

Equalis Contract Number R10-1143C

## PROJECT DEVELOPMENT AGREEMENT BETWEEN

**Laredo College**  
**West End Washington St**  
**Laredo, TX 78040**

**AND**

**Johnson Controls, Inc.**  
**401 Center Ridge Dr. Ste. 400**  
**Austin, TX 78753**

The purpose of this Program Development Agreement (PDA) is to confirm the intent of Johnson Controls, Inc. (JCI) and the Customer named above to develop an Energy Savings Performance Contract. This agreement will provide the basis of the scope of the PDA, the obligations of both parties, and the intended outcomes and timeline.

### 1. Scope of Services

It is the Parties' mutual understanding this Program Development Agreement will:

Provide for the development of Facility Improvement Measures (FIMs) at all of the Customer's facilities, and where possible assist the Customer by providing additional improvements to reduce Customer's deferred maintenance backlog or desired facility improvement measures.

#### Base FIMs

- a. Interior and Exterior Lighting Upgrades to LED
- b. Energy Management Control System Upgrades
- c. Recommissioning
- d. Chiller Replacements
- e. Cooling Tower Replacements
- f. Domestic Water Conservation Measures
- g. Building Envelope
- h. Roof Replacements

A preliminary cost/savings estimate will be provided for the following additional FIMs at the preliminary FIM workshop. These FIMs will require additional engineering services to complete design for the final project.

#### Additional FIMs

- a. Chilled Water Storage Tank at South Campus

## 2. Development Schedule

It is the intent and commitment of all parties identified in this Agreement to work diligently, and cause others to work diligently under their direction to achieve the Milestone Schedule identified herein:

Milestone*	Completion Date
Board authorizes Program Development Agreement	March 2025
JCI Commences on-site work	March 2025
JCI requests pertinent Customer Documents and Data to execute the development	March 2025
Customer confirms list of Program Priority FIMs desired to be included in project – <b>Prelim FIM Workshop</b>	April 2025
Customer to agree to move forward with <b>Phase 1a or Phase 2</b>	April 2025
JCI to conduct subcontractor walks for firm costs	May 2025
Form of contract and funding established between JCI & Customer	May 2025
3 <sup>rd</sup> Party Engineering Complete (If Needed) – <b>Phase 1a Complete</b>	May 2025
Customer confirms final FIM list ( <b>Final FIM Workshop</b> )	May 2025
JCI makes binding offer to Customer – <b>Phase 2 Complete</b>	June 2025
Customer staff reviews offer and JCI makes final offer per Customer comments	July 2025
Governing Board approves project	August 2025
Project Funded and Contract executed	August 2025

\*These milestones may be modified by subsequent work plans mutually agreed upon by both parties.

## 3. Deliverables

Upon completion of each phase of the program development, JCI shall deliver to the Customer:

### Phase 1 – Conceptual Design Phase

- A site survey of North and South Campus
- A preliminary FIM list with high level cost and savings estimate
- PDA addendum for Phase 1a, if required (Cost and scope)

### Phase 1a – 3<sup>rd</sup> Party Engineering Design Phase (if required)

- 30% design drawings of following FIMs
  - Chilled Water Storage Tank at South Campus

### Phase 2 – Final Design and Contract Phase

- A financial pro forma cash flow documenting the proposed project. The pro forma will include applicable annual costs and savings that affect the project outcome such as energy, water, sewer, labor and maintenance, etc;
- A preliminary schedule for implementation of the project
- Draft and submittal of final Contract with firm cost

#### 4. Customer Priority FIMs

Customer Priority FIMs are listed below, in in order of anticipated priority to Customer in achieving its objectives. JCI and the Customer acknowledge that JCI will provide as many of the Customer Priority FIMs listed as possible while still meeting achieving the criteria listed in the Deliverables paragraph. The Customer acknowledges that the project may or may not include all of the Customer Priority FIMs listed. JCI may include other FIMs that help the Customer achieve other desired results, such as building improvements or reduction of deferred maintenance.

- a. Interior and Exterior Lighting Upgrades to LED
- b. Energy Management Control System Upgrades
- c. Recommissioning
- d. Chiller Replacements
- e. Cooling Tower Replacements
- f. Domestic Water Conservation Measures
- g. Building Envelope
- h. Roof Replacements

#### 5. Records and Data

During the project development, the Customer will furnish to JCI upon its request, accurate and complete data concerning current: equipment performance data if available; costs; budgets; facilities requirements; future projected loads; facility operating requirements; collective bargaining agreements; etc.

