

CITY OF FRANKLIN, OHIO
RESOLUTION 2023-70

**AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH
JOHNSON CONTROLS INTERNATIONAL, PLC TO STUDY AND SUGGEST MODIFICATIONS
TO THE CITY'S WATER METER SYSTEM AND RELATED PROCEDURES**

WHEREAS, Johnson Controls International, PLC ("JCI") proposes to provide the City of Franklin with certain services related to studying the City's current water system and related procedures, identifying inefficiencies in such system and procedures, and suggesting modifications to remedy such inefficiencies (collectively, the "Services");

WHEREAS, the Services and fees for the same are more particularly described in the Project Development Agreement, attached to this Resolution as Exhibit A; and

WHEREAS, the City finds the Services will enhance public welfare and governmental efficiency, and desires to engage JCI to perform the Services in accordance with the Project Development Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Franklin, Ohio, a majority of Council Members present concurring, that:

Section 1. Council hereby authorizes the City Manager to execute, on behalf of the City, the Project Development Agreement in substantially the same form as the attached Exhibit A.

Section 2. Council further authorizes the City Manager to execute any other documentation, and take any other action, necessary to carry out the intent of this Resolution.

Section 3. It is found that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council that resulted in this formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code, and the Rules of Council.

Section 4. This Resolution shall become effective immediately upon its passage.

ADOPTED: November 6, 2023

ATTEST: Khristi Dunn
Khristi Dunn, Clerk of Council

APPROVED: Brent Centers
Brent Centers, Mayor

CERTIFICATE

I, the undersigned Clerk of Council for the Franklin City Council, do hereby certify that the foregoing is a true and correct copy of a resolution passed by that body on November 6, 2023.

Khristi Dunn
Khristi Dunn, Clerk of Council

PROJECT DEVELOPMENT AGREEMENT BETWEEN

City of Franklin
One Benjamin Franklin Way
Franklin, OH. 45005

AND

Johnson Controls International, plc
9685 Cincinnati-Dayton Road
West Chester, OH. 45069

The purpose of this Project Development Agreement (PDA) is to confirm the intent of Johnson Controls International, plc (JCI) and the City of Franklin (Customer) to develop a guaranteed savings contract in accordance with Ohio Statute ORC 717.02. JCI will develop a project to modify the Customer's existing domestic water meter system to include the replacement of selected water meters, the implementation of automatic meter infrastructure (AMI), and interface to the existing Customer's billing system. This Agreement will provide the basis of the scope of the PDA, the obligations of both parties, and the intended outcomes and timeline. This agreement is in accordance with the Johnson Controls Equalis Group/Region 10 contract R10-1143C.

1. Scope of Services

It is the Parties' mutual understanding this Project Development Agreement will:

- a) Provide for the development of Business Improvement Measures (BIMs) addressing the Customer's water/sewer infrastructure and associated billing system that will generate economic benefit in the form, not limited to, additional unbilled revenue and operational savings. Where possible, JCI will assist the Customer by providing additional improvements to reduce such items as deferred maintenance backlog or desired City or Utility improvement measures not affordable otherwise;
- b) Assist the Customer in arranging for project financing;
- c) Details on water meter replacement:
 - i. Utility Billing Extract used to create the water model and determine project benefits.
 1. Data will be used to identify accounts that may be billed incorrectly for further investigation.
 2. Develop intermediate water meter test list to be approved by the Customer.
 3. Identify possible meter typing candidates.
 4. Generate project benefits given test results and other data.
 - ii. Testing a statistically significant, random sample of small and intermediate water meters at a laboratory that is both NIST and ISO 9001 certified. For the purpose of this Agreement, small meters are defined as 1" and smaller and intermediate water meters are defined as 1.5" and 2" meters. All testing will be done according to AWWA M6 Manual guidelines. The process includes:
 1. Coordination and removal of water meters for the test population (a quantity of not more than ninety (90) total meters.

2. Purchase and installation of replacement water meters.
3. Selection and coordination with the installation subcontractor.
4. Determine the end user contact and scheduling process.
5. Packaging and shipment of water meters to the testing laboratory.

iii. Large Meter Survey

1. Survey and audit large revenue water meters and settings (fire line meters are excluded from the survey). This is to determine which large water meters may be tested, which large water meters are correctly typed for the current application, and which large meter settings need improvement. For the purpose of this Agreement, large water meters are defined as 3" and larger meters. The quantities to be surveyed come from information provided to JCI by the Customer are as follows:
 - a. 3" meters: Known quantity of ten (10)
 - b. 4" meters: Known quantity of three (3)
 - c. 6" meters: Known quantity of six (6)

If additional quantities of large water meters are found, JCI may request a change order to this Agreement.

