

**INTEGRATION AGREEMENT FOR ANNUAL CONTRACT FOR
ANNUAL CONTRACT FOR CHILLER MAINTENANCE & OTHER SERVICES – BESD**

REQUEST FOR COMPETITIVE SEALED PROPOSAL (“RFCSP”)

NO.: 6100008871, RFCSP 17-098

This Agreement is entered into by and between the City of San Antonio, Texas, a home-rule municipal corporation (City), by and through its Director of Finance or said Director’s designee, and Trane U.S., Inc. (Vendor), both of which may be referred to herein collectively as the “Parties”.

The Parties hereto severally and collectively agree, and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described.

1.0 CONTRACT DOCUMENTS

The terms and conditions for performance and payment of compensation for this Agreement are set forth in the following contract documents, true and correct copies of which are attached hereto and fully incorporated herein for all purposes, and shall be interpreted in the order of priority as appears below:

- a. This Integration Agreement;
- b. City’s RFCSP No.: 6100008871, RFCSP 17-098, including all attachments and addendums thereto; and
- c. Vendor’s proposal submitted in response to City’s RFCSP.

2.0 CLARIFICATION STATEMENT

Vendor’s proposal contains a document entitled “Clarification Statement, which contained exclusions and exceptions to City’s RFO. Vendor hereby acknowledges that it has withdrawn its Clarification Statement, including the exclusions and exceptions, in its entirety.

3.0 TRANE SERVICE TERMS AND CONDITIONS

Vendor’s proposal contains a document entitled “Trane Service Terms and Conditions” follow a sample field report. Vendor acknowledges that Trane’s Service Terms and Conditions are not a part of this contract. The terms and conditions of this contract are reflected solely in the Contract Documents and cannot be varied other than by a change order executed in accordance with the RFCSP.

4.0 NAME OF VENDOR

Vendor’s proposal identified Trane Commercial Systems on City’s General Questionnaire, as the exact legal name of the respondent as it would appear on the contract, but provided Trane U.S., Inc.’s Federal Employer Identification Number. Vendor agrees and acknowledges that this contract is between the City of San Antonio and Trane U.S., Inc.

5.0 SCHEDULED MAINTENANCE FLUIDS

Vendor is responsible for all fluids, such as oil, grease, and glycol, that are delivered/required as an integral part of a chiller by the OEM manufacturer. Coolant within a Variable Speed Drive is included as a preventive maintenance item of a chiller, as recommended by the manufacturer. Industrial water treatment on the closed and open loops of a chiller system are not included, and are maintained separately.

6.0 PRICE

- 6.1 Vendor's proposal indicated that the proposed pricing for maintenance and hourly rates for service calls were each subject to a 3% annual escalation. Vendor hereby withdraws said proposed escalation and agrees to the following.
- 6.2 There shall be no escalation of price for maintenance or hourly rates for service calls during the first two years of the contract. Beginning with the third year from the effective date of the Contract, pricing for maintenance and hourly rates for service calls may be modified annually in accordance with the CPI Index as stated below.
- 6.3 Consumer Price Index (CPI).

Price Adjustments. The prices shown on the Price Schedule for maintenance and hourly rates for service calls may be increased or decreased as follows, using the Consumer Price Index published by the Bureau of Labor Statistics ("BLS") of the United States Department of Labor.

The Base Price that is subject to price adjustment is the price for maintenance and hourly rates for service calls shown on the Price Schedule Rev. 1, dated 11/28/17 submitted by Vendor with its original bid.

Index. The Consumer Price Index ("CPI") series that will be used to escalate the base payment is the Consumer Price Index for Urban Wage Earners and Clerical Workers (Current Series); Series ID: CWUR0300SA0; Series Title: All items South urban, urban wage earners and clerical workers, not seasonally adjusted; Area: South; Item: All items; Base Period: 1982-84=100.

Base Period for Price Adjustment. The reference period from which changes in the CPI shall be measured is the effective date of the month and year in which this contract is awarded.

Date for Price Adjustment. Prices may be adjusted annually (the "Price Adjustment Date") beginning with year 3 of the contract.

Method of Calculation for Price Adjustment. To calculate the price adjustment, the following formula shall be used.

Divide the current index value (the value as of the Price Adjustment Date) by the index value for the Base Period. The resulting number is the percentage change in the index value between the current period and the Base Period (the "percentage change in index value").

Multiply the base price by the percentage change in index value. The sum equals the adjusted price.

Example: (The numbers shown below are for illustration purposes only.)

Current index value at time of calculation	115.5
Divided by index for base period	110.0
Equals percentage change in index value	1.050
Base price	\$1,000.00
Multiplied by the percentage change in index value	1.050
Equals adjusted price	\$1,050.00

The same procedure shall be followed for each price adjustment authorized herein, using the current CPI for the new Price Adjustment Date and the CPI for the Base Period.

Version of Data for Price Adjustment. Calculations of price adjustments shall use the latest version of the CPI data published as of the Price Adjustment Date, without regard to later revisions.

If the CPI index referred to above is discontinued, the Parties shall use the most nearly comparable statistics published by the BLS, or, if the BLS ceases to publish such statistics, those published by a recognized financial authority, as determined solely by City.

Limitation of Price Adjustment. In no event shall the aggregate of all price adjustments authorized herein for any given Line Item exceed 6% of the original base price for that Line Item. If the calculation results in an increased price that would exceed this limitation, the price adjustment shall be limited to a maximum price adjustment of 6% of the original base price.

Written Requests for Price Adjustments. Price adjustments are not automatic. Vendor must submit a written request for a price adjustment to the Finance Department. Requests must be received by the Finance Department at least 60 days prior to the date the price adjustment is to take effect. If City does not wish to accept the price adjustment, City may terminate the contract for convenience.

City may initiate a price adjustment in the event of falling prices. City shall notify Vendor at least 60 days prior to the date the price adjustment is to take effect.

7.0 ENTIRE AGREEMENT

This Agreement, together with its exhibits, if any, constitutes the final and entire agreement between the parties hereto and contains all of the terms and conditions agreed upon. No other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the parties hereto, unless the same are in writing, dated subsequent to the date hereto, and duly executed by the parties.

EXECUTED and **AGREED** to as of the dates indicated below. This Agreement may be executed in multiple copies, each of which shall constitute an original.

City of San Antonio

Trane U.S., Inc.

Norbert Dzuik
Title: Procurement Operations Lead
Date: _____



Eric Webster
Title: General Manager
Date: 4-30-18