

PROJECT QUOTE



City of League City - HHP VRV Replacements

CITY OF LEAGUE CITY - HOMETOWN HEROES PARK
1001 E. LEAGUE CITY PARKWAY
LEAGUE CITY, TX 77573

Quote #: Q-38770

Prepared for:

John Cebulla
HVAC Specialist
CITY OF LEAGUE CITY
Quote Document Date: 04/03/24



Prepared by:

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Daikin Applied Americas, Inc.

BuyBoard #: 631-20 & 638-21



A Proven Partner

Our customers count on Daikin Applied to design and manufacture technologically advanced commercial HVAC systems that deliver the highest efficiency and solutions that extend the life their building systems.

Our Company

Daikin Applied is a wholly owned subsidiary of Daikin Industries, Ltd. the largest air conditioning manufacturer in the world. Product innovation is a hallmark at Daikin Applied. Customers rely on products like Magnitude® magnetic bearing chillers, Pathfinder® air cooled chillers, Rebel® rooftop units, SmartSource® water source heat pumps, and Modular Central Plants for exceptional efficiency, reliability, and sustainability.

Our Values

Quality and comfortable air is central to our lives – at work and at play. We strive to improve Indoor Environmental Air Quality in the buildings we serve. Quality people delivering quality products. From concept and design through production and delivery we are committed to making the products you receive a reliable component of your building system.

We continue to challenge ourselves to develop new technologies that minimize energy usages and maximize comfort. Across Daikin, we believe little efforts that individuals can make to protect the environment can add up to big things.

Locations

Daikin Applied has more than six million square feet of manufacturing facilities at 12 plants on three continents. We have locations with more than 5,000 dedicated employees around the world. All our manufacturing facilities in the United States are ISO 9001 certified. For more information, visit www.DaikinApplied.com.

The award-winning Daikin Applied Development Center, at our headquarters in Plymouth, Minnesota, is the world's most advanced facility for HVAC research and development. Every day our people work to develop HVAC technologies that reduce energy consumption and the carbon footprint of the buildings where they will be used.

Executive Summary

Replacing four (4) 10T Daikin VRV condensers at Hometown Heroes Park is a prudent and necessary investment to enhance reliability, reduce operational costs, and align with environmental sustainability goals. This project will ultimately contribute to the city's mission of providing high-quality community experiences while maintaining cost-effective and environmentally responsible operations.

Thank you again for your interest in working with Daikin Applied. We are pleased to have this opportunity to offer solutions that will significantly improve the operating efficiency at City of League City – Hometown Heroes Park.

Sincerely,

Nathan Sheen

Phone: (281) 443-1881 Mobile: (281) 707-5569

Email: nathan.sheen@daikinapplied.com

www.daikinapplied.com

Scope of Services

Daikin Applied Americas, Inc. is pleased to offer the following Quote for your consideration. Thank you for selecting Daikin Applied Service Group to care for your building's system. Our service personnel have the knowledge and experience to deliver the best support available. Daikin is pleased to offer this Quote for your consideration.

Provide the labor and materials to replace four (4) 10T VRV Replacements for The City of League City at Hometown Heroes Park, 1001 E League City Pkwy, League City, TX 77573

Equipment:

- Four (4) 10T 460V REYQ VRV IV outside condensing units
- New VRV condensing units to include four (4) special programmed backward compatibility A1P circuit boards.
- Type: Heat Recovery
- R-410A refrigerant.
- Corrosion-resistant blue fin heat exchanger.
- Two (2) connection kits to create dual module condensers.
- Factory start-up and system's factory charged (refrigerant supplied by customer).
- Standard Limited Warranty: 10-year limited parts warranty.
- Current Lead Time: 2-3 Weeks (subject to change at time of order).

Installation:

- Provide mechanical permit required by The City of League City.
- Recover refrigerant from the existing split system into approved EPA recovery cylinders.
- Disconnect refrigerant piping from each existing condenser.
- Provide the necessary labor and rigging to remove four (4) existing Daikin VRV condensers and dispose.
- Install four (4) new Daikin VRV condensing units onto a new concrete pad outside of the existing mechanical room (**equipment pad provided by The City of League City before installation**).
- Provide and install the necessary copper and fittings to extend refrigerant piping outdoors for new condensers.
- Provide and install six (6) refrigerant ball valves on each refrigerant line at connection inside the building.
- Provide and install 1" armaflex insulation to new copper pipe, fittings, and disturbed areas.
- Evacuate each refrigerant system to 500 microns.
- Review installation and operation with the building owner.
- Clean up the work area.
- All work to be performed during **"Normal Working Hours"**
- One-year parts and labor warranty on installation items.

