

Design
Installation
Service

Comprehensive Service
Plans that optimize the
performance of your
building's mechanical
systems



September 10, 2013

Location of Service: LIO Attention Shea Simasko

Email: ssimasko@pfefferdevelopment.com

Plan Maintenance Agreement

General Mechanical would like to extend our services to you with a Plan Maintenance Agreement for your heating, cooling, make-up air units, and plumbing (limited to HVAC and Backflow Prevention). This maintenance is an ongoing process to help sustain the performance of your HVAC systems according to equipment manufacturer recommendations, owner and/or occupant needs, and optimum efficiency levels. Backflow Prevention testing is an approved test to insure hazardous materials do not feed back into the main water supply.

Efficient operation in the context of Plan Maintenance refers to activities such as scheduling equipment, and optimizing energy and comfort-control strategies, so that the equipment operates only to the degree needed to fulfill its intended function. Maintenance activities involve physically inspecting and caring for the equipment as listed in the attached plans. These Plan Maintenance tasks - when performed systematically - increase reliability, reduce equipment degradation, and sustain energy efficiency.

The following is a rough first proposal for quarterly maintenance.

Equipment figured into estimate:

One RTU unit with 30 - 4 inch filter **Three Boilers** Two circulation pumps **Six Expansion Tanks One Air Separator** Three Duplex pumps One 132 gallon booster pkg Two water heater Two water heater pumps One Lift station Three axiom glycol refill stations **Three Crac units Two Dry Coolers** Baseboard on floors 1 to 6 Thirty four Radiant floor areas **Two Unit heaters Eleven CUH units Four Sump Pumps** Seven Snow melt pumps



Three snow melt zones
Three snow melt controllers



Quarterly Service:

Forced Air Units

- Clean burners and combustion chamber
- Replace filters quarterly (filters included)
- Replace belts annually (belts included)
- Testing gas pressures, temperature rise and flow
- Clean condensing coils annually before cooling season
- Check refrigerant levels in A/C units and freezer units (annually)
- Test make up air controls and burners
- Test electrical amp draw on all equipment under service contract
- Test water heater temperature and adjust as needed
- Test thermostats and sensors

Boiler Units

- Clean burners and combustion chamber
- Glycol PH testing (semi-annually)
- Top off Glycol in feed tank (annually)
- Testing gas pressures, temperature rise and flow
- Replace thermocouples (annually)
- Test pump performance
- Test Tekmar controls (semi-annually)
- Test and check for proper function of power ventor
- Check damper controls for combustion air

General Mechanical highly recommends Quarterly Maintenance for optimal performance and comfort

Rates for Additional service calls are as follows:

\$135.00 per hour - Monday to Friday from 7:00 am to 5:00 pm \$202.50 per hour - Weekends and After Hours \$270.00 per hour - Holidays

Travel charges for Service calls: \$30.00 Anchorage \$50.00 Eagle River/Chugiak \$100.00 Girdwood/Valley Please call for Travel charges outside these given areas.

- --For Clients with a signed Plan Maintenance Agreement, a discount of 15% is offered*(on both labor & material) for any service work performed by General Mechanical that is outside of, or in addition to, the scope of the Plan Maintenance Agreement.
- --Additionally, a 1% discount is offered for payments received within 10 days of the invoice date. This discount is only effective if the client account is current. All invoices and Plan Maintenance Agreements are due within 30 days of the invoice date.



The following Service contracts are available for your review

Yearly service contract \$29,424.00 per year billed quarterly at \$7,356.00 \$27,500.00 per year billed quarterly at \$6875.00 Five year service contract \$26,000.00 per year billed quarterly at \$6,500.00 **Ten** year service contract

You will be invoiced after each maintenance visit.

The Plan Maintenance Agreement renews on the first of each calendar year. Partial years will be prorated accordingly. Early cancellation will be billed accordingly to contract differences.

If you find this Agreement and the attached Terms and Conditions acceptable, please sign and complete the section below. Retain a copy for your files and return the signed Agreement to our office. We will contact you regarding scheduling upon receipt of the executed agreement.

