



**Performance Contracting**  
**Project Development Agreement – Phase 4 Between**

City of La Crosse, WI  
400 La Crosse St  
La Crosse, WI 54601

AND

Johnson Controls, Inc.  
12000 W Wirth St #102  
Wauwatosa, WI 53222

The purpose of this Project Development Agreement (PDA) is to confirm the intent of Johnson Controls, Inc. (JCI) and the City of La Crosse, WI (Client) to develop a Performance Contract. This agreement will provide the basis for the obligations of both parties, the financial metrics to be met (if any) and intended outcomes and timeline. JCI and the Client agree as follows:

1. Evaluation Study

JCI agrees to undertake a detailed evaluation of implementing lighting and HVAC facility improvement measures (FIMS) and photovoltaic (PV) power generation to Client facilities and infrastructures. This Phase 4 will include the following city facilities: Fire Stations (3), City Hall, La Crosse Center, Green Island Ice Arena, and public pools (3). The Client agrees to provide its complete cooperation in the conduct and completion of project development.

At a minimum, the work will include:

- Establish base year energy consumption (energy measurements)
- Design of new systems, equipment options and cost to implement
- Detailed Scope of Work, equipment sizing, schematics for Johnson Controls managed RFP's for equipment and install
- Project cost breakdowns
- Calculate energy and operational savings and deferred maintenance
- Available incentives and grants – FOE, PSC, Inflation Reduction Act
- Financial, legal and measurement & verification workshops
- A comprehensive plan for the ongoing support services, education and training for staff and consumers.
- Cost and description of ongoing services provided by JCI and jointly developed with the Client to maintain equipment and systems installed by JCI.
- Financial impact projection.

The Scope is anticipated to address the following:

1. Lighting:

- a. Green Island Ice Arena: Upgrade remaining non-LED interior lights and non-LED exterior lighting to LED
- b. Public Pools: Upgrade remaining non-LED interior lights and non-LED exterior lighting to LED

2. HVAC:

- a. Fire Station #3: HVAC systems and building envelope
- b. City Hall: Variable Air Volume (VAV) units and air duct sealing
- c. La Crosse Center: Air duct sealing
- d. Green Island Ice Arena: HVAC improvements and air duct sealing
- e. Public Pools: pump house, whole building fan, cooling, pool cover, investigate feasibility of Erickson external pump house

3. Renewable Energy:
  - a. Fire Stations
    - i. Fire Station #2: Solar PV array
    - ii. Fire Station #4: Solar PV array
  - b. La Crosse Center: Solar PV array
  - c. Public Pools: Solar hot water
  - d. Green Island Ice Arena: Solar hot water
  - e. EV Charging Stations: investigate options at various City facilities
4. Open Blue Enterprise Manager: extend the existing system to include the facilities listed above

2. Records and Data

During the evaluation study, the Client will furnish to JCI upon its request, accurate and complete data concerning current costs, budgets, facilities requirements, future projected loads, and facility operating requirements. JCI will provide a separate document outlining the required information and the Client shall make every effort to provide that information within five days of request.

3. Preparation of Performance Contracting Project Agreement

Within thirty (30) days after the submission to the Client of the report described under paragraph 1 of this Agreement, JCI will prepare and submit to the Client a Performance Contracting Project Agreement to implement the improvements and operational efficiency measures, procedures, and services identified in the report that could reduce the Client's overall operating expense and improve operating conditions in the system. This Performance Contracting Project Agreement shall be prepared on standard JCI contract forms, copies of which will be made available to the Client. The Performance Contracting Project Agreement shall provide a written savings guarantee in accordance with the enabling legislation.

4. Price and Payment Terms

The Client agrees to pay to JCI the sum of \$95,600 within sixty (60) days after the Client has received the documentation described under paragraph 1 of this Agreement. However, the Client will have no obligation to pay this amount if the following condition is met:

JCI and the Client agree to enter into the implementation Agreement as outlined in Section 3 within sixty (60) days after the Client has received the documentation described under paragraph 1 of this Agreement. The costs for the Study will be transferred to the total cost of the implementation Contract and shall be subject to the payment terms outlined in the Contract.

5. Implementation Schedule

It is the intent and commitment of all parties identified in this Agreement to work diligently, and cause others under their direction to work diligently toward meeting the following timeline:

Governing Board or Authorized Representative authorizes Project Development Agreement	June 14, 2023
Commence detailed evaluation study	June 14, 2023
JCI obtains pertinent Client documents and data	June 21, 2023
JCI and Client conduct regular weekly update meetings	Ongoing
JCI and Client conduct legal, financial and M&V workshops	July 11, 2023
Client and JCI conduct monthly update meetings with Board/Council	Ongoing
Complete detailed evaluation study and present to Client	July 28, 2023
Finalize performance contract with Client	August 4, 2023
Client approves and executes performance contract with JCI	September 20, 2023
Commence implementation of performance contract	October 2, 2023

These timeframes are preliminary and may be modified by subsequent work plans approved by the parties.

**Obligations of Customer** - To work with JCI in a diligent and timely manner according to the co-authored Timeline to develop the engineering study. Provide open disclosure of information required to do an accurate assessment and properly position JC with any other resident service providers to insure a cooperative and

successful effort. Failure of the customer to meet the agreed upon milestones outlined above does not void JCI's claim on the PDA cost.

**Obligations of Johnson Controls, Inc.** - To work with customer in a diligent and timely manner according to the co-authored Timeline to develop the engineering study.

6. 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 (9) 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.

7. Confidentiality

JCI shall coordinate its services only through designated Client representatives and shall provide information regarding this project to only those persons approved by the Client. JCI will be notified in writing of any changes regarding the designated Client representative(s).

8. 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 Client and supersedes any prior oral understandings, written agreements, proposals, or other communications between JCI and the Client. 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. Client's terms and conditions (STANDARD TERMS AND CONDITIONS (Service Contracts) – October 2018) are incorporated into this PDA. Any evaluation or implementation of disinfection or related technology is intended to be used as a tool for helping Customer manage its response to the unknown and challenging environment in which Customer is working to address the unprecedented COVID-19 pandemic, or to be prepared for future outbreaks of COVID-19 or other pandemics. JCI cannot guarantee that the products provided will prevent the spread of COVID-19 or any other disease or keep any person safe. JCI EXPRESSLY DISCLAIMS ANY WARRANTY THAT THE PRODUCTS WILL ELIMINATE, PREVENT, TREAT OR MITIGATE THE SPREAD, TRANSMISSION, OR OUTBREAK OF COVID-19 OR ANY OTHER PATHOGEN, DISEASE, VIRUS, OR OTHER CONTAGION.

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.	CITY OF LA CROSSE, WI
By	By
Signature	Signature
Title	Title
Date	Date