

**CITY OF CHICO - CONTRACTUAL SERVICES AGREEMENT**

JOHNSON CONTROLS, INC.  
Contractor

HVAC PREVENTATIVE MAINTENANCE SERVICES AT CITY HALL &  
COUNCIL CHAMBERS  
Project Title

VARIOUS  
Budget Account Number

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**THIS CONTRACTUAL SERVICES AGREEMENT** (Agreement) is entered into on September 1, 2022, between the City of Chico, a municipal corporation under the laws of the State of California, (City) and Johnson Controls, Inc. a Wisconsin corporation, (Contractor).

**SECTION 1 - DESCRIPTION OF PROJECT**

City desires to undertake that certain project (Project) described in EXHIBIT A, entitled “DESCRIPTION OF PROJECT,” and Contractor agrees to provide City, at its own cost and expense, all services and furnish all labor and materials necessary to complete in a good, professional and substantial manner, the contractual services indicated and described in SECTIONS 2 and 3, respectively.

**SECTION 2 - SCOPE OF CONTRACTUAL SERVICES - BASIC**

Contractor shall perform those basic contractual services in connection with the Project as are set forth more particularly in EXHIBIT B, entitled “SCOPE OF CONTRACTUAL SERVICES - BASIC.”

**SECTION 3 - SCOPE OF CONTRACTUAL SERVICES - ADDITIONAL**

City and Contractor agree that it may be necessary for Contractor to perform or secure the performance of related contractual services other than those set forth herein. In such instance, Contractor shall advise City, in advance and in writing, of the need for such additional contractual services, their cost and the estimated time (if appropriate) required to perform them. Contractor shall not proceed to perform any such additional service until City has determined that such service is beyond the scope of the basic contractual services to be provided by

Contractor and has given its written authorization to perform or obtain it. Each additional service so authorized shall constitute an amendment to this Agreement, shall be identified and sequentially numbered as "Amendment No. 1" and so forth, shall be subject to all of the provisions of this Agreement, and shall be incorporated into EXHIBIT B, accordingly.

#### **SECTION 4 - COMPENSATION**

Contractor shall be compensated for contractual services rendered to City pursuant to this Agreement periodically at the rate as set forth in EXHIBIT C, entitled "COMPENSATION," and in accordance with all other applicable provisions of this Agreement. Amounts due to Contractor from City for contractual services rendered shall be evidenced by the submission to City by Contractor of an invoice, prepared in a form satisfactory to City, setting forth the amount of compensation due for the period covered by it. Each such invoice shall be forwarded to City so as to reach it on or before the 15th day of the month next following the month or months, or other applicable period, for which the contractual services invoiced were provided. City will make payment on each such invoice within 45 days of receipt of it. However, if Contractor submits an invoice which is incorrect, incomplete or not in accord with the provisions of this Agreement, then City shall not be obligated to process any payment to Contractor until a correct and complying invoice has been submitted.

#### **SECTION 5 - RESPONSIBILITY OF CONTRACTOR**

By executing this Agreement, Contractor warrants to City that Contractor possesses, or will arrange to secure from others, all of the necessary professional capabilities, experience, resources and facilities necessary to provide to City the professional services contemplated under this Agreement. In procuring the professional services of others to assist Contractor in performing the professional services set forth at EXHIBIT B or additional professional services under SECTION 3 of this Agreement, Contractor shall not employ or otherwise obtain the professional services of any person or entity known to Contractor or City to have, or be likely to develop during the term of this Agreement, an interest that is personally, or professionally, or financially adverse to any interest of City. Contractor further warrants that Contractor will follow the best current, generally accepted professional practices to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding this Project for which professional services are rendered under this Agreement.

#### **SECTION 6 - RESPONSIBILITY OF CITY**

To the extent appropriate to the contractual services contemplated by this Agreement, City shall:

- 6.1** Guarantee access to and make all provisions for Contractor to enter upon City property as required for Contractor to perform Contractor's contractual services.
- 6.2** Designate in writing a person(s) to act as City's representative with respect to the services to be performed under this Agreement. Such person(s) shall have complete authority to transmit instructions, receive information, interpret, and define City's policies and decisions with respect to materials, equipment, elements, and systems pertinent to Contractor's contractual services.
- 6.3** Give prompt written notice to Contractor whenever City observes or otherwise becomes

aware of any defect in the contractual services.