Exclusions:

- Any electrical work.
- Any asbestos abatement.
- BAS controls, BAS wiring, and BAS conduits.
- R-410A Refrigerant

Each of our sub-contractors will be maintaining a consistent project manager who will be represented when appropriate during our project time frame.

Staff and resource planning will be maintained throughout the project through our project communications efforts.

Quote Clarifications, Exclusions, and Exceptions:

Clarifications:

1. This Quote takes precedence over any other written, verbal, or other statements of scope, schedule, and pricing.
2. Acceptance of a Notice to Proceed is not an acceptance of terms and conditions. Any Notice to Proceed will be based upon the terms and conditions contained in this Quote.
3. All working hours are estimated at regular or straight time rates. Accelerated or expedited project execution schedules and associated costs are subject to additional quotation.
4. Daikin Applied is not responsible for any delays or cost as a result of delays incurred due to limited or no access to roads, buildings or equipment required to complete the scope of work provided for in this Quote.
5. Sales taxes are not included within our pricing.
6. Costs associated with Owner directed programs or software required to fulfill project reporting, execution, safety management, and or Owner or Owner's Representative invoicing are not covered and will be invoiced in addition to the agreed Quote price.
7. Signage will not be provided or installed by Daikin Applied.
8. Staffing of onsite Safety or Security personnel during project execution or after working hours will not be provided and Daikin Applied understands this is the responsibility of the Owner or Owner's Representative.
9. Site drainage, pollution prevention plan and execution, temporary bathrooms, emergency eye-wash stations, barricades, ramps, splash-blocks, fire protection plans and systems required during construction, flagman, access controls features, trash repositories and pick services are not included. Daikin Applied understands the Owner or Owners Representative is responsible for these measures.
10. Daikin Applied understands temporary HVAC, temporary power, work site lighting, and temporary water required to perform the scope of work provided is the Owner or Owner's Representative responsibility.
11. Daikin Applied will only provide supervision for itself and its sub-contractors when we or they are on site.
12. Daikin Applied Material or Labor warranty is excluded on Owner or Owner's Representative provided equipment.

Exclusions:

1. Any labor, materials, or subcontracted service not specifically provided for in the description or scope of work.
2. Identification and remediation of existing code violations.
3. Authority Having Jurisdiction required changes are not included and will be quoted as additional work scope.
4. Painting, repair work to buildings, and/or equipment which is not specifically identified in the description or scope of work.
5. Costs associated with hazardous materials identification, removal, and/or abatement.
6. Temporary or portable HVAC equipment and connections to existing systems.
7. The creation of new Building Automation Systems graphics, monitoring, trending, analysis or any other software or labor required for implementation of these items.
8. Testing and balancing.
9. Commissioning plan development and execution.
10. Sound testing or acoustical treatments for any elements inside or external to the work site or equipment.
11. Seismic analysis and certification for all materials and equipment.
12. Permits, insurance coverages other than indicated in the attached Evidence of Insurance, and performance and payment bonds.
13. Professional services including Architectural, Mechanical, Electrical, Structural and other Engineering Disciplines.
14. Fire, Smoke and/or Security controls, equipment, repair, graphics, programming, replacement or upgrades.

Pricing and Payments

Feel free to contact me if you have any questions or concerns regarding the information contained in this Project Quote. If you would like us to proceed with the solution presented above, sign the acceptance line below (including PO# if applicable) and return a copy so that we can begin to mobilize our efforts to complete services as quickly as possible. We appreciate the opportunity to provide you with this solution and look forward to working with you on this and servicing your needs in the future.

Investment Amount and Billing Terms:

Investment required to implement the proposed solution

\$165,000.00 (One Hundred Sixty-Five Thousand and Zero cents)

****Price does not include applicable sales tax***

Pricing and acceptance are based on the execution of a Contractor Agreement in the form attached hereto and subject to final credit approval.

Billing/Payment Terms*:

30% Down = \$49,500.00

40% Upon equipment shipping = \$66,000.00

30% Upon project completion = \$49,500.00

*All billings are due immediately upon Receipt

This Quote will be honored by Daikin Applied for 30 days from the date on the front of the Quote. After 30 days, Daikin Applied reserves the right to evaluate cost changes (both increases and decreases) from the Quote.

Contractor Agreement

This **CONTRACTOR AGREEMENT** ("**Agreement**"), effective as of _____ ("**Effective Date**"), is made and entered into by and between CITY OF LEAGUE CITY (hereinafter "**Owner**") and Daikin Applied (hereinafter "**Contractor**").