Quarterly Service

Jan	<mark>Feb</mark>	Mar	Apr	<mark>May</mark>	June	July	Aug	Sept	Oct	<mark>Nov</mark>	Dec	
Genera	al Mech	anical, Inc				Accep	ted by:					
						Comp	any:	LIO				
Signature:					Signat	ure:						
Ву:		Ron (Green			Ву:						
Title:		Service Manager		Title:								
Date:						Date:						

General Mechanical also offers the following services:

- Metal Products: Carrying a large inventory of specialty metals including copper, brass, bronze, aluminum, per-finished architectural metals, diamond plate and a wide variety of structural components
- Metal Fabrication: Covering all your metal forming and finishing needs with state-of-the-art equipment and craftsman-like attention to details
- Welding: Specializing in a variety of certified welding processes including shielded metal, gas tungsten, gas metal and flux-cored arc welding
- Replacement: Full mechanical contractor with in-house Engineering for all your HVAC needs

Multiyear service contracts canceled early are subject to an early cancelation fee equal to the prorated rate proposed at the time of cancelation



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TERMS & CONDITIONS

TERM

Unless specifically noted otherwise, the term for operation and maintenance agreements shall be for one (1) year and automatically renew on the first of each Calendar year. Partial years will be prorated accordingly and continue to renew January of each year until such time it is terminated by either party on at least thirty (30) days written notice given to all parties, prior to the anniversary date thereof. Contractor's then current charges may apply for each renewal period.

ENTIRE CONTRACT

The provisions herein contained constitute all of the terms and conditions of this contract. No changes or additions hereto shall be binding upon Seller unless in writing and signed by an authorized representative of Seller. Any terms or conditions of Purchaser's order inconsistent herewith or in addition hereto shall be of no force and effect and are hereby expressly rejected and Purchaser's order shall be governed by only the terms and conditions appearing herein.

PROPOSALS AND CONTRACT

Seller's proposals, when accepted, and any resulting contract, are not subject to cancellation, suspension or reduction in amount, except with Seller's written consent and upon terms, which reimburse Seller for work performed, reasonable overhead and lost profit.

PAYMENT

Terms of payment have been set at net 30 days for customers with a current account and due upon receipt for all others. A service charge will be added to the prices on all payments past due and owed by the Purchaser under this contract, at a rate of 18% per annum, or as allowed by current usury law. Purchaser shall pay all attorney's fees incurred in the collection of past due accounts.

DELAYS

Seller shall not be liable for any damage or penalty for delays in work due to acts of God, acts or omissions of the Purchaser, acts of civil or military authorities, Government regulations or priorities, fires, floods, epidemics, quarantine restrictions, war, riots, strikes, differences with workmen, accidents to machinery, car shortages, inability to obtain necessary labor, materials or manufacturing facilities, delay in transportation, defaults of Seller's subcontractors, failure of or delay in furnishing correct or complete information by Purchaser with respect to location or other details of work to be performed hereunder, impossibility or impracticability of performance or any other cause beyond the control of Seller, whether or not similar to the foregoing. In the event of any delay caused as aforesaid, the completion shall be extended for a period equal to any such delay, and this contract shall not be void or avoidable as a result of any such delay. In case work is temporarily discontinued by reason of any of the foregoing, all unpaid installments of the contract price less an amount equal to the value of material and labor not furnished shall be due and payable upon receipt of the invoice by purchaser.

EXCAVATION

In the event the work herein includes excavation, the Purchaser shall pay as an extra to the contact price the cost for any additional work performed by the seller due to water, quicksand, rock or other unforeseen obstruction encountered or if shoring is required.

SITE FACILITIES

Purchaser shall furnish all necessary facilities for performance of its work by Seller, adequate space for storage and handling of material, light, water, heat, local telephone, watchman and crane and elevator service, if available, and necessary permits.

STRUCTURE AND SITE CONDITIONS

While employees of Seller will exercise reasonable care in this respect, Seller shall be under no responsibility for loss or damage due to the character, condition or use of foundations, walls or other structures not erected by it or resulting from excavation in proximity thereto, nor for damage resulting from concealed piping, wiring, fixtures or other equipment or conditions or water pressure. All shoring or protection of foundations, walls or other structures subject to being disturbed by any excavation required hereunder shall be the responsibility of the Purchaser unless otherwise specified. Purchaser warrants the insufficiency of the structure to support the HVAC systems and equipment. The purchaser shall have all things in readiness for inspection/test, including, but not limited to, other materials, floor or suitable working base, connections, and facilities at the time technician is onsite. In the event the purchaser fails to have all things in readiness. Failure to make areas available to Seller during performance in accord with schedules, which are the basis of Seller's proposal, shall be considered a failure to have all things in readiness for erection in accord with the terms of this contract.

