



Proposal

The Trane Company

Dr Joseph Latess
Highland Area School District
1330 Broadview Boulevard
Natrona Heights, PA 15065
(724) 321-2004

Date: March 16, 2012
Job Name Highland High School Chiller

Dear Dr. Latess:

Pennsylvania Trane is pleased to provide you with the following pricing and information to perform the following work:

Scope of Work:

Replacement of Chiller and Tower

- Includes:
- Removal of existing 400 ton chiller and tower
- Furnish and install (2) new 200 ton RTWD Chillers
- Furnish and install new 400 ton BAC Tower
- Removal of existing chilled water pumps and condenser water pump
- Installation of (2) 30 hp chilled water pumps and accessories
- Installation of (1) 60 hp condenser water pump and accessories
- Installation of (1) 60 hp condenser water variable frequency drive
- Installation of (2) 25 hp tower fan variable frequency drives
- Required controls and their installation for proper operation
- Required piping, insulation, and power wiring
- Balancing
- Startup and commissioning
- Project Management

Price.....\$758,112.00

Joe, we hope the above information is both clear and helpful. If you have any additional questions please feel free to call.

Very best regards,

TRANE PENNSYLVANIA DISTRICT
Gary Hill
Account Executive

400 Business Center Drive
Pittsburgh, PA 15205
Phone: 412-747-3000
Fax: 412-747-4550



This proposal is valid 30 days from March 8, 2012.

This agreement is subject to the attached Trane Terms and Conditions.

Acceptance of Proposal By

Customer: _____

Signed: _____

By: _____

Title: _____

Date: _____

Trane is a federal contractor which complies fully with Executive Order 1 1246, as amended, and the applicable regulations contained in 41 C.F.R. Parts 60-1 through 60-60; 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in 41 C.F.R. Part 60-250.

Trane Terms and Conditions for Installation

1. Acceptance. A proposal made upon these terms is subject to acceptance within thirty days from date and the prices are subject to change without notice prior to acceptance by Customer. If Customer's order is an acceptance of a written proposal, on a form provided by Trane, without the addition of any other terms and conditions of sale or any other modification, this document shall be treated solely as an acknowledgment of such order, subject to credit approval. If Customer's order is expressly conditioned upon Trane's acceptance or assent to terms other than those expressed herein, return of such order by Trane with these terms and conditions attached serves as notice of objection to Customer's terms and a counter-offer to provide Work in accordance with scope and terms of the original proposal. If Customer does not reject or object within ten days, Trane's counter-offer will be deemed accepted. If Customer permits or accepts performance, Trane's terms will be deemed accepted. Customer's acceptance of goods and/or Work by Trane will in any event constitute an acceptance by Customer of these terms and conditions.

2. Contract Price & Taxes. The Contract Price includes standard ground transportation and, if required by law, all sales, consumer, use and similar taxes legally enacted as of the date hereof only for equipment and material installed by Trane. Equipment sold on an uninstalled basis and any taxable labor do not include sales tax and taxes will be added. Prices stated are firm provided that notification of release for immediate production and shipment is received at the factory not later than five months from order receipt. If such release is received later than five months from order receipt date, but within eight months of order receipt date, prices will be increased a straight 1% (not compounded) for each one-month period (or part thereof) beyond the five-month firm price period up to the date of receipt of such release. If such release is not received within eight months after date of order receipt, the prices are subject to renegotiation, or at Trane's option, the order will be cancelled. If for any reason Customer delays shipment after release, prices are subject to increase as stated herein.

3. Exclusions from Work. Trane's obligation is limited to the Work as defined and does not include any modifications to the Work site under the Americans With Disabilities Act or any other law or building code(s). In no event shall Trane be required to perform work Trane reasonably believes is outside of the defined Work without a written change order signed by Customer and Trane.

4. Construction Procedures. Trane shall supervise and direct the Work using its best skill and attention and have exclusive control over construction means, methods, techniques, sequences and procedures.

