



Date: July 13, 2021

**To: New Hampton CSD
710 W. Main St.
New Hampton, IA 50659
Attn: John Bear**

Re: HVAC Controls Service Contract Proposal

QUOTATION
Automated Temperature Controls Service Contract

Thank you for your time and interest in a service proposal for the maintenance on your HVAC automation systems at the elementary, middle, and high schools. We are proud of our capabilities to assist with your comfort issues.

Our employees undergo continuous training in order to stay on the cutting edge of technology.

Benefits to you from utilizing our service contract in lieu of our "shop rate" service include:

- You can better budget service costs
- You save money with our Preferred Customer Rates for materials
- You can save money on labor rates
- You will receive faster response times.
- We will keep your Reliable system firmware up to date.
- Problems may be avoided through preventative maintenance.
- On-line support is included at no extra cost.

We look forward to discussing these items with you.

Thank you,

Steve Lursen
515-570-1801 (c)
slursen@outlook.com



PREVENTATIVE MAINTENANCE PROGRAM PROPOSAL

PREPARED FOR

**New Hampton CSD
Elementary, Middle, and High Schools
Located at 206 & 710 West Main St
New Hampton, IA 50659**

July 13, 2021

FM CONTROLS, INC. agrees to provide temperature control system inspection(s), support, and preventative maintenance for New Hampton CSD Elementary, Middle & High Schools (hereafter referred to as the Owner).

FM Controls, Inc. will:

- Perform four (4) on-site visits per year at 10 hours per visit dedicated to preventative maintenance of the district's Reliable Controls HVAC control system.
- Inspect all devices on the Reliable Controls system for proper operation including:
 - Check that all devices are on the network and communicating properly.
 - Check all inputs and outputs for proper operation through visual and/or electronic verification.
 - Check for proper valve/damper actuator operation.
 - Adjust physical connections such as damper linkages as necessary.
 - Inspect for physical damage and environmental hazards to the controllers and wiring.
 - Replace controller batteries as necessary.
 - Check and calibrate field devices as necessary.
 - Cleaning of control equipment, including interior and exterior surfaces.
 - Perform courtesy repairs on minor items at technician's discretion.
 - Prepare an inspection report on the Reliable Control's system noting all corrections and open deficiencies

- Conduct a courtesy visual inspection of major components of the heating and cooling systems and report any possible issues identified. *Please note FM Controls is not a mechanical contractor and is unable to perform any repairs on mechanical equipment such as boilers, pumps, etc. We perform this courtesy inspection as a way to help ensure reliable overall operation of your HVAC system. The owner should still have their mechanical equipment inspected and maintained by qualified personnel.*
- Update controller firmware as available to ensure they are current and don't get too far behind such that they are no longer updateable.
- Perform system program and data backups in case of future need.
- Review system operation with the owner and learn of any concerns they may have.
- Provide follow-up training at owner's request. This is a popular use of service contract time.
- Furnish Customer with report of each inspection and of any conditions observed which may require repairs or corrective action. If authorized by the customer, FM Controls, Inc. will make the repairs at the Customer service rate quoted in this agreement.
- Provide any recommendations for system modifications in writing to the Customer. No modifications will be made without prior approval and proper authorization from the Customer.
- Maintain job files and records at our office.
- Provide up to 4 hours per year on-line and telephone support. This support is available to the owner or mechanical service personnel working on the owner's equipment. B/VPN connection subscription is required.
- Provide preferential scheduling in responding to service requests in times of high call volumes.
- Preferred Customers (service contract holders) receive reduced rates on materials and labor as shown in the following chart. *Please note that after-hours emergency service calls will bill at 1.5 times standard rates and holiday billing is at 2 times standard rates.*

	Preferred Customer Rates	Standard Rates
Engineering Labor	\$115.00 / hour	\$135.00 / hour
Technician Labor	\$105.00 / hour	\$125.00 / hour
On-line labor	No Charge	\$125.00 / hour
Mileage	No Charge	\$1.00 per mile
Controller Materials	30% off list price	10% off list price
Other Materials	10% off list price	List price

Please note this is a maintenance contract and not a bumper to bumper warranty. The following limitations apply:

- Time spent writing reports counts towards the service agreement.
- Major repairs such as a controller replacement are billable items (at preferred customer rates).
- Unscheduled service calls are still billed but if a preventative maintenance visit is due, the customer may elect to apply preventative maintenance time towards repairs. Time spent performing repairs counts towards the service agreement and may limit what is able to be accomplished in the allotted preventative maintenance agreement. If a preventative maintenance visit is not due, or reasonably close to being due, charges for service calls may not be charged to preventative maintenance time.

Preventative Maintenance Agreement Terms

Provide services billed at a quarterly cost of \$ 2,499.00 (\$9,996 annually). *Please note this is an increase over the current agreement to cover the additional expense of the new middle school that is now currently out of warranty.*

1. FM CONTROLS, INC. reserves the right to discontinue this maintenance service agreement at any time without notice, unless all payments under this agreement shall have been made as agreed.
2. This agreement shall remain in effect for ONE year, and shall automatically continue from year to year thereafter unless either party gives 30 days written notice (prior to end of contract term) to the other party of it's intentions to terminate or renegotiate the terms and conditions set forth within.
8. Terms are due upon receipt.

A signature by an authorized representative will initiate this agreement. We look forward to providing service to New Hampton Community Schools.

Accepted By:

Name: _____ Title _____

Date _____

Prepared By:

Steve Lursen
Project Manager/ Outside Sales
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