2. JCI may request that the Customer's staff to provide and install water isolation valves at certain locations for the purpose of testing the water meter at that facility.
3. JCI requires that the Customer provide an escort during the large meter survey.

iv. Large Meter Testing

1. The testing of large water meters, quantities as outlined in item iii. above, that have working inlet and outlet isolation valves and an accessible test port or backflow prevention device. Large water meter testing requires coordination with both the Customer and the end user.
2. If a water meter isolation valve has failed, JCI may request the Customer to replace that valve. JCI requests that the Customer exercise the large water meter isolation valves prior to the start of large water meter testing.
3. If a large water meter is tested and found not to meet the AWWA M6 Manual New Meter Accuracy Standard of 100% +/- 1.5%, and if repair parts for this meter are readily available, JCI will inform the City of Franklin and request permission to repair the meter while the large meter crews are on site. JCI will provide the City of Franklin with an estimate of the cost to repair the meter (parts and labor) at that time. Once the repairs have been completed, JCI will re-test the water meter to verify that the accuracy of the meter has been restored. At the end of the meter testing effort, JCI will submit a detailed change order to the existing Project Development Agreement (PDA) between the Customer and JCI for the cost of repairing any inaccurate large water meters.

Customer will furnish to JCI, upon its request, the following information:

- a) A billing data extract. This information should be provided for each account and be in a Tab or pipe delimited format with the first line of the file being a header line to denote the data in each column. Comma delimited can be used if commas are not used in the Actual Field Data, as this causes import issues. This data should be extracted from your billing system on a monthly basis for a minimum of two full years and include the most current data. This file should include Water, Sewer, and Irrigation accounts. If any meters are non-revenue meters and do not have a separate rate code, please identify them in a separate list. Also, please identify any Sewer Only Accounts.

Note: The script or report used to provide this data extract should be available on an ongoing basis, so that this data format can be requested and delivered for monthly/quarterly analysis, for whatever period the data is needed.

- b) Information requested for each account:

- Municipality
- Account Number
- Account Sequence - (optional and if applicable)
- Meter Sequence - (optional and if applicable)
- Cycle Code - (optional and if applicable)
- Route Code - (optional and if applicable)
- Sequence - (optional and if applicable)
- Latitude - (optional and if applicable)
- Longitude - (optional and if applicable)
- Customer Name (optional but highly recommended)
- Service Address (location of the Meter)
- Billing Address (if different than the Service Address)
- Zip Code
- Account Status (Active, Inactive, etc.)
- Rate Code (Assigns Rate Structure to the Account' s Service Class) - (Please provide one line of data per rate code)
- Water
- Sewer
- Irrigation
- County Code Indicator (Inside/Outside) -If this exists
- Service Classification (Water, Sewer, etc.)
- Meter Size (0.625, 0.5,0.75, 1,1.25,1.5,2, or 5/8,1/2,3/4,1,1 1/2, etc.)
- Meter Manufacturer (optional but highly recommended)
- Meter Serial Number ((for water meter and associated sewer account))
- Install Date (preferred format mm/dd/yyyy)
- Meter Location Information (optional)
- Billing Date - (preferred format mm/dd/yyyy)
- Current Register reading (Need to know meter registration; gals, kgals, cu.ft., etc)
- Multiplier (if used)
- Usage / Billed consumption (Need to know billed units; gals, kgals, cu.ft., etc)

- Bill Amount (For each rate code item - only include direct charges for amount consumed and do not include taxes, late charges, fees, etc.)
 - Reading Type (estimated or actual, if available)
 - Multi-Units -the number of units served by one meter on an individual account, if used to calculate either water or sewer billing revenue (if applicable). Ex: 150 units served by one 2" meter supplying a condominium complex
- c) A listing of city assets that could be available for the purpose of mounting AMI system infrastructure (collectors, repeaters, etc.). This shall include the following information:
- Name of asset (ex. "east water tower")
 - Address of the asset
 - GPS coordinates of the asset
 - Height of the asset above grade along with the highest available point on the asset for which we can mount infrastructure. In some cases, we may not be allowed to mount infrastructure at the maximum height of the tower or building. If we're only allowed to mount ½ way up the tower/building for example, this will need to be accounted for in the study.
 - Availability of 120/240V AC power
 - Availability of existing communications (Ethernet, fiber, County Wi-Fi, etc)
- d) Descriptions of any changes in the utility infrastructure or any of its operating systems.
- e) All operational cost records for relevant (Customer) infrastructure.
- f) Descriptions of relevant operational or maintenance procedures utilized by (Customer).
- g) Any other pertinent information as requested by JCI, if any.