JCI will provide a separate document with a formal request for the required shortly after touring the Customer facilities. The Customer shall make every effort to provide that information within 5 days of request.

#### 6. Preparation of Implementation Contract

JCI will develop the framework of the subsequent Implementation Agreement. JCI and Customer shall work diligently during the program development to complete and populate contract documents. The form of the documents will vary depending on Customer requirements, state statute where applicable and JCI requirements, but where prudent shall utilize JCI standard documents.

#### 7. Program Development Cost and Payment Terms

Customer agrees to pay JCI per the schedule below for each phase of the development. Customer must authorize JCI to proceed with development after each phase. Signing of this agreement is authorization to start the Conceptual Design Phase. Customer will be obligated to pay JCI within 60 days after all phases of the development are complete or 60 days after JCI is notified to stop development. However, Customer will have no obligation to pay this amount if JCI and the Customer enter into the Implementation Agreement (outlined in Section 6) within 60 days after the presentation to the Customer of the Scope of Services described under paragraph 1 of this Agreement. 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.

#### Development Phase Breakdown

- |   |   |
|---|---|
| • Phase 1 – Conceptual Design Phase                                       | \$195,000                                   |
| • Phase 1a – 3 <sup>rd</sup> Party Engineering Design Phase (if required) | Chilled Water Storage (\$50,000 est. adder) |
| • Phase 2 – Final Design and Contract Phase                               | Included in Base                            |

## 8. Indemnity

JCI and the Customer agree that JCI shall be responsible only for such injury, loss, or damage caused by the intentional misconduct or the negligent act or omission of JCI. To the extent permitted by law, JCI and the Customer agree to indemnify and to hold each other, including their officers, agents, directors, and employees, harmless from all claims, demands, or suits of any kind, including all legal costs and attorney's fees, resulting from the intentional misconduct of their employees or any negligent act or omission by their employees or agents. Neither JCI nor the Customer will be responsible to the other for any special, indirect, or consequential damages.

## 9. Disputes

If a dispute arises under this Agreement, the parties shall promptly attempt in good faith to resolve the dispute by negotiation. All disputes not resolved by negotiation shall be resolved in accordance with the Commercial Rules of the American Arbitration Association in effect at the time, except as modified herein. All disputes shall be decided by a single arbitrator. A decision shall be rendered by the arbitrator no later than nine months after the demand for arbitration is filed, and the arbitrator shall state in writing the factual and legal basis for the award. No discovery shall be permitted. The arbitrator shall issue a scheduling order that shall not be modified except by the mutual agreement of the parties. Judgment may be entered upon the award in the highest State or Federal court having jurisdiction over the matter. The prevailing party shall recover all costs, including attorney's fees, incurred as a result of this dispute.

## 10. Confidentiality

This agreement creates a confidential relationship between JCI and Customer. Both parties acknowledge that while performing this Agreement, each will have access to confidential information, including but not limited to systems, services or planned services, suppliers, data, financial information, computer software, processes, methods, knowledge, ideas, marketing promotions, current or planned activities, research, development, and other information relating to the other party ("Proprietary Information"). Except as authorized in writing both parties agree to keep all Proprietary Information confidential. JCI may only make copies of Proprietary Information necessary for performing its services.

Upon cessation of services, termination, or expiration of this Agreement, or upon either party's request, whichever is earlier, both parties will return all such information and all documents, data and other materials in their control that contain or relate to such Proprietary Information.

JCI and Customer understand that this is a confidential project and agree to keep and maintain confidentiality regarding its undertaking of this project. JCI shall coordinate its services only through the designated Customer

representative and shall provide information regarding this project to only those persons approved by Customer. JCI will be notified in writing of any changes in the designated Customer representative.

## 11. Miscellaneous Provisions

This Agreement cannot be assigned by either party without the prior written consent of the other party. This Agreement is the entire Agreement between JCI and the Customer and supersedes any prior oral understandings, written agreements, proposals, or other communications between JCI and the Customer. Any change or modification to this Agreement will not be effective unless made in writing. This written instrument must specifically indicate that it is an amendment, change, or modification to this Agreement.

This document represents the business intent of both parties and should be executed by the parties who would ultimately be signatory to a final agreement.

JOHNSON CONTROLS, INC.	CUSTOMER
By	By
Signature	Signature
Title	Title
Date	Date