

**NOVATION OF  
INCORPORATED COUNTY OF LOS ALAMOS  
SERVICES AGREEMENT NO. 22-32B AS AMENDED**

This **NOVATION OF CONTRACT** ("Novation") is entered into by and between the **Incorporated County of Los Alamos**, an incorporated county of the State of New Mexico ("County"), and **JVI Arizona, LLC, DBA Varitec Solutions**, a wholly owned subsidiary of Daikin Applied Americas, Inc., a Delaware corporation ("Contractor") and **Daikin Applied Americas Inc.**, a Delaware corporation ("Exiting Contractor"), collectively (the "Parties"), to be effective for all purposes January 7, 2026.

**WHEREAS**, County entered into Service Agreement No. AGR22-32b with Exiting Contractor, dated July 13, 2022, which is incorporated herein by reference for all purposes ("Agreement"); and

**WHEREAS**, on October 8, 2024, Daikin Applied Americas Inc. acquired Varitec Solutions and services for Heating Ventilation and Air Conditioning (HVAC) shall now be provided under the Varitec Solutions entity; and

**WHEREAS**, Exiting Contractor desires to assign and transfer the Agreement to Contractor, and Contractor wishes to accept the assignment, transfer, and assumption of all the rights, interests, covenants, obligations, and liabilities of Exiting Contractor under the Agreement, under the terms and conditions of this Novation; and

**WHEREAS**, the Council of the Incorporated County of Los Alamos ("County Council") finds that a Novation of the Agreement from the Exiting Contractor to the Contractor is in the best interest of the County; and

**WHEREAS**, County Council approved this Novation of the Agreement at a public meeting held on January 6, 2026.

**NOW, THEREFORE**, for good and valuable consideration, County, Contractor, and Exiting Contractor acknowledge, agree, and stipulate as follows:

1. On October 8, 2024, Contractor assumed the equity interests, contractual obligations, and terms and conditions of Exiting Contractor, including the Agreement.
2. Contractor shall be bound by all obligations and terms and conditions created by the Agreement between Exiting Contractor and County.
3. Contractor shall be bound by and perform all duties, obligations, and work required by the Agreement in strict accordance with the terms and conditions of the Agreement.
4. Contractor shall assume all past and future duties, obligations, and liabilities created under the Agreement by the Exiting Contractor as if the Contractor were the Exiting Contractor when the Agreement was originally entered.

5. Exiting Contractor confirms the assignment to Contractor and waives any claim or right that it may have against County with respect to the Agreement.
6. The Parties agree that all payments previously made by County to the Exiting Contractor, and all other previous actions taken by County under the Agreement, shall be considered to have discharged those parts of the County's obligations under the Agreement.
7. Contractor's obligations to provide Services under the Agreement and this Novation shall be subject to the following:
  - a. Contractor shall obtain and maintain insurance of the types and in the amounts set out in **SECTION I. INSURANCE** of the Agreement with an insurer acceptable to County. Contractor shall assure that all subcontractors maintain like insurance.
  - b. Contractor must submit a Campaign Contribution Disclosure Form with this Novation, attached as Exhibit A.

Compliance with the terms and conditions of this section is a condition precedent to County's obligation to pay compensation for the Services, and Contractor shall not provide any Services under the Agreement or this Novation unless and until it has met the requirements of this provision.

8. Delete **SECTION W. NOTICE** in its entirety and replace it with the following:

**SECTION S. NOTICE:** Unless otherwise provided in this Agreement, any notices required under this Agreement shall be made in writing. Notices shall be sent via 1) hand-delivery; 2) registered or certified mail; 3) a nationally recognized overnight courier service; or 4) electronic mail (with copy by mail or courier). All notices shall be sent to each party at the addresses set out in this section or any address later provided by such party in writing, with postage prepaid by the sender, and shall be deemed delivered upon hand delivery, verified proof of delivery by courier, or three (3) days after deposit in the United States Mail.

County:

Facilities Manager  
Incorporated County of Los Alamos  
101 Camino Entrada, Building 1  
Los Alamos, New Mexico 87544  
E-mail: jm.zerr@lacnm.us

Contractor:

Justin Carpenter, Account Manager  
Varitec Solutions  
Post Office Box 1551  
Minneapolis, Minnesota 55440  
E-Mail: JustinC@varitecsolutions.com

With a copy to:

County Attorney's Office  
1000 Central Avenue, Suite 340  
Los Alamos, New Mexico 87544  
E-mail: ~attorneys@lacnm.us

9. Delete **SECTION W. CAMPAIGN CONTRIBUTION DISCLOSURE FORM** in its entirety and replace it with the following:

**SECTION W. CAMPAIGN CONTRIBUTION DISCLOSURE FORM:** A Campaign Contribution Disclosure Form is attached with this Novation as Exhibit A and is

incorporated herein by reference for all purposes. Contractor must submit this form with this Novation.