2. Development Schedule

It is the intent and commitment of all parties identified in this Agreement to work diligently, and cause others to work diligently under their direction to achieve the Milestone Schedule identified herein:

Milestone*	Completion Date
City Presentation of PDA	10.02.23
Signing of PDA	10.16.23
JCI Commences on-site work	10.23.23
JCI requests pertinent Customer Documents and Data to execute the PDA	10.23.23
Water Meter/AMI Workshop	11.07.23
Customer Portal Workshop	11.24.23
JCI to complete meter testing program	01.23.24
JCI perform M&V workshop	02.12.24
Workshop with City of Franklin to discuss final project	03.13.24
Legal Review of Contract Completion	04.15.24
Presentation to City Officials	05.20.24
Contract Approval and signing	06.17.24

**These milestones may be modified by subsequent work plans mutually agreed upon by both parties.*

City of Franklin intends to procure this project utilizing the Co-Operative agreement (of which both the Customer and JCI are signatory) to satisfy the State of Ohio procurement requirements.

3. Deliverables

Upon completion of the project development, JCI shall deliver to the Customer:

- a) A written description of each BIM proposed to be implemented.
 - A list of the specific improvements and operational efficiency measures that JCI proposes
 - A projection of the potential operating cost savings
 - An estimate of the improved system accuracy and resulting increased billable revenues; (for purposes of this study, we will use an agreed upon baseline and tier structure)
 - A summary of the cost required to realize the proposed improvements
- b) A financial pro forma cash flow documenting the proposed project. The pro forma will include applicable annual costs and savings that affect the project outcome such as financing, energy, water, sewer, labor and maintenance.
- c) A preliminary schedule for implementation of the project.
- d) JCI agrees to undertake a detailed evaluation of a representative sample of the Customer's utility meters and meter data acquisition system (collectively "the System") to determine the operational expenditures and characteristics of the System and to identify improvements and operational efficiency measures, procedures and other services that could be provided by JCI in order to improve the System's infrastructure, reduce the System's operating costs, and provide real-time utility consumption and cost data to the Customer. JCI will analyze a proportionately representative sample of residential, commercial, and utility account meters. This evaluation will be coordinated with the Customer's staff to encompass a certain number of routes in the meter reading system and to determine the amount of data needed for each utility listed below:
 - A list of the specific improvements and operational efficiency measures that JCI proposes
 - A description of the operating and maintenance procedures that JCI believes can reduce operating costs of the System
 - A projection of the operating cost savings
 - An estimate of the improved system accuracy and resulting increased billable revenues; (for purposes of this study, we will use an agreed upon baseline and tier structure)
 - A summary of the cost required to realize the proposed improvements

4. Customer Priority BIMs

JCI will provide some Business Improvement Measures (BIMs) that are essential to creating a project that meets the Customer's financial buying criteria. Examples of such BIMs may include but not be limited to BIMs such as lighting modifications, water saving fixture modifications and control system modifications. Normally, in addition to those BIMs which are essential creating a project that meets financial criteria, JCI can include other BIMs that help the Customer to achieve certain other desired results, such as building improvements or implementing improvements from the Customer's deferred maintenance budget.

R-23-70

Exhibit A

Listed herein is a list of Customer Priority BIMs. The Customer Priority BIMs are listed in priority order in terms of importance to the Customer achieving their objectives. The Customer acknowledges that the project may or may not include all of the Customer Priority BIMs listed.

1. Water Meter Replacement and right-sizing/right-typing
2. Advanced Metering Infrastructure (AMI)
3. Other potential usage of the AMI network (remote shut-off valves)
4. End-use customer water portal

5. Records and Data

During the project development, the Customer will furnish to JCI upon its request, accurate and complete data concerning current: equipment performance data if available; costs; budgets; facilities requirements; future projected loads; facility operating requirements; collective bargaining agreements; etc.

