complete a performance test and balance on the Exhaust Fans.
- Owner's instructions will be provided during the startup of the equipment and for the new controls.

FIM 3: Twinned Furnace Replacement

Turnkey Pricing

\$ 95,800.00 Labor and Materials

Scope of work:

- Remove the two (2) existing Twinned Furnaces, Air Cooled Condensing Units, & associated refrigerant lines and dispose of properly. Supply and Return ductwork will need to be disconnected.
- Furnish two (2) Furnaces, two (2) Air Cooled Condensing Units, & two (2) Cased Coils, TXV's Twinning Kit, & Refrigerant Detection Sensor.
- Furnish and install new refrigerant lines between the Air-Cooled Condensing Units and the Cased Coils.
- Furnish and install new filter racks and steam humidifier.
- Reuse the existing damper for economizer.
- Furnish and install new duct transitions will be fabricated to fit to the existing ductwork from the new Furnaces.
- Gas lines to be disconnected from existing and reconnected to new Furnaces with new Regulators.
- Electrical will be disconnected and reconnected to the Furnaces and Air-Cooled Condensing Units.
- New condensate traps will be installed on each Furnace.
- Johnson Controls will tie this system into Metasys so that the Furnace, Humidifier, and Economizer (utilizing the existing damper) are all visible to the Metasys User Interface.
- Complete factory start up and owner's instructions on the Furnaces and Air-Cooled Condensing Units.

FIM 4: Boiler Demo / New Electric Radiant Ceiling Panels

Turnkey Pricing

\$ 24,400.00 Labor and Materials

Scope of work:

- Remove one (1) Boiler & circulation pump and dispose of properly.
- The existing Supply / Return hot water piping and gas piping will be capped at ceiling height.
- Boiler exhaust venting will be demolished and sealed above the roof.
- Electrical feeding the boiler will be demolished and properly terminated in the electrical panel.
- Furnish and install three (3) new electric radiant ceiling panels in the offices on the main floor that were utilizing the hot water radiation. New electrical circuits will be completed from the existing panel.
- Furnish and install new wall sensors for each radiant ceiling panel and tie into Metasys.

Project Management Scope

Overview: JCI's PM Team will be responsible to work with the owner's Administration and Facilities Director to complete all the associated work for the proposed project. It will be the PM Team's job to ensure that this project will run smoothly and efficiently and to keep the owner informed of the project progress along the way.

Design: JCI's PM Team will be responsible for the coordination and completion of the design drawings and specifications needed for this project. The PM Team will coordinate between the design team and the owner to ensure that the design meets expectations and site conditions.

Procurement: Long lead materials and equipment will be identified at the beginning of this project and the PM Team will quickly procure and track the progress of these items to minimize delays. In addition, the PM Team will meet with qualified local subcontractors, tradesman, & vendors and find the best team for this project. All subcontractors hired by JCI will communicate and coordinate directly through JCI's representatives during this project not the owner. Qualifications for subcontractors will include their prior history with JCI & the owner as well as their pricing, bonding, and ability to meet the project schedule.

Scheduling: Project Schedules will be submitted to the owner during the construction kick off meeting and updated as needed throughout the project. The PM Team is responsible to ensure that our vendors and subcontracts have the manpower and materials necessary to follow our project schedule and we will require adjustments to do so at our weekly progress meetings.

Project Meetings:

1. Project Kick Off Meeting will be held with the JCI Development Team and the Owner's Administration and Operations Team and will turn over control of the project to the PM Team.
2. Project Construction and Safety Meetings will be coordinated with subcontractors and the owner's representative throughout the project schedule. Safety training and construction updates to the ongoing scheduled work will be given by the subcontractors and the PM Team.
3. Project Close Out Meeting will be held at the end of this project to turn the systems back over to the Owner. Owner instructions will be provided by the subcontractors, vendors, & manufacturers during the project close out. The PM Team will coordinate times with the owner. All project documentation will be turned over to the owner at the Turnover Meeting and include Operating & Maintenance Manuals, Shop Drawings, As Built Drawings, & Test Results.

Site Supervision: JCI's PM Team provides Site Supervision throughout this project and is the sole line of communication to our trades. JCI will coordinate directly with the owner on scheduling the scopes included in our proposal. The manpower on site will be continuously evaluated to help assess if we can maintain the project schedule. The PM Team will ensure that the job site remains clean and organized throughout construction and that our safety policies are adhered.

