

### **AGENDA ITEM 3**

**RE:** Approval of Performance Contract with Johnson Controls

**STAFF RECOMMENDATIONS:** That the Board approve a Project Development Agreement with Johnson Controls.

**BACKGROUND:** The College has currently invested approximately \$9.6M in deferred maintenance projects over the last 4 years. Some of the deferred maintenance items that have been addressed include:

- Chill water line replacements
- Building roof replacements
- Plumbing repairs
- Interior and Exterior Building repairs
- Parking Lot Repairs

Currently the College has approximately \$2.4M available to address pending deferred maintenance items. Some of these items include:

- Chiller and cooling tower replacements at both Fort McIntosh and South Campuses
- HVAC control upgrades at the Fort McIntosh Campus
- LED lighting upgrades
- Roof replacements for the Kazen, Adkins, and Laird Hall Buildings
- P5 and P6 Building Repairs
- South Campus Irrigation Repairs
- Kazen Center Sewer Line Repairs

The Performance Contract could help us address \$4-8M in potential campus improvements by utilizing savings from operational efficiencies and cost avoidance. The advantages for utilizing such contract will be, shorter timeline to implementation, avoid cost of delay, and mitigate capital pressures with budget-neutral solution. This program will enable the College to leverage savings to help pay for improvements over time. The contract is being procured using the Equalis Purchasing Cooperative Contract #R10-1143C.

**BUDGETARY CONSIDERATIONS:** \$195,000. The College will have no obligation to pay this amount if JCI and the College enter into the implementation within 60 days after the presentation of the Scope of Services. Costs for the development will be transferred to the total cost of the Implementation Contract and be subject to the payment terms outlines in the Contract.

**CONTACT PERSONS:**

Dr. Minita Ramirez, President

Mr. Cesar Vela, CPA, Vice President of Finance and Administration

Mr. Wicho Tijerina, Interim Director of Plant Operations and Maintenance

Mr. Miguel Rangel, Director of Purchasing

Ms. Jennifer Lancaster, Johnson Controls Sustainable Infrastructure