## **SECTION 7 - INDEMNIFICATION**

To the fullest extent permitted by law, Contractor shall defend (with counsel of City's choosing), indemnify and hold City, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, related to, or incident to any alleged acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, consultants or agents in connection with the services provided under this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Contractor shall reimburse City and its officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

Contractor's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law. The defense and indemnification obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by City, its directors, officials, officers, employees, agents, or volunteers. Contractor's obligation to indemnify, defend and hold harmless the City, its officers, employees and agents for claims involving "Professional Liability" claims involving acts, errors or omissions in the rendering of professional services (as defined in Civil Code section 2782.8(2), specifically, architects (Business & Professions Code section 5500), landscape architects (Business & Professions Code section 5615), professional engineers (Business & Professions Code section 6701), and professional land surveyors (Business & Professions Code section 8701)), shall be limited to the extent caused by Contractor's negligent acts, errors or omissions.

## **SECTION 8 - INSURANCE PROVISIONS**

Any requirements by City that Contractor carry general liability or any other type of insurance in connection with the services to be performed and/or contractual services to be rendered by Contractor pursuant to this Agreement shall be as set forth in EXHIBIT D, entitled "INSURANCE PROVISIONS."

## **SECTION 9 - GENERAL PROVISIONS**

### **9.1 Access to Records**

Contractor shall maintain all books, records, documents, accounting ledgers and similar materials relating to services performed for City under this Agreement on file for at least four years following the date of final payment to Contractor by City. Any duly authorized representative(s) of City shall have access to such records for the purpose of inspection, audit and copying at reasonable times during Contractor's usual and customary business hours. Contractor shall provide proper facilities to City's representative(s) for such access and inspection. Contractor shall be entitled to reasonable compensation for time and expenses related to such access and inspection activities, which shall be considered to be an additional service to City, falling under the provisions of SECTION 3 hereinabove.

**9.2 Assignment**

This Agreement is binding on the heirs, successors and assigns of the parties hereto and shall not be assigned by either City or Contractor without the prior written consent of the other.

**9.3 Changes to Scope of Services - Basic Contractual Services**

City may at any time, upon a minimum of 10 days written notice, modify the scope of basic contractual services to be provided under this Agreement. Contractor shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify City in writing. Upon agreement between City and Contractor as to the extent of said impacts to time and compensation, an amendment to this Agreement shall be prepared describing such changes. Execution of an amendment by City and Contractor shall constitute the Contractor's notice to proceed with the changed scope.

**9.4 Compliance with Laws, Rules, Regulations**

All contractual services performed by Contractor pursuant to this Agreement shall be performed in accordance and full compliance with all applicable Federal, State, or City statutes and any rules or regulations promulgated thereunder.

**9.5 Exhibits Incorporated**

All Exhibits referred to in this Agreement and attached to it are hereby incorporated in it by this reference.

**9.6 Independent Contractor**

City and Contractor agree that the relationship between them created by this Agreement is that of an employer-independent contractor. Contractor shall be solely responsible for the conduct and control of the services performed under this Agreement. Contractor shall be free to render contractual services to others during the term of this Agreement, so long as such activities do not interfere with or diminish Contractor's ability to fulfill the obligations established herein to City.

**9.7 Permits and Licenses**

Contractor shall procure all permits and licenses, pay all charges and fees and give all notices necessary and incidental to the due and lawful prosecution of the services.

**9.8 Patents**

Contractor shall assume all responsibilities arising from the use of patented materials, equipment, devices or processes used on or incorporated in the services.

**9.9 Integration; Amendment**

This Agreement represents the entire understanding of City and Contractor as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered in it. This Agreement may not be modified or altered except by amendment in writing signed by both parties.

**9.10 Control of Services - Direction**

City representative(s) designated pursuant to Subsection 6.2 of this Agreement shall decide all questions which may arise as to the quality or acceptability of materials furnished and

services performed and as to the manner of performance and rate of progress of the services, all questions which arise as to the interpretation of the specifications, all questions as to the acceptable fulfillment of this Agreement on the part of the Contractor and all questions as to claims and compensation.

**9.11 Interpretation of Specifications**

Should it appear that the services to be done or any matter relative thereto is not sufficiently detailed or explained in any specifications, special provisions, and/or related documents, Contractor shall apply to the City for such further explanations as may be necessary and shall conform to such explanations or interpretations as part of this Agreement, so far as may be consistent with their original intent. In the event of doubt or question relative to the true meaning of the specifications, reference shall be made to the City's representative(s), whose decision thereon shall be final.

**9.12 Notice to Proceed; Progress; Completion**

Upon execution of this Agreement by the parties, City shall give Contractor notice to proceed with the services. Such notice may authorize Contractor to render all of the contractual services contemplated herein, or such portions or phases as may be mutually agreed upon. In the latter event, City shall, in its sole discretion, issue subsequent notices from time to time regarding further portions or phases of the services. Upon receipt of such notices, Contractor shall diligently proceed with the services as authorized.

**9.13 Subcontracts**

Contractor shall be entitled, to the extent determined appropriate by Contractor, to subcontract any portion of the services to be performed under this Agreement. Contractor shall be responsible to City for the actions of persons and firms performing subcontract services. The subcontracting of services by Contractor shall not relieve Contractor, in any manner, of the obligations and requirements imposed upon Contractor by this Agreement.

**9.14 Term; Termination**

The term of this Agreement shall commence upon City's issuance to Contractor of a notice to proceed for all or a portion of the contractual services, as hereinabove provided, and terminate five (5) years from the date of such notice to proceed.

For each succeeding 12-month term of this Agreement, Contractor may request City to adjust the compensation rate(s) during such term. Contractor's request for such an adjustment shall be filed with City no later than January 15, and shall be accompanied by such documentation, including, but not limited to, financial reports and records, operational cost data, and the like, as may be required by City to enable it to satisfactorily evaluate and make a determination upon it. Nothing hereinabove, however, shall require City to make any adjustment therefor in response to Contractor's request. Further, in no event shall any such adjustment exceed an amount equal to 75 percent of the increase in the Consumer Price Index for All Urban Consumers (CPI-U) - U.S. City Average - as published by the Bureau of Labor Statistics, U.S. Department of Labor, for the most recent available previous 12-month period. As an example, if such Index increased 10 percent for a preceding 12-month period, an annual adjustment could not exceed 7.5 percent regardless of whether or not the Contractor's documented costs exceed 7.5 percent.

Notwithstanding the foregoing, City may, in its sole discretion, terminate this Agreement at any time and for any reason whatsoever by giving at least 10 days prior written notice of such termination to Contractor. In this latter event, Contractor shall be entitled to compensation for all service rendered and services performed for City to the date of such termination.

**9.15 Notice**

Any notices required to be given pursuant to this Agreement shall be deemed to have been given by their deposit, postage prepaid, in the United States Postal Service or, alternatively, by personal delivery or overnight courier service addressed to the parties as follows:

To City:	City Manager City of Chico P. O. Box 3420 Chico, CA 95927-3420	-or-	City Manager City of Chico 411 Main Street Chico, CA 95928
To Contractor:	Johnson Controls, Inc. 103 Woodmere Road, Suite 110 Folsom, CA 95630		

**SECTION 10 - SPECIAL PROVISIONS**

This Agreement shall include all special provisions, if any, as are set forth on EXHIBIT E, entitled "SPECIAL PROVISIONS."

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date set forth above.

CITY:


  
\_\_\_\_\_  
Mark Sorensen, City Manager\*

CONTRACTOR:

  
\_\_\_\_\_  
Robert Rogers  
Branch Service Manager

\*Authorized pursuant to Section 3.08.060  
of the Chico Municipal Code

APPROVED AS TO FORM:

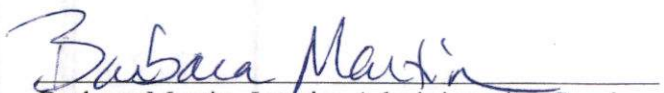
  
\_\_\_\_\_  
Vincent C. Ewing, City Attorney\*

APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
Erik Gustafson, Public Works Director  
Operations & Maintenance

\*Pursuant to The Charter of the  
City of Chico, Section 906(D)

REVIEWED AS TO CONTENT:

A handwritten signature in blue ink that reads "Barbara Martin". The signature is written in a cursive style and is positioned above a horizontal line.