Safety: Johnson Controls Safety Policies will be adhered to and required by anyone that is on site during this project. The role of PM Team will act simultaneously as the Safety Representative for this project. The PM Team will responsibly coordinate and execute our safety policies during all construction activities. Whenever possible JCI will be onsite to supervise the installation activities. If necessary JCI will coordinate with the subcontractors to assign a safety representative for their company if they are approved to work without JCI's direct supervision.

Exclusions

- Lead Paint abatement
- Fire and Smoke Dampers- Replacement or upgrades to existing and installation of new are excluded.
- Energy recovery is excluded from this proposal.
- Excludes liquidated damages.
- Excludes commissioning of the building's HVAC systems
- Excludes Electrical Switchgear Upgrades and/or replacements.
- Excludes any inspections or update requests not included in the scopes above. This includes but is not limited to any pre-existing code compliance issues around life safety, fire rated walls, fire dampers, fire alarms, etc.
- Excludes changes to the layout or construction of any existing walls, floors, casework, or doors.
- Temporary heating or ventilation during the installation of the project.
- Room finishes, flooring, painting, wall coverings, carpet, tiles, floor coverings, etc.
- Final cleaning of the areas not related to the mechanical spaces that we are working in.
- Fire protection system updates.
- Repair or replacement of defective mechanical, electrical or controls equipment, except the equipment described in the scope description. Johnson Controls will identify the location of defective equipment and notify The Owner. Repair or upgrades required due to bring adjacent controls, electrical and mechanical systems up to code. Correction of any existing applicable building code violations and Federal Americans with Disabilities Act (ADA) violations identified by Johnson Controls during the execution of the Work. Such violations will be brought to the attention of the customer for remedy.
- Overtime work caused by unforeseen circumstances beyond the control of Johnson Controls, such as or scheduling changes by The Owner. The cost difference between the overtime work wages and normal time work wages will be the responsibility of XX calculated as [(overtime rate – normal rate) x hours].
- Asbestos abatement and removal for this project is entirely the responsibility of The Owner. Johnson Controls is continuing to work with The Owner and our subcontractors to sufficiently identify the scope, costs, and project scheduling implications of any required abatement such that The Owner can adequately plan for this requirement. If hazardous materials are encountered during the implementation phase, Johnson Controls will immediately stop work, take measures to reduce any contamination, and notify the owner facility manager of the possible hazardous material condition and location. Johnson Controls will then request that The Owner remove and dispose of the hazardous materials prior to any continuation of work. Hazardous materials encountered during the ongoing service phase of the project will remain the property and disposal responsibility of The Owner.
- The cost of hazardous material abatement or removal, such as asbestos, mold and lead paint that is not currently specified in the engineering scope of work. In the event hazardous materials are uncovered and abatement is beyond the ability of Johnson Controls to abate under this contract, the SCOPE will be evaluated for possible removal from the scope of work or the transfer of this responsibility to The Owner.
- Existing building ventilation conditions and indoor air quality issues are excluded from the scope and cost of this project.
- Repairs/replacement of insulation, piping, electrical or ductwork found to be corroded or rusted or otherwise unacceptable for installation of components or fittings required for installation other than what is specified in the scope of work.

- Engineering services, studies and analysis.
- Resolution of existing design, service and or distribution conditions known or unknown.
- Unknown permits, fees or processes required by local or oversight jurisdiction and/or utilities.

Signed Agreement

Prices include estimated state and local taxes on material, but excludes change orders.
 Any additional taxes, duties, tariffs or similar items imposed prior to shipment will be charged.

(Important: this proposal incorporates by reference the terms and conditions on the last page of this document)			
This proposal is hereby accepted, and Johnson Controls, Inc. is authorized to proceed with the work, subject however, to credit approval by Johnson Controls International plc		This proposal is valid until Thirty (30) Days From Date Above Johnson Controls Inc	
Signature		Signature	
Name:		Name:	JONATHAN PAUL
Company:		Company:	JOHNSON CONTROLS INC
P.O. #:		Title:	HVAC ACCOUNT EXECUTIVE
Date:		JCI Office Location:	

Invoice Agreement

CUSTOMER ACCEPTANCE:

In accepting this Agreement, Customer agrees to the terms and conditions contained herein including those on the following page(s) of this Agreement and any attachments or riders attached hereto that contain additional terms and conditions. It is understood that these terms and conditions shall prevail over any variation in terms and conditions on any purchase order or other document that Customer may issue. Any changes requested by Customer after the execution of this Agreement shall be paid for by the Customer and such changes shall be authorized in writing. **ATTENTION IS DIRECTED TO THE LIMITATION OF LIABILITY, WARRANTY, INDEMNITY AND OTHER CONDITIONS CONTAINED IN THIS AGREEMENT.**

