



AN ARISTA TECHNICAL ARTICLE

HVAC PREVENTATIVE MAINTENANCE CONTRACTS

How to Find the Right One for Your HVAC Infrastructure



ARISTA

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Type of Equipment Load Requirements Frequency of Usage Technology Age of Equipment Budget Condition of System

INTRODUCTION

For building owners and property managers, a preventive HVAC maintenance agreement offers a lot more than peace of mind. A comprehensive maintenance agreement that takes into account the technology, age, frequency of usage and load requirements of your HVAC system can help ensure that your property operates at optimum efficiency levels, thereby sustaining a building's overall profitability by addressing worker comfort and productivity, equipment reliability and energy-efficient operation.

Maintenance activities that involve physically inspecting and caring for equipment — when performed systematically and on a regular schedule — greatly increase system performance, reduce equipment degradation and optimize equipment lifespan.

In the following pages you'll find answers to questions you may have regarding the necessity (or lack thereof) of HVAC preventive maintenance contracts. When it comes to maintenance agreements, there are a host of variables to consider — not the least of which are your budget and the type, age and condition of your system.

If you have any further questions, we'd welcome the chance to answer them. Call an Arista contract specialist today at (718) 937-4001 or email info@aristair.com.

PREVENTIVE MAINTENANCE: WHAT'S INVOLVED?

Depending on the coverage you choose, your service contract may include more or fewer of the services listed below. As you'll see, contractors offer a wide range of coverage



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options. With the help of an HVAC expert from a reputable contractor, you should have no problem constructing a plan that's right for your budget and your building.

According to BUILDINGS Magazine, you should consider the following for proactive preventive maintenance:

- **Inspect at least twice a year, with seasonal start-up and run inspections.**
- **Conduct seasonal preventive maintenance of chillers and boilers; industry practice is to have a qualified mechanical contractor provide services.**
- **For cooling towers, disassemble screens and access panels for inspection; inspect the tower fill, support structure, sump and spray nozzles, fill valve, gear box, drive coupling, fan blades and motor bearings; clean starter and cabinet; inspect wiring; check motor starter contacts for wear and proper operation; megger test the motor and log readings; and check the condition of the sump heater and contactor, and log observations.**
- **Pumps usually require bearing lubrication at least annually. Inspect couplings and check for leaks. Investigate unusual noises.**
- **Air-handling unit maintenance should include cleaning or replacing air filters at least quarterly, based on condition.**

WHAT TO LOOK FOR WHEN EVALUATING SERVICE CONTRACTS

Every HVAC vendor offers several different

levels of service. Choosing the most suitable contract depends on a number of factors:

- **How old are the components in your HVAC system and do you want to cover them all?**
- **How much are you willing to spend for the coverage you need?**
- **How much of your system and its parts are you willing to leave to chance?**

Always compare and contrast — not all service contracts are created equal.

In most cases, each vendor will put together their own unique package of covered items, which may consist of several levels of available services. Since there are no industry standards when it comes to what is and what is not included in preventive maintenance contracts, it is even more important that you trust and are comfortable with the company whose services you're about to purchase. In the end, a service contract is only as good as the company that stands behind it.

TYPES OF HVAC CONTRACTS

In general, HVAC maintenance contract types can be narrowed to the following:

- **Full coverage**
- **Full labor**
- **Preventive maintenance**
- **Inspection**

Many variations are possible within each contract type, depending on the system owner's requirements and the contractor's



DON'T LET YOUR DECISION BE DRIVEN BY COST ALONE.

Every business owner needs to control expenses. Keep in mind, however, that if a service provider is less than reputable or misquotes costs, you can bet they'll only do the minimum to keep the system running to the end of the contract term. The same goes for companies that underbid to win your business. While price is always important, it's of little relevance if the company tries to break the contract early because they didn't properly assess the condition and/or age of your system.

ability and willingness to modify or customize service offerings.

For example, Arista's maintenance plans are among the most comprehensive service plans in the industry. We go beyond simple checkups and tune-ups to investigate parts and systems that may be coming under duress, catching any problems early so that they don't turn into big headaches later.