5. Payment Terms. Customer shall pay Trane's invoices within net thirty (30) days of invoice date. Trane may invoice Customer for all equipment or material furnished, whether delivered to the installation site or to an off-site storage facility and for all work performed on-site or off-site. No retention shall be withheld from any payments except as expressly agreed in writing by Trane, in which case retention shall be reduced per the contract documents and released no later than the date of substantial completion. Under no circumstances shall any retention be withheld for the equipment portion of the order. If payment is not received as required, Trane may suspend performance and the time for completion shall be extended for a reasonable period of time not less than the period of suspension. Customer shall be liable to Trane for all reasonable shutdown, standby and start-up costs as a result of the suspension. Trane reserves the right to add to any account outstanding for more than 30 days a service charge equal to the lesser of the maximum allowable legal interest rate or 1.5% of the principal amount due at the end of each month. Customer shall pay all costs (including attorneys' fees) incurred by Trane in attempting to collect amounts due and otherwise enforcing these terms and conditions.

6. Time for Completion. Except to the extent otherwise expressly agreed in writing signed by an authorized representative of Trane, all dates provided by Trane or its representatives for commencement, progress or completion are estimates only. While Trane shall use commercially reasonable efforts to meet such estimated dates, Trane shall not be responsible for any damages for its failure to do so.

7. Access. Trane and its subcontractors shall be provided access to the Work site during regular business hours, or such other hours as may be requested by Trane and acceptable to the Work site' owner or tenant for the performance of the Work, including sufficient areas for staging, mobilization, and storage. Trane's access to correct any emergency condition shall not be restricted.

8. Permits and Governmental Fees. Trane shall secure (with Customer's assistance) and pay for building and other permits and governmental fees, licenses, and inspections necessary for proper performance and completion of the Work, which are legally required when bids from Trane's subcontractors are received, negotiations thereon concluded, or the effective date of a relevant Change Order, whichever is later. Customer is responsible for necessary approvals, easements, assessments and charges for construction, use or occupancy of permanent structures or for permanent changes to existing facilities.

9. Utilities During Construction. Customer shall provide without charge to Trane all water, heat, and utilities required for performance of the Work.

10. Concealed or Unknown Conditions. In the performance of the Work, if Trane encounters conditions at the Work site that are (i) subsurface or otherwise concealed physical conditions that differ materially from those indicated on drawings expressly incorporated herein or (ii) unknown physical conditions of an unusual nature that differ materially from those conditions ordinarily found to exist and generally recognized as inherent in construction activities of the type and character as the Work, Trane shall notify Customer of such conditions promptly, prior to significantly disturbing same. If such conditions differ materially and cause an increase in Trane's cost of, or time required for, performance of any part of the Work, Trane shall be entitled to, and Customer shall consent by Change Order to, an equitable adjustment in the Contract Price, contract time, or both.

11. Pre-Existing Conditions. Trane is not liable for any claims, damages, losses, or expenses, arising from or related to conditions that existed in, on, or upon the premises before the Commencement Date of this Agreement ("Pre-Existing Conditions"), including, without limitation, damages, losses, or expenses involving Pre-Existing Conditions of building envelope issues, mechanical issues, plumbing issues, and/or indoor air quality issues involving mold and/or fungi. Trane also is not liable for any claims, damages, losses, or expenses, arising from or related to work done by or services provided by individuals or entities that are not employed by or hired by Trane.

12. Asbestos and Hazardous Materials. Trane's Work and other services in connection with this Agreement expressly excludes any identification, abatement, cleanup, control, disposal, removal or other work connected with asbestos, polychlorinated biphenyl ("PCB"), or other hazardous materials (hereinafter, collectively, "Hazardous Materials"). Customer warrants and represents that, except as set forth in any way affect Trane's Work and Customer has disclosed to Trane the existence and location of any Hazardous Materials in all areas within which Trane will be performing the Work. Should Trane become aware of or suspect the presence of Hazardous Materials, Trane may immediately stop work in the affected area and shall notify Customer. Customer will be responsible for taking any and all action necessary to correct the condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for any claims, including the payment thereof, arising out of or relating to any Hazardous Materials on or about the Work site, not brought onto the Work site by Trane. Trane shall be required to resume performance of the Work in the affected area only in the absence of Hazardous Materials or when the affected area has been rendered harmless. In no event shall Trane be obligated to transport or handle Hazardous Materials, provide any notices to any governmental agency, or examine the Work site for the presence of Hazardous Materials.