Customer agrees to pay Johnson Controls pursuant to the progress-based billing schedule of values below. If the schedule of values includes an upfront deposit, it will be paid within 30 days of contract signing and Johnson Controls will not commence work until the upfront deposit is received. Customer agrees to pay for materials, goods, and equipment (ordered, delivered, or stored) pursuant to the schedule of values, prior to installation commencement. The remaining portion of the total price will be progress billed through completion of the work. Johnson Controls progress-based billing can also include any services performed on-site or off-site. All invoices will be delivered via email, paid via ACH/EFT bank transfer and are due NET 30 days from the date of the invoice. ACH/EFT bank transfer details will be provided upon contract execution. The proposed total price is contingent on Customer agreeing to these payment and invoicing terms.

Schedule of Values	
Description of Work	%
Deposit	TBD*
Mobilization	10%
Engineering	TBD*
Material	TBD*
Installation	TBD*
Commissioning	TBD*
*To be mutually agreed upon in writing at a later date	

This offer shall be void if not accepted in writing within thirty (30) days from the date first set forth above.

To ensure that JCI is compliant with your company's billing requirements, please provide the following information:

PO is required to facilitate billing:

- No:** This signed contract satisfies requirement
- Yes:** Please reference this PO Number _____

AR Invoices are accepted via e-mail:

- YES:** E-mail address to be used: _____
- NO:** Please submit invoices via mail
- NO:** Please submit via _____

Acknowledge 50% Deposit Invoice **YES**

Terms and Conditions

Standard Terms and Conditions – U.S.A. and Canada

“JCI” or “Johnson Controls” shall mean Johnson Controls, Inc. for work performed in the U.S.A. and Johnson Controls Canada LP for work performed in Canada. These terms and conditions are an integral part of JCI’s offer and form the basis of any agreement (the “Agreement” resulting from JCI’s proposal for the goods and/or services described. By accepting this proposal, Purchaser agrees to be bound by the following terms and conditions:

(1) SCOPE OF WORK. This proposal is based upon the use of straight time labor only. JCI and its subcontractors shall be provided access to the work site during regular business hours, or such other hours as may be requested by JCI, including sufficient areas for staging, mobilization and storage. Plastering, patching and painting are excluded. “In-line” duct and piping devices, including, but not limited to, valves, dampers, humidifiers, wells, taps, flow meters, orifices, etc., if required hereunder to be furnished by JCI, shall be distributed and installed by others under JCI’s supervision but at no additional cost to JCI. Purchaser agrees to provide JCI with required field utilities (electricity, toilets, drinking water, project hoist, elevator service, etc.) without charge. JCI agrees to keep the job site clean of debris arising out of its own operations. JCI’s obligation is limited to the scope of work set forth in JCI’s proposal 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 JCI be required to perform any work JCI reasonably believes is outside the scope of work without a written change order signed by Purchaser and JCI. In the performance of the work, if JCI encounters conditions at the work site that are (i) subsurface or otherwise concealed physical conditions that differ materially from those indicated on drawings or (ii) unknown physical or pre-existing conditions of an unusual nature that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the type and character of the work, JCI shall notify Purchaser of such conditions. If such conditions differ materially and cause an increase in JCI’s costs of, or time required for, performance of any part of the work, JCI shall be entitled to and Purchaser shall consent by change order to, an equitable adjustment of the contract price, contract time or both. Purchaser shall not charge any retention or back charge JCI for any costs or expenses without JCI’s written consent unless specifically noted in the statement of the scope of work or services undertaken by JCI under this Agreement, JCI’s obligations under this Agreement expressly exclude any work or service of any nature associated or connected with the identification, abatement, clean up, control, removal, or disposal of environmental hazards or dangerous substances, to include but not be limited to asbestos or PCSs, discovered in or on the premises. Any language or provision of the Agreement elsewhere contained which may authorize or empower the Purchaser to change, modify, or alter the scope of work or services to be performed by JCI shall not operate to compel JCI to perform any work relating to such hazards or substances without JCI’s express written consent.