WHEREAS, Contractor is in the business of providing equipment, labor and/or material, which may involve subcontracting a third party ("**Subcontractors**") to provide labor and material, to perform the scope of work described in **the Quote** No. Q-38770 Dated: 02/27/24 hereto ("**Work**"), and,

WHEREAS, Contractor has offered to perform the Work for Owner with respect to the property located at 1001 E. LEAGUE CITY PARKWAY LEAGUE CITY, TX 77573 (hereinafter "**Property**");

WHEREAS, Owner desires to retain Contractor to perform the Work;

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements of the parties, it is agreed as follows:

1. **Work. Subject to credit approval**, Contractor agrees to furnish all labor, materials, tools, equipment, and samples necessary to complete the Work. Contractor acknowledges that in providing such Work, it shall at all times comply with all laws and regulations affecting, Contractor. Owner agrees that Contractor may retain one or more subcontractors ("**Subcontractors**") to perform the Work through a Subcontract Agreement.
2. **Term of Agreement**. Contractor will commence Work on the commencement date ("**Commencement Date**"). Owner will notify Contractor of the Commencement Date in writing by issuing a Notice to Proceed. The Notice to Proceed shall be issued at least fourteen (14) days before the Commencement Date. Upon substantially completing the Work, Contractor shall present a Certificate of Substantial Completion to Owner.
3. **Contract Price**. For full performance of the Work in conformance with this Agreement, Owner shall pay the Contractor the fixed sum specified in **the Quote** hereto ("**Contract Price**"), subject to adjustment per mutual agreement of the parties should the scope of Work change. The Contract Price does not include sales tax.
4. **Relationship of Parties**. Contractor is retained by Owner only for the purpose and to the extent set forth in this Contractor Agreement. Contractor's relationship with Owner shall, during the entire term of this Contractor Agreement, be that of an independent contractor. Contractor, and any employee, agent, servant, officer, director or shareholder of Contractor, shall not be deemed an agent, servant, or employee of Owner.
5. **Compliance with Laws**. Contractor and Owner agree that parties shall comply with all federal, state, and local laws and regulations applicable to its activities under this agreement, including without limitation to the hiring, safety, and taxation of its employees, as well as obtaining and maintenance of any applicable licenses and/or permits as required by all laws and regulations applicable to its activities under this Agreement.
6. **Insurance**. At all times while performing the Work, Contractor shall maintain, at its sole cost and expense, insurance as customary within the industry. If requested Contractor will present a copy of their certificate of insurance.
7. **Indemnification**. It is the parties' obligation to defend and indemnify upon prompt receipt of written notice to defend, indemnify, and hold harmless each other's officers, directors, employees, and agents, from and against those damages, liabilities, claims, and causes of action, for property damage, personal injury or death (including without limitation injury to or death of employees or any subcontractor thereof) (jointly referred to as "Claims"), directly caused by Contractor's negligence, gross negligence, or willful misconduct of the indemnifying party during the performance of the Work.
8. **Default**.
 1. A default occurs under the terms of this Agreement if: (a) Contractor substantially fails to perform any of its material obligations under this Agreement; (b) if Owner becomes insolvent, and/or; (c) if Owner fails to tender payment to Contractor under this Agreement for thirty (30) days after the date such payment is due (together "Event of Default").
 2. Upon the occurrence of an Event of Default, the non-breaching party shall provide written notice to the breaching party ("Notice of Default"). Upon receipt of the Notice of Default, the breaching party shall immediately correct the default. If the breaching party fails to correct the default for thirty (30) days after receipt of the Notice of Default, or fails to provide evidence that appropriate corrective action is in reasonable process, the non-breaching party may terminate this Agreement upon written notice ("Notice of Termination"). The parties shall have any legal remedies at their disposition, as allowed by local law.
9. **Termination**. Absent an uncured Event of Default, this Agreement may only be terminated only by the consent of the parties.