13. Force Majeure. If Trane shall be unable to carry out any material obligation under this Agreement due to an Event of Force Majeure, this Agreement shall at Trane's election (i) remain in effect but Trane's obligations shall be suspended until the uncontrollable event terminates or (ii) be terminated upon ten (10) days notice to Customer, in which event Customer shall pay Trane for all parts of the Work furnished to the date of termination. An "Event of Force Majeure" shall mean any cause or event beyond the control of Trane. Without limiting the foregoing, "Event of Force Majeure" includes: acts of God; acts of terrorism, war or the public enemy; flood; earthquake; tornado; storm; fire; civil disobedience; pandemic insurrections; riots; labor disputes; labor or material shortages; sabotage; restraint by court order or public authority (whether valid or invalid), and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by Trane.



14. Customer's Breach. Each of the following events or conditions shall constitute a breach by Customer and shall give Trane the right, without an election of remedies, to terminate this Agreement by delivery of written notice declaring termination, upon which event Customer shall be liable to Trane for all Work furnished to date and all damages sustained by Trane (including lost profit and overhead): (1) Any failure by Customer to pay amounts due more than thirty (30) days after the date of the invoice therefor; or (2) Any failure by Customer to perform or comply with any material provision of this Agreement.

15. Indemnification. Trane and Customer shall indemnify and hold each other harmless from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to real or tangible personal property, to the extent caused by the negligence or misconduct of their respective employees or other authorized agents in connection with their activities within the scope of this Agreement. Neither party shall indemnify the other against claims, damages, expenses or liabilities to the extent attributable to the negligence or misconduct of the other party. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault. The duty to indemnify will continue in full force and effect, notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination.

16. Limitation of Liability. NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL (INCLUDING WITHOUT LIMITATION LOST REVENUE OR PROFITS), OR PUNITIVE DAMAGES. IN NO EVENT SHALL TRANE BE LIABLE FOR ANY DAMAGES (WHETHER DIRECT OR INDIRECT) RESULTING FROM MOLD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR OTHER CONTAMINATES OR AIRBORNE BIOLOGICAL AGENTS.

17. Workmanship and Equipment Warranty. Trane warrants that, for a period of one year from the date of substantial completion (the "Warranty Period"), Trane equipment installed hereunder and Work (i) shall be free from defects in material, manufacture, and workmanship and (ii) shall have the capacities and ratings set forth in Trane's catalogs and bulletins; substantial completion shall be the earlier of the date that the Work is sufficiently complete so that Customer can utilize the Work for its intended use or the date that Customer receives beneficial use of the Work. If such defect is discovered within the Warranty Period, Trane will correct the defect or furnish replacement equipment (or, at its option, parts therefor) and, if said equipment was installed pursuant hereto, labor associated with the replacement of parts or equipment not conforming to this warranty. No liability whatsoever shall attach to Trane until said equipment and Work have been paid for in full and then said liability shall be limited to Trane's cost to correct the defective Work and/or the purchase price of the equipment shown to be defective. Equipment and/or parts that are not manufactured by Trane are not warranted by Trane and have such warranties as may be extended by the respective manufacturer. Trane's warranties expressly exclude any remedy for damage or defect caused by corrosion, erosion, or deterioration, abuse, modifications or repairs not performed by Trane, improper operation, or normal wear and tear under normal usage. Trane shall not be obligated to pay for the cost of lost refrigerant. Trane equipment sold on a supply basis is warranted in accordance with Trane's standard warranty for supplied equipment. **THE WARRANTY AND LIABILITY SET FORTH IN THIS SECTION ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. NO REPRESENTATION OR WARRANTY IS MADE REGARDING PREVENTION BY THE SCOPE OF SERVICES, OR ANY COMPONENT THEREOF, OF MOLD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES. TRANE SPECIFICALLY DISCLAIMS ANY LIABILITY IF THE SCOPE OF SERVICES OR ANY COMPONENT THEREOF IS USED TO PREVENT OR INHIBIT THE GROWTH OF SUCH MATERIALS.**