INTERFERENCES'S

Purchaser shall be responsible to coordinate the work of other trades (sprinkler, piping, electrical, etc.) and Purchaser shall be responsible for additional costs incurred by Seller arising out of interferences to Seller's work caused by such other trades.

LIMITATIONS OF LIABILITY

The Seller makes NO WARRANTIES, EXPRESS, OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABLIITY AND WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE. Promises not contained herein or affirmation of fact made by any employee, agent or representative of the Seller shall constitute a warranty by the seller or give rise to any liability or obligation. Seller's liability to Purchaser for personal injury, death, or property damage arising from the performance under this contract shall be limited to the contract price. Purchaser shall hold Seller harmless from any and all third-party claims for personal injury, death or property damage, arising from Purchaser's failure to maintain these systems or keep them in operative condition, whether based upon contract, warranty, tort, strict liability or otherwise. In no event shall Seller be liable for any special, indirect, incidental, consequential or liquidated, penal or any economical damage of any character, including but not limited to loss of use of the Purchaser's property, lost profits, or lost production, whether claimed by the Purchaser or by any third party, irrespective of whether claims or actions for such damages are based upon contract, warranty, neglicence, tort, strict liability or otherwise.

CHANGES, ALTERATIONS, ADDITIONS

Changes, alterations, and additions to the plans, specifications, or construction schedule for this contract shall be invalid unless approved in writing by Seller. Changes approved by Seller, which increase or decrease the cost of work to Seller, shall constitute a corresponding increase or decrease in the contract price as herein provided. The value of additional work shall be agreed upon in writing prior to the performance of said work. However, if no agreement is reached prior to the performance of additional work approved in the manner herein described, and Seller elects to continue performance so as to avoid delays, then the estimate of Seller's Estimating Department as to the value of the work shall be deemed accepted by the Purchaser.

PRICES

In addition to the prices specified herein, Purchaser shall pay for all extra work requested by Purchaser or made necessary because of incompleteness of or inaccuracy in plans or other information submitted by Purchaser with respect to location, type of occupancy, or other details of work to be performed hereunder. In the event the layout of Purchaser's facilities has been altered, or is altered by Purchaser prior to completion of this contract. Purchaser shall advise Seller, and prices, delivery, and completion dates quoted herein shall be changed by Seller as may be required.

LEGAL NOTICE

For the purposes of any notice permitted or required to be given hereunder, such notice or notices shall be deemed given when received

CLAIMS

Any claims against Seller arising hereunder shall be deemed waived unless they are presented in writing, with particulars, within ten (10) days after they arise.

TERMS AND CONDITIONS/TECHNICAL SPECIFICATIONS

The terms and conditions specified herein shall be in addition to those put in Seller's technical specifications and Seller's authorized representative shall resolve any inconsistencies.

ARBITRATION

At the option of the Seller, any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration in accordance with the Rules of the American Arbitration Association, and judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof. Any arbitration proceeding shall be held in Anchorage, Alaska.

OVERTIME

Unless otherwise specified by Purchaser, all service work will be performed during regular working hours. If Purchaser shall require any overtime labor, Purchaser agrees to reimburse Seller for the overtime premium cost including all related payroll costs, plus Seller's overhead and profit, payable monthly, one (1) month after overtime expense was incurred.

PROPRIETARY DATA

All specifications, drawings, designs, descriptive matter, and other data furnished by seller to Purchaser pertaining to the work proposed herein shall be deemed proprietary and shall be kept in confidence by Purchaser and shall not be disclosed to any third party except as may be necessary in the performance of any contract with the Seller. In the event Seller requests the return of any such proprietary material and/or any reproductions thereof, Purchaser shall promptly return the same to Seller.

DEFAULT

In case of any default by Purchaser, Seller shall be entitled to payment for all work performed, all termination costs incurred, and any other costs incurred by Seller, including overhead and profit. All such remedies of Seller are cumulative and not exclusive. Default by Purchaser shall consist of: Failure to pay any installment of price when due, no demand being necessary, or any act or omission on the part of Purchaser whereby Seller is prevented from completing said service, or receivership, bankruptcy, assignment for the benefit of creditors or any other form of insolvency proceedings by or against Purchaser or in case said premises or said system shall be attached, liened or seized by process of law and such attachment or lien shall not be vacated or seizure terminated within ten (10) days after its occurrence.