(2) DEPOSIT, INVOICING & PAYMENTS. Purchaser agrees to pay JCI pursuant to the progress billing schedule of values set forth in JCI’s proposal. If the schedule of values includes an upfront deposit, it will be paid within 30 days of contract signing and JCI will not commence work until the upfront deposit is received. Customer agrees to pay for materials, goods, and equipment (ordered, delivered, or stored) pursuant to the schedule of values, prior to installation commencement. JCI progress-based billing can also include services performed on-site or off-site. All invoices will be delivered via email, paid via ACH/EFT bank transfer and are due net 30 days from the date of invoice. ACH/EFT bank transfer details will be provided upon contract execution. The proposed total price is contingent on Purchaser agreeing to these payment and invoicing terms. Waivers of lien will be furnished upon request as the work progresses to the extent payments are received. Invoicing disputes must be identified in writing within 21 days of the date of invoice. Payments of any disputed amounts are due and payable upon resolution. All other undisputed amounts remain due within 30 days from the date of invoice. This Agreement is entered into with the understanding that the work or services to be provided by JCI are not subject to any local, state, or federal prevailing wage statute. If it is later determined that local, state, or federal prevailing wage rates apply to JCI’s work or services, JCI reserves the right to issue a modification or change order to adjust the wage rates to the required prevailing wage rate. Purchaser agrees to pay for the applicable prevailing wage rates. In the event of Purchaser’s default, the balance of any outstanding amounts will be immediately due and payable. Payment is a condition precedent to JCI’s obligation to perform under the Agreement. Purchaser acknowledges and agrees that timely payments of the full amounts listed on invoices is an essential term of this Agreement and that failure to make payment in full when due is a material breach of this Agreement. Purchaser further acknowledges that if there is any amount outstanding on an invoice, it is material to JCI and will give JCI, without prejudice to any other right or remedy, the right to, without notice: (i) suspend, discontinue or terminate performing any work and/or withhold further deliveries of equipment and other materials, terminate or suspend any unpaid software licenses, and/or suspend JCI’s obligations under or terminate this Agreement; and (ii) charge Purchaser interest on the amounts unpaid at a rate equal to the lesser of one and one half (1.5) percent per month or the maximum rate permitted under applicable law, until payment is made in full; and (iii) pay all of JCI’s costs of collection, including (1) actual out of pocket expenses and (2) charge Purchaser a collection fee of twenty-five percent (25%) of the past due amount if collected through a collection agency or attorney and thirty-five percent (35%) if litigation is commenced to collect such past due amount. JCI’s election to continue providing future services does not, in any way diminish JCI’s right to terminate or suspend services or exercise any or all rights or remedies under this Agreement. JCI shall not be liable for any damages, claims, expenses, or liabilities arising from or relating to suspension of services for non-payment. In the event that there are exigent circumstances requiring work or JCI otherwise performs work or services at the premises following suspension, those services shall be governed by the terms of this Agreement unless a separate contract is executed. If Purchaser disputes any late payment notice or JCI’s efforts to collect payment, Purchaser shall immediately notify JCI in writing and explain the basis of the dispute. JCI may increase prices upon notice to the Purchaser to reflect increases in material and labor costs. Prices may be adjusted by JCI prior to shipment or installation to take into account increases in the cost of raw materials, component parts, third party products or labor rates or taxes; Trade Restrictions (as defined below); government actions; or to cover any unforeseen or other extra cost elements. “Trade Restrictions” means any additional or new tariff/duty, quota, tariff-rate quota, or cost associated with the withdrawal of tariff/duty concessions pursuant to a trade agreement(s). In the event JCI is unable, after reasonable commercial efforts, to acquire and provide steel products, or products made from plastics or other commodities, if required to perform work required by this Agreement, Purchaser hereby agrees that JCI may terminate the Agreement, or the relevant portion of the Agreement, at no additional cost and without penalty. JCI may terminate the work immediately upon notice to the Purchaser if JCI, in its sole discretion, determines that the premises are unsafe to be accessed by JCI’s employees or subcontractors.

(3) MATERIALS. If the materials or equipment included in this proposal become temporarily or permanently unavailable for reasons beyond the control and without the fault of JCI, then in the case of such temporary unavailability, the time for performance of the work shall be extended to the extent thereof, and in the case of permanent unavailability, JCI shall (a) be excused from furnishing said materials or equipment, and (b) be reimbursed for the difference between the cost of the materials or equipment permanently unavailable and the cost of a reasonably available substitute therefore. Orders for materials or equipment included may be cancelled or modified by Purchaser only with JCI’s express written consent. If cancellation or modification is allowed, Purchaser agrees to pay to JCI all expenses incurred and damage sustained by JCI on account of such cancellation or modification, plus a reasonable profit. At a minimum, Purchaser agrees to pay the following cancellation charges if JCI consents to cancellation in writing of equipment manufactured by JCI: For stock units, Purchaser will owe a restocking fee of ten percent (10%) of total sale price for such units. For custom units, cancelled by Purchaser after release to fabrication, cancellation charges shall be calculated according to the following formula: Cancellation charge = $(X + 0.1) \times \text{custom equipment sell price} / Y$, where X = number of weeks from date of release for fabrication to the date of Purchaser notice of cancellation and Y = number of weeks for delivery as offered at the time of the contract. JCI shall also be entitled to recover for all on site labor performed up to cancellation, plus reasonable demobilization costs.