18. Insurance. Upon request, Trane will furnish evidence of its standard insurance coverage. If Customer has requested to be named as an additional insured under Trane's insurance policy, Trane will do so but only to the extent of Trane's indemnity assumed under the indemnity provision contained herein. Trane does not waive any rights of subrogation.

19. Applicable Law. Except as provided below, this Agreement is made and shall be interpreted and enforced in accordance with the laws of the state in which the Work is performed. Any dispute arising under or relating to this Agreement which is not disposed of by agreement shall be decided by litigation in a court of competent jurisdiction located in the state in which the Work is performed. To the extent the Work site is owned and/or operated by any agency of the Federal Government, determination of any substantive issue of law shall be according to the Federal common law of Government contracts as enunciated and applied by Federal judicial bodies and boards of contract appeals of the Federal Government, provided, however, that if there is no applicable Federal Government contract law, this Agreement shall be governed, construed, interpreted and enforced in accordance with the governing law as set out in the contract with Trane's Customer.

20. Assignment. Customer may not assign, transfer, or convey this Agreement, or any part hereof, or its right, title or interest herein, without the written consent of Trane. This Agreement shall be binding upon and inure to the benefit of Customer's permitted successors and assigns.

21. Complete Agreement. This Agreement constitutes the entire Agreement between both parties. This Agreement may not be amended, modified or terminated except by a writing signed by the parties hereto. No documents shall be incorporated herein by reference except to the extent Trane is a signatory thereon.

22. Equal Employment Opportunity/Affirmative Action Clause. Trane is a federal contractor that complies fully with Executive Order 11246, as amended, and the applicable regulations contained in 41 C.F.R. Parts 60-1 through 60-60, 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in 41 C.F.R. Part 60-250.

23. U.S. Government Work. The following provision applies only to direct sales by Trane to the US Government. The Parties acknowledge that all items or services ordered and delivered under this Agreement Purchase Order are Commercial Items as defined under Part 12 of the Federal Acquisition Regulation (FAR). In particular, Trane agrees to be bound only by those Federal contracting clauses that apply to "commercial" suppliers and that are contained in FAR 52.212-5(e)(1). Trane complies with 52.219-8 or 52.219-9 in its service and installation contracting business.

The following provision applies only to indirect sales by Trane to the US Government. As a Commercial Item Subcontractor, Trane accepts only the following mandatory flow down provisions: 52.219-8; 52.222-26; 52.222-35; 52.222-36; 52.222-39; 52.247-64. If the Work is in connection with a U.S. Government contract, Customer certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the contracting officer and officials of the Small Business Administration, on all matters related to the prime contract, including but not limited to all aspects of its ownership, eligibility, and performance. Anything herein notwithstanding, Trane will have no obligations to Customer unless and until Customer provides Trane with a true, correct and complete executed copy of the prime contract. Upon request, Customer will provide copies to Trane of all requested written communications with any government official related to the prime contract prior to or concurrent with the execution thereof, including but not limited to any communications related to Customer's ownership, eligibility or performance of the prime contract. Customer will obtain written authorization and approval from Trane prior to providing any government official any information about Trane's performance of the work that is the subject of this offer or agreement, other than this written offer or agreement.

Trane U.S. Inc.
1-26.251-10(0208)
Supersedes 1-26.251-10(1107)