1. The termination shall be evidenced by: (a) execution of a single writing; (b) signed by Contractor and Owner; (c) that specifically identifies this Agreement, and (d) states that Owner and Contractor terminate this Agreement as of a specified date ("Termination Agreement").
2. Prior to execution of the Termination Agreement, Contractor shall present Owner with an Application for Payment for actual Work rendered under this Agreement as of the date the parties intend to execute the Termination Agreement, and Owner shall pay Contractor the amount requested in the Application Payment contemporaneously with the parties execution of the Termination Agreement.
10. **LIMITATION OF LIABILITY: NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY, UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, DELAY, LIQUIDATED, SPECIAL, OR INDIRECT DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF USE, REVENUE, PROFITS, GOODWILL, OR OTHER BUSINESS INTERRUPTION DAMAGES, THAT ARISE OUT OF OR RELATED IN ANY WAY TO THEIR PERFORMANCE OR LACK OF PERFORMANCE UNDER THIS AGREEMENT, WHETHER BASED ON STATUTE, TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER CLAIM OR THEORY OF RECOVERY OR LIABILITY WHATSOEVER, REGARDLESS OF WHETHER THESE DAMAGES COULD HAVE BEEN FORESEEN OR NOT.**
11. **Warranty.** All equipment furnished hereunder is provided with the manufacturer's warranty as the exclusive warranty for such equipment. Contractor provides such warranty as a pass-through to Owner. The manufacturer's warranty for equipment manufactured by Daikin Applied and Daikin North America are attached hereto and incorporated herein by this reference. The Contractor agrees to perform Work in a manner which is in accordance with industry standards for the operation, appearance, and public perception established by those engaged in a business similar to that of Contractor. Subcontractor Agreements will contain warranties that Subcontractors will perform the Work in a similar manner. Valid for one year from completion of the Work.
12. **Asbestos and Hazardous Materials.** In the event Contractor encounters asbestos, lead and/or other hazardous materials, Contractor will stop work and notify Owner, and shall have the right to suspend its work at no penalty to Contractor until such products or materials and the resultant hazards are removed. Completion of the work shall be extended to the extent caused by the suspension and the contract price equitably adjusted. Owner shall remediate any asbestos, lead or other hazardous materials at Owner's expense, and shall be responsible for all costs, expenses, damages, fines, penalties, claims and liabilities associated with or incurred in connection with any hazardous materials or substances, upon, beneath, about or inside Owner's equipment or property, shall bear title to, ownership of, and legal responsibility and liability for any and all such hazardous materials or substances, and shall be responsible for the removal, handling and disposal of all hazardous materials and substances in accordance with all applicable Governmental Regulations. Owner shall defend, indemnify, reimburse and hold harmless Contractor and its officers, directors, agents, and employees from and against any and all claims, damages, costs, expenses, liabilities, actions, suits, fines and penalties (including without limitation, attorneys' fees and expenses) suffered or incurred by any such indemnified parties, based upon, arising out of or in any way relating to exposure to, handling of, or disposal of any hazardous materials or substances, in connection with the services performed hereunder. Contractor reserves the right to engage others in a subcontractor status to perform the work hereunder.
13. **Confidentiality.** Owner agrees to keep confidential and use its best efforts to cause any sales representative and employees to keep confidential all trade secrets, proprietary, and confidential information (hereinafter "Confidential Information") related to Daikin Applied and safeguard all Confidential Information from disclosure or use by any person directly or indirectly under Owner's control. Confidential Information does not include (i) information which is in the public domain other than through a breach of this clause and (ii) information which was received by Owner independently of Daikin Applied. Neither expiration nor termination of this Agreement for any reason shall release Owner from the obligations of this Section.
14. **Notices.** Any information or notices required to be given under this Agreement shall be in writing and shall be delivered either by (a) certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid, in the U.S. mail; (b) a reputable messenger service or a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with such messenger or courier; or (c) personal delivery with receipt acknowledged in writing, in which case notice shall be deemed delivered when received. All notices shall be addressed as follows:

If to Contractor:

Daikin Applied Americas Inc.
Attn: Legal Department
13600 Industrial Park Blvd
Plymouth, MN 55340

If to Owner:

CITY OF LEAGUE CITY
Attn: John Cebulla

1001 E. LEAGUE CITY PARKWAY LEAGUE CITY, TX 77573

The foregoing addresses may be changed from time to time by notice to the other party in the manner hereinbefore provided for.

15. **No Waiver.** A party's failure or neglect to enforce any provision hereof shall in no way constitute a waiver of said party's rights under any other provision.
16. **Severability.** If any provision hereof is deemed to be invalid or unenforceable under applicable law, the remaining provisions of this Agreement shall continue to be enforceable.
17. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota, except conflicts of law which may require the application of another jurisdiction's laws.
18. **Miscellaneous.**
 1. Force Majeure. Notwithstanding anything to the contrary contained in the Agreement, Daikin Applied shall have a reasonable opportunity to cure any alleged unmet performance obligations thereunder. Additionally, in the event either party is delayed in its performance due to causes outside its reasonable control, the time for such party's performance will be extended for a period of time reasonably necessary to overcome the delay.
 2. Entire Agreement; Modifications. This Agreement constitutes the entire agreement between the parties with respect to the Work and supersedes all prior negotiations, representations or agreements relating thereto either written or oral, except to the extent that they are expressly incorporated herein. No modifications or alterations shall be made to this Agreement unless in writing and agreed upon by the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement on the Effective Date, the corporate parties by their officers duly authorized.

OWNER:

CITY OF LEAGUE CITY
John Cebulla
1001 E. LEAGUE CITY PARKWAY
LEAGUE CITY, TX 77573

CONTRACTOR:

Daikin Applied Americas
13600 Industrial Park Boulevard
Plymouth, MN 55441

(Print Full Legal Name of Customer)

(Print Full Legal Name of Daikin Applied Representative)

(Signature)

(Signature)

(Title)

(Title)

Date:

Date: