

**TO:** HUMAN RESOURCE AND PUBLIC WORKS COMMITTEE

**FROM:** Facilities Director

**DATE:** Tuesday July 9, 2019

**RE:** Administration Building Air Conditioner Compressor Replacement

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**BACKGROUND**

The air conditioning compressor for the administration building was replaced in 2016. The system experienced numerous system failures and a new heat exchanger was installed. The AC compressor functioned for a very limited time. Since then numerous reasons for the failure of the compressor and the system as possible causes were identified. It has been determined that replacement of the AC compressor is necessary for the system to operate.

**ALTERNATIVES**

1. Do not approve the replacement of the air conditioner compressor
2. Replace entire heating/cooling system

**FINANCIAL IMPACT**

Projected cost for air conditioner compressor replacement is \$26,000.00.

**OTHER CONSIDERATIONS**

None

**RECOMMENDATIONS**

1. Consider approving the service agreement with Johnson Controls for the replacement of the air conditioning compressor for the Administration building, and authorize the Board Chair to sign the same.

**ATTACHMENTS**

Johnson Control Contract

# Proposal

TO: BUILDING & GROUNDS DEPT  
ISABELLA COUNTY BLDG  
200 NORTH MAIN  
MT PLEASANT, MI 48858

JOHNSON CONTROLS SAGINAW  
TRAVERSE MI CB - 0N14  
1080 TITTABAWASSEE RD  
SAGINAW MI 48604-1048  
PH: (866) 635 1392  
FAX: (989) 759 4407

Date: 6/11/2019

Quote Ref: 1-139AHXQ1  
Project Name: Isabella County -Trane Compressor  
Replacement  
Site: COUNTY OF ISABELLA  
200 N MAIN ST  
MOUNT PLEASANT, MI 48858-2390

ATTN: Rick Jakubiec

We propose to furnish the materials and/or perform the work below for the net price of: \$22,805.00

**For the above price this proposal includes:**

Remove Compressor (Serial #Q15121SSS1), provide and install new compressor, including refrigerant line reattachment, electrical wiring, and new liquid line drier cores on both circuits. Evacuate system, install refrigerant back into system, and startup of new compressor. Any deficiencies found will be reported to customer and a copy of startup paperwork will be given to customer.

JCI will provide rigging to remove compressor from chiller base and move compressor to Penthouse outside door and move new compressor from Penthouse door and set compressor on chiller base.

Removal and replacement of existing and new compressors to be performed after normal County work hours (Monday through Friday 8:00 a.m. to 4:30 p.m.), or on weekends. All other work to be performed during regular working hours. Customer responsible for removing refrigerant/piping from chiller and charging the new compressor with refrigerant under contractor supervision.

Customer responsible for crane to lift of compressor from Penthouse outside door to ground and from ground to Penthouse outside door.

Any onsite delays with customer crane rental will be billed extra at JCI mechanical street rate.

**This proposal DOES NOT include:**

1. Labor or material not specifically described above is excluded from this proposal.
2. Applicable taxes or special freight charges are excluded from this proposal.

**Important:** This proposal incorporates by reference the Terms and Conditions attached



This proposal is hereby accepted and  
Johnson Controls is authorized to proceed

This proposal is valid  
through:

7/31/2019

with the work, subject to credit approval by  
Johnson Controls, Inc. Milwaukee, WI.

COUNTY OF ISABELLA

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

PO: \_\_\_\_\_

Signature: Johnson Controls

Name: Randy J. Helms

Title: Account Manager

Date: 6/11/19

**(IMPORTANT):** This proposal incorporates by reference the terms and conditions which are attached to this document. All work is to be performed Monday through Friday during normal JCI business hours unless otherwise noted. This proposal, or any accepted alternates, are hereby accepted and Johnson Controls is authorized to proceed with the work; subject, however, to credit approval by Johnson Controls, Inc., Milwaukee, Wisconsin

## ***TERMS AND CONDITIONS***

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. 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 Johnson, shall be distributed and installed by others under Johnson's supervision but at no additional cost to Johnson. Purchaser agrees to provide Johnson with required field utilities (electricity, toilets, drinking water, project hoist, elevator service, etc.) without charge. Johnson agrees to keep the job site clean of debris arising out of its own operations. Purchaser shall not back charge Johnson for any costs or expenses without Johnson'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 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 Hazards without JCI's express written consent.