BACK CHARGE

No charges shall be levied by the Purchaser against the Seller unless (48) hrs prior written notice is given to Seller to correct any alleged deficiencies/clean-up which necessitates such charges and unless deficiencies are the direct fault of Seller.

OSHA

Purchaser will indemnify and hold harmless the Seller from and against any claims, demands or damages resulting from the enforcement of the Occupational Safety Health Act (Public Law 91-596), unless said claims, demands or damages are a direct result of causes within the exclusive control of Seller.



Company Resume

About us:



General Mechanical, Inc. was incorporated in September, 1992 by its founder, Donald Burns. Committed to Biblical principles and hard work, Mr. Burns quickly created a mechanical contracting and metal fabrication firm with a reputation built on integrity and professional performance. Today, General Mechanical continues that tradition through its President and General Manager, Troy Fritzel who promotes this vision through his commitment to the company's core values: Supporting our customers, employees and work development.

Occupying 18,000 square feet of shop space with approximately 2.5 acres of fenced yard, we produce nearly 3.5 million pounds of fabricated metal products per year. Our equipment is state-of-the-art and well maintained. Computer controlled CNC plasma cutting, spiral pipe production, welding, specialty stainless and exotic metal manufacturing are all within our capabilities. We take great pride in the diversity of products and quality of work produced by the skilled craftsman at General Mechanical, Inc.

General Mechanical, Inc. is a financially solid company and can provide the owner with financial statements upon request. Bonding and insurance are handled through Christin Hubble and David Eckroth, respectively, with Parker, Smith, and Feek, Inc. Financial records are reviewed annually by a local accounting firm. Current bonding capacity stands at 30 to 40 million dollars.

We have performed extensive work on design construct facilities of similar nature to the proposed project. Our past design build experience around the state of Alaska has given our company excellent firsthand experience with controlling cost and schedule, anticipating the inherent project difficulties, and the importance of a well coordinated team to make the project successful for all parties involved.

Our employees are well trained, proven, and dependable. We have been able to satisfy the most exacting owners and tenants with our consideration and professionalism. Most of our employees have worked for General Mechanical for over 5 years. We believe it will greatly benefit the owner to utilize a local contractor with a proven work force like ours on this project. Not only do we have a vested interest in the community, but we will be here after project completion to respond to future needs.

To read more about General Mechanical, Inc. please go to our website: www.gmialaska.com

Expertise:

As a mechanical contractor licensed in all sub-disciplines of the mechanical field and as a professional corporation that provides complete mechanical engineering, General Mechanical, Inc. has the expertise to provide complete pre-construction and post-construction mechanical services. Because we work with a number of reputable plumbing and temperature controls contractors in Alaska, we are can provide the owner with an assurance of a high quality, well coordinated project in the most affordable manner-- all the while maintaining a single point of contact for the mechanical systems.

At the heart of our preconstruction services is the development of 2D and 3D coordination drawings that incorporate all disciplines of work for the project that are unmatched in Alaska. Our coordination drawings have been used extensively by owners and contractors on large and small projects to identify potential conflicts and for resolution of problems prior to actual commencement of field work. Our efforts in this area benefit onsite relations between all parties, greatly contribute to controlling costs, decreasing field durations, and minimizing change orders.

General Mechanical, Inc. has an in-house service department to assist the building owner with planned service and maintenance needs long after the construction project is complete. In existing facilities, our service department can troubleshoot, repair, design and upgrade building comfort systems to save the owner money.

In addition to our work in the mechanical industry, we also specialize in custom metal fabrication. On a yearly basis, General Mechanical, Inc. provides over \$2,000,000 in metal fabrication products including steel, stainless steel, brass, copper, color clad and other exotic metals to various industries and individuals throughout the State.