(4) LIMITED WARRANTY. JCI warrants that the equipment manufactured by it shall be free from defects in material and workmanship arising from normal usage for a period of twelve (12) months from delivery of said equipment, or if installed by JCI, for a period of twelve (12) months from installation, whichever occurs first. No warranty is provided for third-party products and equipment installed or furnished by JCI. Such products and equipment are provided with the third-party manufacturer's warranty to the extent available, and JCI will transfer the benefits, together with all limitations, of that manufacturer's warranty to Purchaser. For equipment installed by JCI, if Purchaser provides written notice to JCI of any such defect within thirty (30) days after the appearance or discovery of such defect, JCI shall, at its option, repair or replace the defective equipment. All transportation charges incurred in connection with the warranty for equipment not installed by JCI shall be borne by Purchaser. These warranties do not extend to any equipment which has been repaired by others, abused, altered or misused, or which has not been properly and reasonably maintained. **THESE WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THOSE OF MERCHANTABILITY AND FITNESS FOR A SPECIFIC PURPOSE.** JCI makes no and specifically disclaims all representations or warranties that the services, products, software or third-party product or software will be secure from cyber threats, hacking or other similar malicious activity, or other similar malicious activity, or will detect the presence of, or eliminate, treat, or mitigate the spread transmission, or outbreak of any pathogen, disease, virus or other contagion, including but not limited to COVID 19.

(5) LIABILITY. To the maximum extent permitted by law, in no event shall JCI and its affiliates and their respective personnel, suppliers and vendors ("JCI Parties") be liable to Purchaser or any third party under any cause of action or theory of liability even if advised of the possibility of such damages, for any: (a) special, incidental, indirect, punitive or consequential damages; (b) loss of business, use, profits, revenues, customer opportunities, anticipated savings or goodwill; (c) business interruption; or (d) data loss or other losses arising from viruses, ransomware, cyber-attacks or failures or interruptions to network systems arising in any manner from the equipment or material furnished or the work performed pursuant to this Agreement. In any case, the entire aggregate liability of the JCI Parties under this Agreement for all damages, losses, causes of action, whether in contract, tort (including negligence), or otherwise, shall be limited to the amount actually received by JCI for the performance of its obligations hereunder.

(6) TAXES/TARIFFS. Prices do not include taxes, fees, duties, tariffs, false alarm assessments, permits and levies or other charges imposed and/or enacted by a government, however designated or imposed (collectively, "Taxes"). All Taxes are the responsibility of Purchaser, unless Purchaser presents an exemption certificate acceptable to JCI and the applicable taxing authorities. If JCI is required to pay any such Taxes or other charges, Purchaser shall reimburse JCI on demand. If any such exemption certificate is invalid, then Purchaser will immediately pay JCI the amount of the Taxes, plus penalties and interest.

(7) SCHEDULE. JCI and Purchaser shall mutually agree upon a schedule for completion of the work. In the event Purchaser desires to change or accelerate the schedule or the schedule is otherwise accelerated, delayed, or impacted for reasons beyond the control of JCI, JCI shall be entitled to a change order equitably adjusting the compensation of JCI to account for the increased costs associated with such schedule changes.

(8) DELAYS. JCI shall not be liable for any delay in the performance of the work resulting from or attributed to acts or circumstances beyond JCI's control, including, but not limited to Force Majeure Events, conditions of the premises, acts or omissions of the Purchaser, Owner or other contractors or delays caused by suppliers or subcontractors of JCI.

(9) COMPLIANCE WITH LAWS. JCI shall comply with all applicable federal, state and local laws and regulations and shall obtain all temporary licenses and permits required for the prosecution of the work. Licenses and permits of a permanent nature shall be procured and paid for by the Purchaser.