Barbara Martin, Interim Administrative Services Director\*

\*Reviewed by Finance and Information Systems



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Contractor

HVAC PREVENTATIVE MAINTENANCE SERVICES AT CITY HALL &  
COUNCIL CHAMBERS

Project Title

VARIOUS

Budget Account Number

EXHIBIT A

DESCRIPTION OF PROJECT

Provide HVAC preventative maintenance services at the following City locations:

- Chico Municipal Center, 411 Main Street, Chico CA
- Council Chamber Building, 421 Main Street, Chico CA

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Contractor

HVAC PREVENTATIVE MAINTENANCE SERVICES AT CITY HALL &  
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**EXHIBIT B**

SCOPE OF CONTRACTUAL SERVICES - BASIC

**Definitions:**

Services: Work, materials, labor, services visits, and repairs to be provided by JCI under this Agreement.

Covered Equipment: Equipment which Services are to be provided under this Agreement.

The Contractor (JCI) shall provide contractual services as follows:

**All Tasks Shall Include:**

- Check with appropriate City representative for operational deficiencies
- All work must be performed in accordance with Johnson Controls safety policies:
- Use appropriate eye protection in work environment
- Use appropriate Head protection on worksite
- Use appropriate hand gloves on worksite
- Use and follow the JCI safety policy for Fall Protection while performing work
- Use and follow the JCI Ladder Safety processes while performing work
- Use and follow the JCI Lock-out Tag-out on all electrical machinery
- Use appropriate Arc/flash personal protective equipment on voltages over 240 volts
- Document tasks performed during visit and report any observations to appropriate City representative
- Remove and dispose any debris from any maintenance activity

### **Air Handling Unit Comprehensive Scope:**

- Visually inspect damper(s)
- Check condition of pulleys and belts
- Check for proper fan operation
- Check condition of coils
- Check condition of filters
- Record temperatures and pressures (if applicable)
- Check for unusual noise and vibration
- Check for deterioration of gaskets and seals
- Check overall condition of unit
- Visually inspect for fluid leaks of coils and connecting piping
- Check starter/contactors
- Check and tighten electrical connections
- Check damper operation and lubricate as required
- Visually check control valve(s)
- Lubricate blower and motor bearings
- Clean condensate pan and clear drain line
- Check condition of blower assembly
- Remove dirty pre filters and MERV 15 bag filters (where applicable)
- Install new pre filters and MERV 15 bag filters (where applicable)
- Dispose of dirty filters appropriately
- Change belts for fans
- Turn equipment on

### **Air Handling Unit Operational Scope:**

- Inspect motor mounting isolators
- Check for integrity of cabinet hardware
- Visually inspect damper(s)
- Verify damper operation
- Check condition of pulleys and belts
- Check for proper fan operation
- Check condition of coils
- Check condition of filters
- Record temperatures and pressures (if applicable)
- Check condensate drain
- Visually inspect electrical connections
- Check for unusual noise and vibration
- Check overall condition of unit
- Visually inspect for fluid leaks of coils and connecting piping
- Remove dirty pre filters
- Install new pre filters
- Dispose of dirty filters appropriately

### **Boiler Comprehensive Scope:**

- Inspect burner contactors for wear
- Check and tighten electrical connections
- Check for proper gas supply pressure
- Check and clean pilot assembly
- Clean combustion fan wheel
- Visually inspect combustion chamber, draft diverter and flue for accumulation of soot - clean as needed
- Check burner for proper sequence of operation
- Check operating controls
- Check all safety controls
- Inspect condensate piping, trap and drain
- Lift relief valve to ensure proper operation
- Check boiler relief valves for leakage
- Check combustion blower motor operation and lubricate as needed
- Check factory supplied gas piping and components for leakage
- Drain boiler, open hand hole covers and clean as needed (if applicable)
- Disassemble and clean low water cut-out
- Fill boiler and check for proper operation of make-up water valve
- Verify proper operation of low water cut-out control
- Perform combustion analysis procedures
- Remove access panels
- Brush fireside surfaces
- Reinstall access panels
- Check overall condition of unit
- Record and log all operating parameters (including pressures and temperatures)

### **Boiler Operational Scope:**

- Blow down boiler
- Inspect condensate piping, trap and drain
- Check for proper operation of low and high gas pressure cut-out switches
- Check factory supplied gas piping and components for leakage
- Check burner for proper sequence of operation
- Check flame quality
- Visually inspect combustion chamber, draft diverter and flue for accumulation of soot
- Check boiler relief valves for leakage
- Verify proper operation of low water cut-out control
- Check combustion blower motor operation
- Check hot water/steam temperature and pressure
- Check proper operation of make-up water valve
- Check overall condition of unit