JCI will provide a separate document with a formal request for the required shortly after commencing on site work. The Customer shall make every effort to provide that information within 5 days of request.

6. Preparation of Implementation Agreement

JCI will develop the framework of the subsequent Implementation Agreement and the Financing Agreement if applicable. JCI and Customer shall work diligently during the project development to complete and populate contract documents. The form of the documents will vary depending on Customer requirements, state statute where applicable and JCI requirements, but where prudent shall utilize JCI standard documents.

7. Project Development Cost and Payment Terms

Customer agrees to the cost for JCI to provide project development services identified herein of \$234,300 (Two hundred thirty-four thousand, three hundred dollars) and is payable within 30 days after JCI provides the Deliverables identified herein; provided the Deliverables are reasonably satisfactory to Customer, and comply with all terms and conditions of this Agreement and Customer's intended use of such Deliverables.

However, Customer will have no obligation to pay this amount if JCI and the Customer enter into the Implementation Agreement (outlined in Paragraph 6) within 60 days after JCI provides the Deliverables. Costs for project development will be transferred to the total cost of the Implementation Agreement and be subject to the payment terms outlined in this definitive contract.

Obligation to pay if JCI satisfies requirements: Customer shall pay the amount indicated if JCI satisfies the requirements set forth in Paragraph 3 "Deliverables" and the Customer elects not to implement a project with JCI.

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 JCI with any other pertinent data to insure a cooperative and successful effort. Failure of the customer to meet the agreed upon milestones in Section 2 "Development Schedule" does not void JCI's claim on the PDA cost.

8. Indemnity

JCI and the Customer agree that JCI shall be responsible only for such injury, loss, or damage caused by the intentional misconduct or the negligent act or omission of JCI. To the extent permitted by law, JCI and the Customer agree to indemnify and to hold each other, including their officers, agents, directors, and employees, harmless from all claims, demands, or suits of any kind, including all legal costs and attorney's fees, resulting from the intentional misconduct of their employees or any negligent act or omission by their employees or agents. Neither JCI nor the Customer will be responsible to the other for any special, indirect, or consequential damages.

9. 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, with any in-person arbitration proceedings to be held in Warren County, Ohio. A decision shall be rendered by the arbitrator no later than nine 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. The prevailing party shall recover all costs, including attorney's fees, incurred as a result of this dispute.

10. Confidentiality

This agreement creates a confidential relationship between JCI and Customer. Both parties acknowledge that while performing this Agreement, each will have access to confidential information, including but not limited to systems, services or planned services, suppliers, data, financial information, computer software, processes, methods, knowledge, ideas, marketing promotions, current or planned activities, research, development, and other information relating to the other party, and information related to water customer account/usage information ("Proprietary Information"). Except as authorized in writing both parties agree to keep all Proprietary Information confidential. JCI may only disclose Proprietary Information to its employees actually performing services for Customer hereunder and only to the extent necessary for the performance of such services, and may only make copies of Proprietary Information necessary for performing its services. Upon cessation of services, termination, or expiration of this Agreement, or upon either party's request, whichever is earlier, both parties will return all such information and all documents, data and other materials in their control that contain or relate to such Proprietary Information.

JCI and Customer understand that this is a confidential project and agree to keep and maintain confidentiality regarding its undertaking of this project. JCI shall coordinate its services only through the designated Customer representative and shall provide information regarding this project to only those persons approved by Customer. JCI will be notified in writing of any changes in the designated Customer representative.

JCI and Customer acknowledge and agree that Customer is an Ohio political subdivision subject to Ohio public records laws, as they may be amended from time to time. Customer's retention and/or disclosure of any information, including but not limited to Proprietary Information, pursuant to such laws shall not be considered

a breach of this Agreement. Should Customer determine that it is required to disclose any JCI information marked or otherwise considered Proprietary Information, Customer shall provide JCI with reasonable advance notice of its intended disclosure.

11. Miscellaneous Provisions

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 PATHODEN, DISEASE, VIRUS, OR OTHER CONTAGION.

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 Customer and supersedes any prior oral understandings, written agreements, proposals, or other communications between JCI and the Customer. 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.

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 INTERNATIONAL, PLC	CUSTOMER
By Jeffrey L. Metcalf	By
Signature	Signature
Title Area General Manager	Title
Date	Date