



Everyday Environmental Stewardship

HVAC Maintenance Contract

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Key issue:

Poor maintenance/inefficient operations
System failure at inopportune times

Stewardship Opportunity

Maintenance Contract

Keeping heating and cooling equipment in good condition is essential to maintaining their long life and efficient use. Regular maintenance ensures that the HVAC systems will stay in good condition and run reliably. AC failure during Yom Kippur or heating failure at the Christmas Eve midnight service is just no fun. Maintenance contracts are particularly important for houses of worship with old (5+ years) HVAC systems. Contracts free congregations to focus on stoking other flames of faith!

Many New England houses of worship have old, steam heating systems. For reasons of both age and intrinsic nature, these systems are at the greatest risk of breaking down. The steam process (including introduction of “make-up water” which is often heavily oxygenated and contains other contaminants) continually corrodes the pipes. The resulting “rusty” mixture deposits into the boiler. Eventually the boiler breaks down. Another problem on any oil-fired boiler (steam or hot water) is the build-up of soot on inner walls, keeping the heat from reaching the water to create steam or hot water. Forced air furnaces have combustion chamber problems. AC condensers and air exchangers have motor, fan and filter issues. The sad fact is this: Old (15+ years) HVAC equipment without regular maintenance can and will break down when the house of worship requires heavy use.

A volunteer or staff person can perform some maintenance on heating systems, “blowing-down” a steam system, for example. However, there are two problems with this approach: 1) the person may either forget or not have enough time to perform regular maintenance and 2) the person may not have the necessary skills to see if the system actually needs maintenance. Under a maintenance contract, the HVAC professional will make regular scheduled visits and can spot problems. The HVAC professional can then fix most problems on site immediately. The proverb applies: ***An ounce of prevention is better than a pound of cure.***

Since HVAC professionals deal with systems every day, they know how long boiler and AC parts can last and what parts of the system need to be checked, and when. Most importantly, a HVAC professional will learn your system. Think of going to the doctor. People generally go to the doctor once a year to make sure they’re healthy and develop good health habits, instead of going only for a medical emergency. Thus the doctor has a record of physical factors and health history. The older one gets, the more risk of health complications there are. Regular checkups and timely health interventions keep one healthy and happy. The same is true for your HVAC system.

For an Excel version of the maintenance contract template, go to...

http://www.mipandl.org/congregation_energy.htm

CONTRACT
MEP Systems Maintenance

1 — PARTIES

Client _____ (“ ”)

Contact Person _____ Title _____

Address _____

City/State/Zip _____

Phone _____ Fax _____

Email _____

Provider _____ (“ ”)

Contact Person _____ Title _____

Address _____

City/State/Zip _____

Phone _____ Fax _____

Email _____

2 — SERVICES TO BE PROVIDED

The *provider* is responsible for maintenance and service for the equipment identified in **Exhibit A-1**. **Exhibit A-2** identifies equipment for which maintenance and service will not be provided.

The services shall include *routine*, *periodic* and *milestone* maintenance and servicing to insure the safe, continuous and efficient operation of the equipment. In general the meaning of *routine*, *periodic* and *milestone* maintenance and servicing shall be as specified and/or recommended by the manufacturer of the equipment or system. Failing such guidelines, recommendations and standards of applicable industry organizations shall apply.

3 — TERMS FOR SERVICES TO BE PROVIDED

Exhibit B sets for the specific services to be provided for the equipment included in this contract. The services will be provided during normal working hours. Exhibit B also sets forth the cost for services. Payment for services shall be within thirty (30) days of receipt of invoice.

Taxes: Client is exempt from sales tax on products permanently incorporated into its facilities. Provider will be provided a documentation of sales-tax exemption from the client, and will place the number on invoices for services rendered. At the completion of the annual cycle of maintenance, Provider shall file with Client a statement that all purchases made under the exemption were entitled to be exempt. Provider shall pay legally assessed penalties for any improper use of the Client’s tax exemption number.

Insurances: Provider shall purchase and maintain insurance providing the coverages and limits designated in this Section. Insurance shall be provided by insurers licensed to transact business in the Commonwealth. Provider shall not start to perform and furnish services, in whole or in part, or continue to perform and furnish any part of the services, unless Provider has in full force and effect all the required policies of insurance. Provider must provide the following coverage:

(a) General liability insurance with a combined single limit of not less than \$1,000,000 for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring against any and all liability of the Client and the Provider including, without limitation, coverage for contractual liability and broad form property damage;

(b) Workers Compensation and Employers Liability Insurance providing statutory benefits to all employees;

(c) Owned, Non-Owned and Hired Automobile Liability with a limit of not less than \$1,000,000 combined single limit;

(d) Excess Liability Insurance shall provide the following protections: employer’s liability, general liability and automobile liability. Excess Liability Insurance shall be at least as broad as the underlying policies of liability insurance.

Client shall be named as an additional insured under Sections (a), (c), and (d). Client shall be provided a Certificate of Insurance, which shall also provide a 30-day notice of cancellation.

Hold Harmless: Provider shall indemnify, defend and hold harmless Client from any and all liability of whatever kind and character for loss, actual or claimed, to persons or property arising by virtue of the activities of Provider, its agents, servants, employees or clients. Provider shall properly notify Client of any claim involving the services or the Client.

Duration: The contract shall commence on _____ and shall remain in force for twelve (12) months, subject to extensions and renewals. The contract shall automatically terminate if no extension is formally agreed to within thirty (30) days of the end date of the current contract. Termination other than at end of contract requires a thirty (30) day notice, to be provided in writing addressed to the signators of the contract. The notice of termination is to be delivered by United States Postal Service using certified mail, return receipt requested.

SIGNATORS

For Client

For Provider

Signature _____

Signature _____

Title _____

Title _____

Date _____

Date _____