### **Pump Comprehensive Scope:**

- Check for leaks
- Check coupling
- Check strainers, clean if necessary
- Verify electrical from breaker
- Megohm motor
- Take water sample
- Add chemical if needed
- Lubricate pump and motor bearing(s) per manufacturer's recommendation
- Record and log all operating parameters
- Check for unusual noise and vibration
- Check overall condition of unit

### **Pump Operational Scope:**

- Check for leaks
- Check pressures
- Visually inspect coupling
- Check for unusual noise and vibration
- Check overall condition of unit

### **Condensing Unit Comprehensive Scope:**

- Check for visual signs of refrigerant/oil leak(s)
- Conduct refrigerant leak check
- Check for proper crank case heater operation (if applicable)
- Perform lock-out and tag-out procedure
- Inspect condenser fan and compressor contactors for wear
- Spray coil(s) with chemical solution
- Rinse coil(s) thoroughly with water
- Inspect filter dryer
- Check and tighten electrical connections
- Check for unusual noise and vibration
- Check overall condition of unit
- Record and log all operating parameters

### **Condensing Unit Operational Scope:**

- Review control panel for proper operation and recorded fault histories
- Check refrigerant charge (sight glass)
- Check for proper crank case heater operation (if applicable)
- Check for visual signs of refrigerant/oil leak(s)
- Check for proper condenser fan operation
- Check for unusual noise and vibration
- Check overall condition of unit
- Record and log all operating parameters

### **Rooftop Unit Comprehensive Scope:**

- Check and tighten electrical connections
- Check contactor(s)
- Check VFD operation and clean cooling fan intake (if applicable)
- Check condition of evaporator coil
- Vacuum evaporator coil if needed
- Check condenser fan motors and blades
- Check blower motor operation
- Lubricate blower and motor bearings
- Perform belt change procedures
- Check combustion blower motor operation
- Check igniter and pilot operation
- Check condition of heat exchanger
- Check condition of burners and clean as required in place
- Check for proper venting
- Check for leaks on gas line (within cabinet)
- Check condition of pulley and belts
- Check economizer operation
- Lubricate and adjust economizer damper linkages
- Verify proper operation of exhaust motor (if applicable)
- Spray coil(s) with chemical solution
- Rinse coil(s) thoroughly with water
- Clean condensate pan and clear drain line
- Check for visual signs of refrigerant/oil leak(s)
- Remove dirty filters
- Install new filters
- Check for unusual noise and vibration
- Check overall condition of unit

### **Rooftop Unit Operational Scope:**

- Inspect motor mounting isolators
- Check for integrity of cabinet hardware
- Visually inspect damper(s)
- Verify damper operation
- Check condition of pulleys and belts
- Check for proper fan operation
- Check condition of coils
- Remove dirty filters
- Install new filters
- Record temperatures and pressures (if applicable)
- Check condensate drain
- Rinse condenser coils with water
- Visually inspect electrical connections
- Check for unusual noise and vibration
- Check overall condition of unit
- Visually inspect for fluid leaks of coils and connecting piping

**Air Cooled Chiller Comprehensive Scope:**

- Review control panel for proper operation and recorded fault histories
- Check for visual signs of refrigerant/oil leak(s)
- Conduct refrigerant leak check
- Check for proper crank case heater operation (if applicable)
- Perform lock-out and tag-out procedure
- Inspect condenser fan and compressor contactors for wear
- Check and tighten electrical connections
- Perform preventative procedures to flow proving devices
- Inspect filter dryer
- Spray coil(s) with chemical solution
- Rinse coil(s) thoroughly with water
- Check for unusual noise and vibration
- Check overall condition of unit

**Air Cooled Chiller Operational Scope:**

- Review control panel for proper operation and recorded fault histories
- Check for proper chilled water flow
- Check system pressures and temperatures
- Check refrigerant charge (sight glass)
- Check for proper capacity control operation
- Check for proper crank case heater operation (if applicable)
- Check for visual signs of refrigerant/oil leak(s)
- Check for unusual noise and vibration
- Check for proper condenser fan operation
- Check overall condition of unit

Services shall be performed quarterly. Three quarters shall consist of Operational Scope items, and one quarter shall consist of Comprehensive Scope items.