(10) DISPUTES. JCI 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. For Purchasers located in the United States, the laws of Delaware shall govern the validity, enforceability, and interpretation of this Agreement, without regard to conflicts of law principles thereof, and the exclusive venue for any such litigation or arbitration shall be in Milwaukee, Wisconsin. For Purchasers located in Canada, the laws of Ontario shall govern the validity, enforceability, and interpretation of this Agreement, without regard to conflicts of law principles thereof, and the exclusive venue for any such litigation or arbitration shall be in Ontario, Canada. The parties waive any objection to the exclusive jurisdiction of the specified forums, including any objection based on forum non conveniens. In the event the matter is submitted to a court, JCI and Purchaser hereby agree to waive their right to trial by jury. In the event the matter is submitted to arbitration by JCI, the costs of arbitration shall be borne equally by the parties, and the arbitrator's award may be confirmed and reduced to judgment in any court of competent jurisdiction. Purchaser will pay all of JCI's reasonable collection costs (including legal fees and expenses) as provided in Section 2. Except as provided below, no claim or cause of action, whether known or unknown, shall be brought by either party against the other more than one year after the claim first arose. Claims not subject to the one-year limitation include claims by JCI for unpaid: (1) contract amounts, (2) change order amounts (approved or requested) and (3) delays and/or work inefficiencies.

(11) INSURANCE. Insurance coverage in excess of JCI's standard limits will be furnished when requested and required. No credit will be given or premium paid by JCI for insurance afforded by others.

(12) INDEMNITY. To the fullest extent permitted by law, JCI and Purchaser shall indemnify 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, actions, costs, expenses or liabilities to the extent attributable to the actions or omissions of the other party. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault.

(13) PATENTS. JCI shall defend or, at its own option settle, any action against Purchaser brought by a third party to the extent that the action is based upon a claim that the equipment provided under the Agreement infringes any U.S. patents or copyrights for Purchasers located in the United States or Canadian patents or copyrights, for Purchasers located in Canada, or misappropriates any trade secrets of a third party ("Claim"), provided that: (i) Purchaser gives JCI prompt written notice of any such Claim, (ii) Purchaser gives JCI full authority to defend or settle any such Claim, and (iii) Purchaser gives JCI proper and full information and assistance, at JCI's expense (except for Purchaser's employees' time) to defend or settle any such Claim. JCI will pay those costs and damages finally awarded against Purchaser in the action that are specifically attributable to the claim or those costs and damages agreed to in a monetary settlement of the action. **THE FOREGOING IS IN LIEU OF ANY WARRANTIES OF NONINFRINGEMENT, WHICH ARE HEREBY DISCLAIMED.** The foregoing obligation of JCI does not apply with respect to products or equipment or portions or components thereof (a) not supplied by JCI, (b) made in whole or in part in accordance with Purchaser or owner specifications, (c) which are modified after shipment or installation by JCI, 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 Purchaser 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 Purchaser's use of the product or equipment is incident to an infringement not resulting primarily from the product or equipment; Purchaser will indemnify JCI 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 JCI's indemnity obligation herein.

(14) OCCUPATIONAL SAFETY AND HEALTH. The Parties hereto agree to notify each other immediately upon becoming aware of an inspection under, or any alleged violation of, the Occupational Safety and Health Act relating in any way to the project or project site.

(15) PURCHASER RESPONSIBILITIES. Purchaser is solely responsible for the establishment, operation, maintenance, access, security and other aspects of its computer network ("Network") and shall supply JCI secure Network access for providing its work or services. Products networked, connected to the internet, or otherwise connected to computers or other devices must be appropriately protected by Purchaser and/or end user against unauthorized access. Purchaser is responsible to take appropriate measures, including performing back-ups, to protect information, including without limit data, software, or files (collectively "Data") prior to receiving the work, services or products.

(16) FORCE MAJEURE. JCI shall not be liable, nor in breach or default of its obligations under this Agreement, for delays, interruption, failure to render services, or any other failure by JCI to perform an obligation under this Agreement, where such delay, interruption or failure is caused, in whole or in part, directly or indirectly, by a Force Majeure Event. A "Force Majeure Event" is a condition or event that is beyond the reasonable control of JCI, whether foreseeable or unforeseeable, including, without limitation, acts of God, severe weather (including but not limited to hurricanes, tornados, severe snowstorms or severe rainstorms), wildfires, floods, earthquakes, seismic disturbances, or other natural disasters, acts or omissions of any governmental authority (including change of any applicable law or regulation), epidemics, pandemics, disease, viruses, quarantines, or other public health risks and/or responses thereto, condemnation, strikes, lock-outs, labor disputes, an increase of 5% or more in tariffs or other excise taxes for materials to be used on the project, fires, explosions or other casualties, thefts, vandalism, civil disturbances, insurrection, mob violence, riots, war or other armed conflict (or the serious threat of same), acts of terrorism, electrical power outages, interruptions or degradations in telecommunications, computer, network, or electronic communications systems, data breach, cyber-attacks, ransomware, unavailability or shortage of parts, materials, supplies, or transportation, or any other cause or casualty beyond the reasonable control of JCI. If JCI's performance of the work is delayed, impacted, or prevented by a Force Majeure Event or its continued effects, JCI shall be excused from performance under the Agreement. Without limiting the generality of the foregoing, if JCI is delayed in achieving one or more of the scheduled milestones set forth in the Agreement due to a Force Majeure Event, JCI will be entitled to extend the relevant completion date by the amount of time that JCI was delayed as a result of the Force Majeure Event, plus such additional time as may be reasonably necessary to overcome the effect of the delay. To the extent that the Force Majeure Event directly or indirectly increases JCI's cost to perform the services, Purchaser is obligated to reimburse JCI for such increased costs, including, without limitation, costs incurred by JCI for additional labor, inventory storage, expedited shipping fees, trailer and equipment rental fees, subcontractor fees or other costs and expenses incurred by JCI in connection with the Force Majeure Event.