Performance:

Over the years, General Mechanical, Inc. has established an excellent working relationship with many public and private building owners, including The Department of Transportation and Public Facilities, Providence Alaska Medical Center, Anchorage School District, Southcentral Foundation, The Department of Veteran Affairs, Alaska Regional Hospital and the University of Alaska. Recent projects include the following:

Medical/ Research

- Veteran Affairs Outpatient Center (\$7,900,000)
- Norton Sound Regional Hospital—in progress (\$4,500,000)
- University of Alaska, Anchorage Integrated Sciences Facility (\$6,500,000)
- State of Alaska Public Health and Medical Examiner's Facility (\$1,600,000)
- State of Alaska Criminal Detection Laboratory—in progress (\$3,700,000)
- Southcentral Foundation Primary Care Clinics II and III (\$2,200,000)
- South Peninsula Hospital Phase I and II Expansion (\$1,700,000)



• Providence Alaska Medical Center—Continuous presence and service provider since 1990's

Academic

- Anchorage School District South Anchorage High (\$2,800,000)
- University of Alaska, Anchorage Health Sciences—in progress (\$1,800,000)
- Matsu Borough School District Teeland Middle School (\$800,000)
- Anchorage School District Mirror Lake Middle School (\$1,000,000)
- Numerous remote schools throughout State of Alaska



Institutional

- Anchorage International Airport Concourse C Expansion (\$4,700,000)
- Anchorage International Airport Field Maintenance Facility (\$1,200,000)
- Anchorage International Airport Seismic Upgrades Phases I and II (\$5,400,000)
- Ground Based Missile Defense System—Shemya, AK (\$850,000)

Safety:



The leadership of General Mechanical has set a goal for employee safety: "Zero Accidents. Zero Lost Time." While this may be a lofty goal, it reflects our commitment to our employees and their families. To support this goal, we have designed a safety plan

to create and support a safe work environment, both in the shop and on the job. The Company safety plan can be reviewed in detail on our website: www.gmialaska.com

Thank you for considering General Mechanical, Inc.



BILLING INFORMATION

PLEASE COMPLETE THE FOLLOWING IN FULL. ALL INFORMATION WILL REMAIN CONFIDENTIAL

NAME OF FIRM	M/ INDIVIDUAL					
ADDRESS				TELEPI		
CITY	STATE	ZIP		FAX		
EMAIL ADDRE	SS					
OWNERSH	IP					
NAME (PRESID	DENT)	ADDRESS	CITY		STATE	ZIP
NAME (SECRE	TARY OR TREASURER)	ADDRESS	CITY		STATE	ZIP
	CORPORATION LLC		PARTNERSHIP INDIVIDUAL		PROPRIETO	DRSHIP
NAME (PRINT)			SIGNATURE			
TITLE			DATE			
SERVICE LOCA	TION NAME/ STREET A	DDRESS			TELEPHONE/ C	CONTACT

GENERAL MECHANICAL, INC.

9135 KING STREET ANCHORAGE, AK 99515-1927 PH (907) 522-5959 FAX (907) 522-6006

APPLICATION FOR CREDIT- PART 1

PLEASE COMPLETE THE FOLLOWING IN FULL. ALL INFORMATION WILL REMAIN CONFIDENTIAL

NAME OF FIRM/ INDIVIDUAL				
ADDRESS			TELEPHONE	
CITY STATE	:	ZIP	FAX	
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OWNERSHIP				
NAME (PRESIDENT)	ADDRESS	CITY	STATE	ZIP
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APPROXIMATE CREDIT LINE I	REQUESTED			
TERMS General Mechanical, Inc. has stareasons for non-payment such a problems. Acceptance of our tethat will, if necessary, be used to I (We) certify that all the informa proper payments in consideratio collection, I agree to pay all cost Inc. to check all banking and cre	s payment de rms is a bindir o exact payme tion on this for of extended s, including re	elays (by your customers), in agreement between you ent should your account between it should your account between it something in the correct. I fully understand it is assonable attorney fees. I	tem disputes, or other ir company and Gener come delinquent. stand your credit terms in payment and if actio hereby authorize General company in the company is the company in the company in the company is the company in the company in the company is the company in the company in the company is the company in the company is the company in the company in the company in the company is the company in the compan	cash flow al Mechanical, Inc. and agree to the n is brought to
NAME		SIGNATURE		
TITLE		DATE		

GENERAL MECHANICAL, INC.

9135 KING STREET ANCHORAGE, AK 99515-1927 PH (907) 522-5959 FAX (907) 522-6006

APPLICATION FOR CREDIT- PART 2

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