Except as expressly modified by this Novation, the terms and conditions of the Agreement remain unchanged and in effect.

**IN WITNESS WHEREOF**, the Parties have executed this **NOVATION OF CONTRACT** on the date(s) set forth opposite the signatures of their authorized representatives to be effective for all purposes on the date first written above.

**ATTEST**

**INCORPORATED COUNTY OF LOS ALAMOS**

\_\_\_\_\_  
**MICHAEL D. REDONDO**  
**COUNTY CLERK**

BY: \_\_\_\_\_  
**ANNE W. LAURENT** **DATE**  
**COUNTY MANAGER**

**Approved as to form:**

\_\_\_\_\_  
**J. ALVIN LEAPHART**  
**COUNTY ATTORNEY**

**JVI ARIZONA, LLC**  
**DBA VARITEC SOLUTIONS, A DELAWARE**  
**CORPORATION**

BY: \_\_\_\_\_  
**MIKE EARNEST** **DATE**  
**SERVICE CENTER MANAGER**

**DAIKIN APPLIED AMERICAS, INC., A DELAWARE**  
**CORPORATION**

BY: \_\_\_\_\_  
**MIKE PATRICK** **DATE**  
**REGIONAL SERVICE MANAGER**

**Exhibit A**  
**Campaign Contribution Disclosure Form**  
**AGR22-32b-A1 - Novation**

Any prospective contractor seeking to enter into a contract with the Incorporated County of Los Alamos must file this form disclosing whether they, a family member or a representative of the prospective contractor has made a campaign contribution to an applicable public official during the two (2) years prior to the date on which prospective contractor submits a proposal or, in the case of a sole source or small purchase contract, the two (2) years prior to the date prospective contractor signs the contract, if the aggregate total of contributions given by the prospective contractor, a family member or a representative of the prospective contractor to the public official exceeds TWO HUNDRED FIFTY DOLLARS (\$250.00) over the two (2) year period.

THIS FORM MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

**“Applicable public official”** means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

**“Campaign Contribution”** means a gift, subscription, loan, advance or deposit of money or other things of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official’s behalf for the purpose of electing the official to either statewide or local office. “Campaign Contribution” includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

**“Contract”** means any agreement for the procurement of items of tangible personal property, services, professional services, or construction.

**“Family member”** means a spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law or son-in-law of:  
(a) a prospective contractor, if the prospective contractor is a natural person; or  
(b) an owner of a prospective contractor.

**“Pendency of the procurement process”** means the time period commencing with the public notice of the request for proposals and ending with the award of the contract or the cancellation of the request for proposals.

**“Person”** means any corporation, partnership, individual, joint venture, association or any other private legal entity.

**“Prospective contractor”** means a person who is subject to the competitive sealed proposal process set forth in the Procurement Code or is not required to submit a competitive sealed proposal because that person qualifies for a sole source or a small purchase contract.

**“Representative of a prospective contractor”** means an officer or director of a corporation, a ☐ member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

DISCLOSURE OF CONTRIBUTIONS: (Report any applicable contributions made to the following-COUNTY COUNCILORS: Theresa Cull; Melanee Hand; Susie Havemann; Ryn Hermann; Beverly Neal-Clinton; David Reagor; and Randal Rytli.)

<b>Contribution Made By:</b>			
<b>Relation to Prospective Contractor:</b>			
<b>Name of Applicable Public Official:</b>			
<b>Contribution(s) Date(s)</b>	<b>Contribution Amount(s):</b>	<b>Nature of Contribution(s):</b>	<b>Purpose of Contribution(s):</b>
	\$		
	\$		
	\$		
	\$		
	\$		

(Attach extra pages if necessary)

Please check the box next to the applicable statement.

	<b>CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS (\$250.00) WERE MADE</b> to an applicable public official by me, a family member or representative, and I have disclosed those contributions.
X	<b>NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS (\$250.00) WERE MADE</b> to an applicable public official by me, a family member or representative.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title (position)

\_\_\_\_\_  
Novation of AGR22-32b-A1  
Varitec Solutions