If additional services are needed or requested, JCI shall provide a quote to the City for approval before commencing work.

**Equipment List:**

411 Main Street

Qty:	Equipment:	Operational:	Comprehensive:
2	Air Handling Unit	3	1
2	Boiler	3	1
2	Pumps	3	1
2	Condensing Unit	3	1

421 Main Street

Qty:	Equipment:	Operational:	Comprehensive:
1	Air Cooled Chiller	3	1
1	Boiler	3	1
4	Pumps	3	1
2	Rooftop Unit	3	1

**Warranty:**

JCI warrants its Services will be provided in a good and workmanlike manner for 90 days from the date of Services. If JCI receives written notice of a breach of this warranty prior to the end of this warranty period, JCI will re-perform any non-conforming Services at no additional charge within a commercially reasonable time of the notification.

**Hazardous Materials:**

JCI will be responsible for removing or disposing of any Hazardous Materials that it uses in providing the Services and for the remediation of any areas affected by the release of JCI Hazardous Materials.

For other Hazardous Materials that may be present at its facilities, City shall supply JCI with any information in its possession relating to the presence of Hazardous Materials if their presence may affect JCI's performance of the Services. City shall be responsible at its sole expense for removing and disposing of Hazardous Materials not associated with or cause by JCI's Services.

If either City or JCI becomes aware of or suspects the presence of Hazardous Materials that may interfere with JCI's Services, it shall immediately stop the Services in the affected area and notify the other party.

**Exclusions:**

- The repair or replacement of ductwork, casings, cabinets, structural supports, tower fill/slats/basin, hydronic and pneumatic piping, and vessels, gaskets, and piping not normally replaced or maintained on a scheduled basis, and removal of oil from pneumatic piping.
- Disposal of hazardous wastes (except as otherwise expressly provided herein).
- Disinfecting of chiller condenser water systems and other components for biohazards, such as but not limited to, Legionella unless explicitly set forth in the scope of services between the parties. Mentions of chiller tube cleaning, condenser cleaning, cooling tower cleaning or boiler tube cleaning in any scope of services, only involve work to remove normal buildup of debris and scale using tube brush cleaning, pressure washing or acid flushing. Reference to such cleaning does not include chemical cleaning, disinfection or chemical water treatment required to eliminate, control or disinfect against biohazards such as but not limited to Legionella.
- Refrigerant; supplies, accessories, or any items normally consumed during the use of Covered Equipment, such as ribbons, bulbs and paper.
- The furnishing of materials and supplies for painting or refinishing equipment.
- The repair or replacement of wire in conduit, buried cable/transmission lines, or the like, if not normally replaced or maintained on a scheduled basis.
- Replacement of obsolete parts.



- Damages of any kind, including but not limited to personal injury, death, property damage, and the costs of repairs or service resulting from:
  - Abuse, misuse, alterations, adjustments, attachments, combinations, modifications, or repairs to Covered Equipment not performed, provided, or approved in writing by JCI.
  - Equipment not covered by this Agreement or attachments made to Covered Equipment
  - Acts or omissions of the City, including operator error, City's failure to conduct preventive maintenance, issues resulting from City's previous denial of JCI access to the Covered Equipment, and City's failure to keep the site clean and free of dust, sand, or other particles or debris, unless such conditions are previously expressly acknowledged by JCI in writing.
  - Use of the Covered Equipment in a manner or environment, or for any purpose, for which it was not designed by the manufacturer.
  - Site-related and environmental conditions, including but not limited to power failures and fluctuations in electrical current (or "power surges") and biohazards such as but not limited to Legionella associated with condenser water, cooling tower systems and subcomponent systems.
  - The effects of erosion, corrosion, acid cleaning, or damage from unexpected or especially severe freezing weather.
  - Occurrences beyond JCI's reasonable control and without JCI's fault or negligence.