(17) FAR. In the United States, JCI supplies "commercial items" within the meaning of the Federal Acquisition Regulations (FAR), 48 CFR Parts 1-53. As to any customer order for a U.S. Government contract, JCI will comply only with those mandatory flow-downs for commercial item and commercial services subcontracts listed either at FAR 52.244-6, or 52.212-5(e)(1), as applicable.

(18) DIGITAL ENABLED SERVICES; DATA. If JCI provides Digital Enabled Services under this Agreement, these Digital Enabled Services require the collection, transfer and ingestion of building, equipment, system time series, and other data to JCI's cloud-hosted software applications. Customer consents to and grants JCI the right to collect, transfer, ingest and use such data to enable JCI and its affiliates and agents to provide, maintain, protect, develop and improve the Digital Enabled Services and JCI products and services. Customer acknowledges that, while Digital Enabled Services generally improve equipment performance and services, Digital Enabled Services do not prevent all potential malfunction, insure against all loss, or guarantee a certain level of performance. Customer shall be solely responsible for the establishment, operation, maintenance, access, security and other aspects of its computer network ("Network"), shall appropriately protect hardware and products connected to the Network and will supply JCI secure Network access for providing its Digital Enabled Services. As used herein, "Digital Enabled Services" mean services provided hereunder that employ JCI software and related equipment installed at Customer facilities and JCI cloud-hosted software offerings and tools to improve, develop, and enable such services. Digital Enabled Service may include, but are not limited to, (a) remote servicing and inspection, (b) advanced equipment fault detection and diagnostics, and (c) data dashboarding and health reporting. If Customer accesses and uses Software that is used to provide the Digital Enabled Services, the Software Terms (defined below) will govern such access and use. Certain equipment sold hereunder includes by default JCI's Connected Equipment Services. Connected Equipment Services is a data-analytics and monitoring Software platform that uses a cellular or network connection to gather equipment performance data to assist JCI in advising Purchaser on (and Purchaser in better understanding) such equipment's health, performance or potential malfunction. **If Purchaser's equipment includes Connected Equipment Services, such services will be on by default and the remote connection will continue to connect to Purchaser's Equipment through the full equipment lifecycle, unless Purchaser specifically requests in writing that JCI disable the remote connection, or Purchaser discontinues or removes such remote connection.**

(19) JCI DIGITAL SOLUTIONS. Use, implementation, and deployment of the software and hosted software products ("Software") offered under these terms shall be subject to, and governed by, JCI's standard terms for such Software and Software related professional services in effect from time to time at www.johnsoncontrols.com/techterms (collectively, the "Software Terms"). Specifically, the JCI General EULA set forth at www.johnsoncontrols.com/buildings/legal/digital/generaleula governs access to and use of software installed on Customer's premises or systems and the JCI Terms of Service set forth at www.johnsoncontrols.com/buildings/legal/digital/generaltos govern access to and use of hosted software products. The applicable Software Terms are incorporated herein by this reference. Other than the right to use the Software as set forth in the Software Terms, JCI and its licensors reserve all right, title, and interest (including all intellectual property rights) in and to the Software and improvements to the Software. The Software that is licensed hereunder is licensed subject to the Software Terms and not sold. If there is a conflict between the other terms herein and the Software Terms, the Software Terms shall take precedence and govern with respect to rights and responsibilities relating to the Software, its implementation and deployment and any improvements thereto. Notwithstanding any other provisions of this Agreement, unless otherwise agreed, the following terms apply to Software that is provided to Customer on a subscription basis (i.e., a time limited license or use right), (each a "Software Subscription"): Each Software Subscription provided hereunder will commence on the date the initial credentials for the Software are made available (the "Subscription Start Date") and will continue in effect until the expiration of the subscription term noted in the applicable statement of work, order or other applicable ordering document. At the expiration of the Software Subscription, such Software Subscription will automatically renew for consecutive one (1) year terms (each a "Renewal Subscription Term"), unless either party provides the other party with a notice of non-renewal at least ninety (90) days prior to the expiration of the then-current term. To the extent permitted by applicable law, Software Subscriptions purchases are non-cancelable, and the sums paid nonrefundable. Fees for Software Subscriptions shall be paid annually in advance, invoiced on the Subscription Start Date and each subsequent anniversary thereof. Customer shall pay all invoiced amounts within thirty calendar days after the date of invoice. Payments not made within such time period shall be subject to late charges as set forth in the Software Terms. Unless otherwise agreed by the parties in writing, the subscription fee for each Renewal Subscription Term will be priced at Johnson Controls' then-applicable list price for that Software offering.