**2. INVOICE AND PAYMENTS.** Johnson may invoice Purchaser monthly for all materials delivered to the job site or to an off-site storage facility and for all work performed on-site and off-site. Purchaser shall pay Johnson at the time purchaser signs this agreement an advance payment equal to 10% of the contract price, which advance payment shall be credited against the final payment (but not any progress payment) due here in under and purchaser Johnson additional amounts invoiced upon receipt of the invoice. Waivers of lien will agree to pay be furnished upon request, as the work progresses, to the extent payments are received. If Johnson's invoice is not paid within 30 days of its issuance, it is delinquent.

**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 Johnson, 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, Johnson 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.

**4. EQUIPMENT WARRANTY.** Johnson Controls, Inc (JCI) warrants that equipment manufactured or labeled by Johnson Controls, Inc. shall be free from defects in material and workmanship arising from normal usage for a period of one year. Only if JCI installs or furnishes a piece of equipment under this Agreement, and that equipment is covered by a warranty from a manufacturer other than JCI, JCI will transfer the benefits of that manufacturer's warranty to Customer. All transportation charges incurred in connection with the warranty for equipment and/or materials not installed by JCI shall be borne by Customer. These warranties shall not extend to any equipment that has been abused, altered, misused or repaired by Customer or third parties without the supervision of and prior written approval of JCI, or if JCI serial numbers or warranty date decals have been removed or altered. Customer must promptly report any failure of the equipment to JCI in writing.

**5. LABOR WARRANTY.** Johnson Controls, Inc. (JCI) warrants its workmanship or that of its agents (Technicians) in relation to installation of equipment for a period of ninety (90) days from date of installation. Customer shall bear all labor costs associated with replacement of failed equipment still under JCI's equipment warranty or the original manufacturer's warranty, but outside the terms of this express labor warranty. All warranty labor shall be executed on normal business days during JCI normal business hours. These warranties do not extend to any equipment which has been repaired by others, abused, altered, or misused in any way, or which has not been properly and reasonably maintained. THESE WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO THOSE OF MERCHANTABILITY AND FITNESS FOR A SPECIFIC PURPOSE. UNDER NO CIRCUMSTANCES SHALL JCI BE LIABLE FOR ANY SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES ARISING FROM OR RELATING TO ANY DEFECT IN MATERIAL OR WORKMANSHIP OF EQUIPMENT OR THE PERFORMANCE OF SERVICES.



**6. LIABILITY.** Johnson shall not be liable for any special, indirect, or consequential damages arising in any manner from the equipment or material furnished or the work performed pursuant to this agreement.

**7. TAXES.** The price of this proposal does not include duties, sales, use, excise, or other taxes, unless required by federal, state, or local law. Purchaser shall pay, in addition to the stated price, all taxes not legally required to be paid by Johnson or, alternatively, shall provide Johnson with acceptable tax exemption certificates. Johnson shall provide purchaser with any tax payment certificate upon request and after completion and acceptance of the work.

**8. DELAYS.** Johnson shall not be liable for any delay in the performance of the work resulting from or attributed to acts of circumstance beyond Johnson's control, including but not limited to; acts of God, fire, riots, labor disputes, conditions of the premises, acts or omissions of the Purchaser, Owner, or other Contractors or delays caused by suppliers or subcontractors of Johnson, etc.

**9. COMPLIANCE WITH LAWS.** Johnson 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 a permanent nature shall be procured and paid for by the Purchaser.

**10. DISPUTES.** All disputes involving more than \$15,000.00 shall be resolved by arbitration in accordance with the rules of the American Arbitration Association. The prevailing party shall recover all legal costs and attorneys fees incurred as a result. Nothing here shall limit any rights under construction lien laws.

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

**12. INDEMNITY.** The Parties hereto agree to indemnify each other from any and all liabilities, claims, expenses, losses or damages, including attorney's fees which may arise in connection with the execution of the work herein specified and which are caused, by the negligent act or omission of the indemnifying Party.

**13. 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.

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

**15. CHANGES.** No change or modification of any of the terms and conditions stated herein shall be binding upon JCI unless accepted by JCI in writing.