#### Services to be Provided by City

- Operate the Covered Equipment according to the manufacturer's and/or JCI's recommendations.
- Keep accurate and current work logs and information about the Covered Equipment as recommended by the manufacturer and/or JCI.
- Provide an adequate environment for Covered Equipment as recommended by the manufacturer and/or JCI, including, but not limited to adequate space, electrical power, water supply, air conditioning, and humidity control.
- Notify JCI immediately of any Covered Equipment malfunction, breakdown, or other condition affecting the operation of the Covered Equipment.
- Provide JCI with safe access to its Premises and Covered Equipment at all reasonable and necessary times for the performance of the Services.
- Allow JCI to start and stop, periodically turn off, or otherwise change or temporarily suspend equipment operations so that JCI can perform the Services required under this Agreement.
- As applicable, provide proper condenser, cooling tower and boiler water treatment for the proper functioning of Covered Equipment and protect against any environmental issues and instances of biohazards such as but not limited to Legionella.

- Carefully and properly set and test the intrusion alarm system each night or at such other time as City shall close the premises.
- Obtain all necessary licenses and permits required for and pay all taxes associated with the Services.
- Notify JCI immediately of any claimed inadequacy in, or failure of, the Covered Equipment or other condition affecting the operation of the Covered Equipment.
- Furnish any necessary 110-volt A/C power and electrical outlets at City's expense.
- Properly maintain, repair, service, and assure the proper operation of any other property, system, equipment, or device of City or others to which the Covered Equipment may be attached or connected.
- Not tamper with, alter, adjust, disturb, injure, remove, or otherwise interfere with any Covered Equipment (including any related software).
- Refrain from causing false alarms, and reimburse JCI for any fine, penalty, or fee paid by or assessed against JCI by any governmental or municipal agency as a result thereof.
- Be solely responsible for the establishment, operation, maintenance, access, security and other aspects of its computer network and shall supply JCI secure network access for providing its services. Products networked, connected to the internet, or otherwise connected to computers or other devices must be appropriately protected by City and/or end user against unauthorized access.
- Take appropriate measures, including performing back-ups, to protect information, including without limit data, software, or files prior to receiving the service or products.

**CITY OF CHICO - CONTRACTUAL SERVICES AGREEMENT**

JOHNSON CONTROLS, INC.

Contractor

HVAC PREVENTATIVE MAINTENANCE SERVICES AT CITY HALL &  
COUNCIL CHAMBERS

Project Title

VARIOUS

Budget Account Number

EXHIBIT C

COMPENSATION

Compensation for Services outlined in this Agreement, shall not exceed the annual installments listed below. Payments shall be made based upon quarterly invoices received and Services verified by the City.

Year 1 Installment: \$31,460.00

Year 2 Installment: \$32,405.00

Year 3 Installment: \$33,378.00

Year 4 Installment: \$34,380.00

Year 5 Installment: \$35,412.00

Additional services shall be compensated based on a City-approved quote provided by JCI.

**CITY OF CHICO - CONTRACTUAL SERVICES AGREEMENT**

JOHNSON CONTROLS, INC.

Contractor

HVAC PREVENTATIVE MAINTENANCE SERVICES AT CITY HALL &  
COUNCIL CHAMBERS

Project Title

VARIOUS

Budget Account Number

EXHIBIT D

INSURANCE PROVISIONS

General Liability Insurance

Consultant/Contractor shall obtain commercial general liability insurance (occurrence policy form) from one or more U.S. domiciled insurance companies licensed to do business in the State of California with an A.M. Best Company rating of "B" or better or, in the alternative, an unlicensed U.S. domiciled company or companies with an "A" rating, which provides coverage for bodily injury, personal injury and property damage liability in the amount of at least \$1,000,000 per occurrence, and \$2,000,000 in the aggregate, with a maximum policy deductible of \$5,000, or as approved by the City's Human Resources and Risk Management Office.

It shall be a requirement under this agreement that any available insurance proceeds broader than or in excess of the specific minimum Insurance coverage requirements and/or limits shall be available to the Additional Insured. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any Insurance policy or proceeds available to the named Insured, whichever is greater.

The insurance coverage required herein shall be evidenced by a certificate of insurance with policy endorsements and shall be executed by an authorized official of the insurer(s). In addition to the limits of coverage described above, the certificate of insurance shall provide that the insurer shall provide to City at least 30 days prior notice of cancellation or material change in coverage, or 10 days prior notice of cancellation for non-payment.