Prime Retrofit Team Simplified Procurement of HVAC Equipment, Products, and Services

Any use of Software that exceeds the scope, metrics or volume set forth in this Agreement and applicable SOW will be subject to additional fees based on the date such excess use began.

(20) PRIVACY.

(a) *JCI as Processor.* Where JCI factually acts as Processor of Personal Data on behalf of Purchaser (as such terms are defined in the DPA) the terms at www.johnsoncontrols.com/dpa shall apply.

(b) *JCI as Controller.* JCI will collect, process and transfer certain personal data of Purchaser and its personnel related to the business relationship between it and Purchaser (for example names, email addresses, telephone numbers) as controller and in accordance with JCI's Privacy Notice at <https://www.johnsoncontrols.com/privacy>. Purchaser acknowledges JCI's Privacy Notice and strictly to the extent consent is mandatorily required under applicable law, Purchaser consents to such collection, processing and transfer. To the extent consent to such collection, processing and transfer by JCI is mandatorily required from Purchaser's personnel under applicable law, Purchaser warrants and represents that it has obtained such consent.

(21) ASSIGNMENT. This Agreement is not assignable by the Purchaser except upon written consent of JCI first being obtained. JCI shall have the right to assign this Agreement, in whole or in part, or to subcontract any of its obligations under this Agreement without notice to Purchaser.

(22) CHANGES. No change or modification of any of the terms and conditions stated herein shall be binding upon Johnson unless accepted by Johnson in writing.

(23) ENTIRE AGREEMENT. This proposal, upon acceptance, shall constitute the entire agreement between the parties and supersedes any prior representations or understandings.

T&C Version: 01/09/2025

PARTNERING WITH JOHNSON CONTROLS

✓ Public Advertisement ✓ Open Competition ✓ Bid Tab ✓ Public Award

Sourcewell Cooperative Purchasing

Sourcewell helps its members save time and money by combining the buying power of 50,000 government, education, and nonprofit organizations. Their members simply pick the appropriate contract or suppliers and Sourcewell does the rest. Sourcewell holds hundreds of competitively solicited cooperative contracts ready for use. Contracts vary from a wide array of products and services. Sourcewell awards contracts at the manufacturing level, but they can be leveraged locally to support the local dealer.

Competitive Solicitation

In 2017 Sourcewell solicited the Request for Proposal (RFP) #030817 entitled HVAC Systems, Installation, and Service with Related Products and Supplies. This RFP was advertised nationally in several places. Johnson Controls responded to the RFP along with several competitors. A Proposal Evaluation Committee used the established RFP evaluation criteria and determined JCI’s proposal response met Level-One and Level-Two Responsiveness and was evaluated. JCI ranked #1 in every evaluation category and the committee recommended the award of Contract #030817 to Johnson Controls. In 2021 Sourcewell ran a new RFP and JCI again was ranked #1 and was awarded Contract #070121. Once again in 2024 Sourcewell ran another RFP for HVAC Systems and Related Products and Services and JCI was once again ranked #1 and awarded Contract #080824-JHN.

Master Agreement #080824-JHN Documentation

Contract Documentation Master Agreement #080824-JHN

[Contract](#)

Competitive Solicitation Documentation

[Request for Proposal \(RFP\)](#)

[Proof of Publication](#)

[Proposal Opening Record](#)

[Proposal Evaluation](#)

[Board Resolutions](#)



Statute Compliance:

[Legal Authority & Compliance for Cooperative Purchasing | Sourcewell \(sourcewell-mn.gov\)](#)