Most of the contract types described below will involve either your entire system or a select menu of parts and internal systems. There are also plenty of situations where owners may have several or more contracts in place at any given time, perhaps covering only the most costly components.

Full-Coverage Service Contract

When comparing full-coverage contracts, make sure you understand exactly what the vendor means by the term "full coverage." This type of coverage places the total responsibility for maintaining and servicing the equipment in the hands of the contractor. It is the ultimate insurance policy for the buyer as the contractor assumes the risk for most anything that can go wrong with the system. As expected, with the assumption of

this level of risk, contractors charge more for this type of contract.

At a minimum, every full-coverage service contract should at least provide:

- **100% coverage of labor, parts and materials**
- **Emergency service of your HVAC system**
- **Regular preventive maintenance inspections**
- **24/7 emergency response capabilities**

Full-Labor Service Contract

A full-labor service contract covers 100% of the labor to repair, replace and maintain most HVAC equipment. As the system owner or manager, you're responsible for the cost of any equipment and parts needed to complete a repair.

As with any service maintenance agreement, there are many add-on services that are available depending on your needs and your comfort level. Similar to a full coverage agreement, the contractor assumes the risk for any and all labor associated with maintaining and repairing the equipment.

As a buyer you should be aware that there is a possibility that you may be paying for service labor that may never be rendered. Conversely, if the amount of maintenance and service labor expended by the contractor exceeds their estimate you do not get charged for the additional labor. This type of contract offers a buyer peace of mind knowing that at least the labor portion of the agreement is fixed.

Preventive-Maintenance Service Contract

Generally purchased for a fixed fee (which can be a big help when budgeting), the preventive-maintenance contract includes a number of regularly scheduled maintenance visits throughout the year.

The main advantage is that a preventive maintenance contract is initially less expensive than either full-service or full-labor, and provides the owner with an agreement that focuses solely on preventive maintenance. However, that fixed-fee goes out the window when emergencies, repairs and replacements must be paid for on a labor-and-materials basis. With this type of contract, you assume most of the risk when

breakdowns occur or services not covered under the agreement are required.

Inspection Service Contract

An inspection contract is essentially the equivalent of a friendly client call. It's more client relationship management than thorough HVAC maintenance inspection. Thus, an inspection service contract is the least expensive type of agreement — and the least valuable when it comes to protecting your system. However, simple tasks such as changing a dirty filter may be performed routinely under an inspection service contract.

Like every other contract described, an inspection service contract can be augmented by adding on other services. It is also usually purchased for a fixed annual fee and includes a specified number of periodic inspections.

UNDERSTANDING PRICING

When you consider that there are no industry-wide standards when it comes to preventive maintenance agreements for HVAC systems and parts — as well as all of the added-on services that can be applied to an agreement, the age and projected life of the equipment, the complexity of today's systems and, in some quarters, the lack of familiarity with older systems — comparing prices from one vendor to another is no easy task.

A good place to start is at the baseline of each type of agreement from each vendor so you can evaluate what's included. After your research, you may find that purchasing a higher level of coverage is more cost effective than purchasing a basic agreement and adding a la carte services.

Obviously, a lower price is always an attractive selling point. However, there are other things to take into consideration when purchasing



It's always a good idea to make sure that preventive maintenance is part of any service agreement; and make sure you're clear what the agreement states regarding emergency service.

ESTABLISHING TRUST BASED ON PERFORMANCE

As a fixture in the NYC HVAC market for over half a century, Arista Air Conditioning Corp. has an unrivaled working knowledge of the city's complex building history. We understand how to service older equipment as well as how to maintain the sophisticated technologies that are part of today's HVAC systems. From antiquated equipment to super energy efficient computer-operated systems responsible for many square miles of office space, our technicians have the broad-scope training and up-to-date skills required to manage the diversity of HVAC equipment found across the tri-state area.

something as important as a preventive maintenance agreement.

For example, you want to be sure your vendor has demonstrated the experience to do the job right, and that they're going to be in business for the long haul. You should also ask for lists of references from all of the vendors you are considering, as well as check into independent reviews.