Consultant/Contractor acknowledges and agrees that City of Chico, its officers, boards and commissions, and members thereof, its employees and agents, are covered as additional insureds with respect to any liability arising out of the activities of Consultant/Contractor as the named insured. Such additional insured status shall be evidenced by a policy endorsement executed by

an authorized official of the insurer(s). A blanket endorsement which provides additional insured status to any person or organization with whom Consultant/Contractor, as named insured, has entered into a written contract, such as this Agreement, shall satisfy this requirement.

The insurance coverage required herein shall be primary and non-contributory insurance with respect to the City of Chico, its officers, officials and employees. Any insurance or self-insurance maintained by the City of Chico, its officers, officials or employees shall be in excess of the insurance afforded to the named insured by the insurance coverage required herein and shall not contribute to any loss. Such primary insurance status shall be evidenced by a policy endorsement issued by an authorized official of the insurer(s), and shall be at least as broad as CG 20 01 04 13. In the alternative, a letter issued by an authorized official of the insurer(s) and copies of the pertinent page(s) of the policy shall satisfy this requirement.

The limits of Insurance required in this agreement may be satisfied by a combination of primary and umbrella or excess Insurance. Any umbrella or excess Insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City of Chico (if agreed to in a written contract or agreement) before City of Chico's self-insurance shall be called upon to protect it as a named insured.

All self-insured retentions (SIR) must be disclosed to the City's Human Resources and Risk Management Office for approval and shall not reduce the limits of liability. Policies containing any (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named Insured or City of Chico. City of Chico reserves the right to obtain a full certified copy of any Insurance policy or endorsements. Failure to exercise this right shall not constitute a waiver of right to exercise later.

#### Automobile Liability Insurance

Consultant/Contractor shall obtain automobile liability insurance from one or more U.S. domiciled insurance companies licensed to do business in the State of California with an A.M. Best Company rating of "B" or better which provides coverage for bodily injury, personal injury, and property damage liability in the amount of at least \$500,000 combined single limit for each occurrence. Evidence of such coverage shall be maintained by Consultant/Contractor and provided to City upon request.

#### Subconsultant/Subcontractor Insurance

Consultant/Contractor agrees to include with all subconsultants/subcontractors in their subcontract the same requirements and provisions of this agreement including the indemnity and Insurance requirements to the extent they apply to the scope of the subconsultant/subcontractor's work. Subconsultant/Subcontractor agrees to be bound to Consultant/Contractor and City of Chico in the same manner and to the same extent as Consultant/Contractor is bound to City of Chico under the agreement. Subconsultant/Subcontractor further agrees to include the same requirements and provisions of this agreement, including the indemnity and Insurance requirements, with any Sub-subconsultant/Sub-subcontractor to the extent they apply to the scope of the Sub-subconsultant/Sub-subcontractor's work.

A copy of the City of Chico Insurance Provisions will be furnished to the subconsultant/subcontractor upon request. Evidence of such coverage shall be maintained by Consultant/Contractor and provided to City upon request.

#### Workers' Compensation Insurance

Consultant/Contractor shall, at Consultant/Contractor's expense, purchase and maintain in full force and effect workers' compensation insurance as required by Federal and State of California law. Consultant/Contractor shall also require all of Consultant's subconsultants/subcontractors to maintain this insurance coverage. Proof of workers' compensation insurance or other documentation acceptable to City evidencing such insurance coverage shall be provided by Consultant/Contractor or Consultant/Contractor's subconsultants/subcontractors to City upon request.

#### Subrogation

Consultant/Contractor shall agree to waive all rights of subrogation against City for losses arising from Services performed by the Consultant/Contractor or Consultant/Contractor's subconsultants/subcontractors for City under this Agreement.

#### Indemnity

Consultant/Contractor/Subconsultant/Subcontractor's responsibility for such defense and indemnity obligations shall survive the termination or completion of this agreement for the full period of time allowed by law.

The defense and indemnification obligations of this agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this agreement.

#### For All Required Insurance

In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled, at any time and no replacement coverage is provided, the City has the right to, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by the City shall be charged to and promptly paid by Contractor or deducted from sums due the City, at the City's option.

**CITY OF CHICO - CONTRACTUAL SERVICES AGREEMENT**

JOHNSON CONTROLS, INC.

Contractor

HVAC PREVENTATIVE MAINTENANCE SERVICES AT CITY HALL &  
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Budget Account Number

EXHIBIT E

SPECIAL PROVISIONS

None.