NOT EVERY CONTRACTOR IS A SPECIALIST

There are a wide variety of contractors that offer preventive maintenance agreements



to owners and managers of commercial buildings. Not all are specialists in HVAC systems. These may include:

- **Mechanical contractors**
- **Maintenance service contractors**
- **National maintenance service firms**
- **Specialized service contractors**
- **Equipment manufacturers**

• **Maintenance management firms**

Mechanical Contractors

These companies can design, install, repair and perform operations and maintenance on all types of mechanical equipment, including controls.

Maintenance Service Contractors

Maintenance service contractors offer a broader range of services, which may include lighting maintenance and janitorial services, in addition to HVAC maintenance, installation and repair. These firms may or may not have qualified HVAC technicians on staff, which can mean repair work is subcontracted to a third party.

National Maintenance Service Firms

These firms subcontract with local mechanical service providers throughout the country, giving them the appearance of belonging to the firm's national service team.

Specialized Service Contractors

Specialized service contractors generally sell, install, repair and service a particular type or brand of equipment.

Manufacturers

Manufacturers of HVAC equipment often provide maintenance service contracts or agreements for the equipment they



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manufacture, as well as other systems in the building.

Maintenance Management Firms

Building owners and managers may outsource all or part of their maintenance needs to outside firms rather than having in-house staff on the payroll.

PREVENTIVE MAINTENANCE AGREEMENTS: GOOD BUSINESS SENSE

Even when considering all of the things that can go wrong with HVAC systems, many decision makers remain reluctant to purchase a maintenance agreement for any number of reasons:

- **They're perceived to be too expensive.**
- **They're hard to understand and loaded with hidden exclusions.**
- **They've had a bad service experience with a less-than-honest contractor.**

- **They believe they know someone or have someone on staff who can handle the maintenance properly, or that they can deal with repairs when the need arises.**

The inherent risk in all of these scenarios is that each can permit small problems to morph into big headaches. There's also the risk that any work or repairs performed by a non-certified technician could be in violation of the equipment manufacturer's warranty.

Why does a maintenance plan make sense for your properties?

- **A well-maintained system runs more efficiently and greatly helps to reduce energy consumption expenses.**
- **Regular service prolongs the useful life of HVAC equipment, which can add up to thousands of dollars over the life of the building.**
- **Regular service from a skilled professional can help identify and offer proactive solutions to problems, preventing HVAC equipment failure or downtime and avoiding expensive repairs.**

A preventive maintenance contract with a reputable HVAC vendor alleviates this stress. When compared to the kinds of things that can go wrong, or even halt your operations all together, it's clear that a carefully selected maintenance contract is well worth the investment.



ARISTA

ABOUT ARISTA AIR CONDITIONING CORP.

Whether you're responsible for the installation of a new HVAC system or inherited legacy equipment, Arista has the experience to service and maintain any system throughout its lifecycle. Across the tri-state area, we're recognized as one of the region's most respected and referred HVAC experts. When you purchase a preventive maintenance service agreement from Arista, you're backed by an industry leader with that has earned its reputation through decades of trustworthy business conduct and quality service.

Peace of mind at a fair price

Your account is managed by a senior Arista technician and backed by an expert staff of over 160 highly trained professionals.

Arista boasts a comprehensive program of continuous staff training and professional development on state-of-the-art practices and processes.

Arista clients also enjoy these benefits:

- Quick-to-respond, accessible workforce and a fleet of 100+ vehicles
- 24/7 emergency standby service
- 30,000 sq. ft. corporate warehouse facility stocked with over 55,000 parts

- Industry recognition as the only NY state company to earn both the prestigious MSCA STAR and GreenStar designations
- LEED Accredited Professionals to assist in making smarter HVAC choices

Questions? Call Arista today.

We hope you've found this guide to be a handy reference as you evaluate the types of service contracts available to you.

We invite you to call us for a quote on your equipment purchase or service needs. We think you'll agree that hearing what we have to say will be one of the best decisions you make in researching HVAC maintenance contracts. Reach an Arista HVAC specialist today at 718-937-4001 or email info@aristair.com.

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