



AGENDA REPORT

Meeting Date: September 8, 2011

Item Number: F-10

To: Honorable Mayor & City Council

From: Terry Wagner, Facilities Manager
Fred Simonson, Maintenance Operations Manager

Subject: **APPROVAL OF AMENDMENT NO. 3 TO AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND OTIS ELEVATOR COMPANY FOR ELEVATOR MAINTENANCE SERVICE FOR ALL CITY ELEVATORS AND LIFTS; AND**

APPROVAL OF A BLANKET PURCHASE ORDER IN AN AMOUNT NOT TO EXCEED \$217,940.40 INCLUDING A CONTINGENCY OF \$14,790.00 TO OTIS ELEVATOR COMPANY

Attachments: 1. Amendment No. 3

RECOMMENDATION

It is recommended that the City Council approve the "Amendment No. 3 to an Agreement between the City of Beverly Hills and Otis Elevator Company for elevator maintenance service for all City elevator and lifts", and approve a blanket purchase order to Otis Elevator Company for Fiscal Year 2011-2012 in the amount of \$217,940.40, which includes the 4% labor and materials escalator and a contingency amount of \$14,790.00.

INTRODUCTION

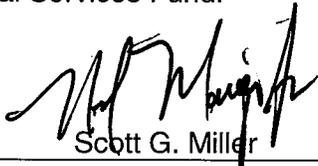
In June 2009, the City entered into a five-year agreement with the Otis Elevator Company (Otis) for elevator maintenance services following a competitive public bidding process. Staff reviewed the service level and cost provided by Otis for the first two years of the Agreement and staff recommends approval of Amendment No. 3 including the cost escalators and contingency for an amount of \$217,940.40 for Fiscal Year 2011-2012.

DISCUSSION

Amendment No.1 to the Otis Agreement added maintenance services for the Gardens Building and special one-time equipment at the Camden Garage. Amendment No. 2 paid for annual maintenance services with the 4% escalator for FY 2010/11. Amendment No. 3 includes the costs for annual maintenance services in Fiscal Year 2011-2012 including the contractual escalator and a contingency for Fiscal Year 2011-2012. Total maintenance service is now \$16,929.20 per month including the elevators at the Gardens Building.

FISCAL IMPACT

Funds were budgeted and are available for this purpose in the Facilities Capital Assets Internal Services Fund.



Scott G. Miller
Finance Approval



for David D. Gustavson
Approved By

Attachment 1

AMENDMENT NO. 3 TO AN AGREEMENT BETWEEN THE
CITY OF BEVERLY HILLS AND OTIS ELEVATOR
COMPANY FOR ELEVATOR MAINTENANCE SERVICE
FOR ALL CITY ELEVATORS AND LIFTS

NAME OF CONTRACTOR: Otis Elevator Company

RESPONSIBLE PRINCIPAL
OF CONTRACTOR: Marcus Burton, General Manager

CONTRACTOR'S ADDRESS: 2701 Media Center Drive #2
Los Angeles, California 90065
Attention: Marcus Burton, General
Manager

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Terry Wagner, Facilities Maintenance
Manager

COMMENCEMENT DATE: July 1, 2009

TERMINATION DATE: June 30, 2012

CONSIDERATION: Original Agreement: Not to exceed \$12,500.00
per month for FY 2009/10, Escalator for out
years, Not to exceed \$150,000.00 Option for four
additional years.

Amendment No 1: FY 2009/10: Increase of
\$3,152 per month (December 1, 2009-June 30,
2010, Gardens Building) \$27,953.08; and
(Gardens Building) FY 2009/10: \$5,889.08 one-
time fee for two (2) protective devices installed at
Camden Parking Structure;

Total Amendment No. 1: Total not to exceed
\$183,842.16 for 2009/10

Amendment No. 2: FY 2010/11: \$3,152 per
month (Gardens Building, full year); Union Labor
increase (4%), \$7,512.96, \$16,278.00 per month

Total Amendment No. 2: Not to exceed
\$195,336.96 for FY 2010/11

Amendment No. 3: \$7,813.24 Union increase
Labor (4%) for FY 2011/12, \$16,929.10 per
month, plus a contingency of \$14,790.00 for
unforeseen work outside Scope of Work set forth
in Section 9 of the Agreement

Total Amendment No. 3: Not to exceed
\$217,940.40 for 2011-2012, including
contingency

AMENDMENT NO. 3 TO AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND OTIS ELEVATOR COMPANY FOR ELEVATOR MAINTENANCE SERVICE FOR ALL CITY ELEVATORS AND LIFTS

This Amendment No. 1 is to that certain Agreement between the City of Beverly Hills, (hereinafter called "City"), and Otis Elevator Company (hereinafter called "Contractor") for elevator maintenance service for all City elevators and lifts, dated June 16, 2009 and identified as Contract No. 235-09, as amended by Amendment No. 1, dated ("Agreement"), a copy of which is on file in the City Clerk's office.

RECITALS

A. City entered into the Agreement with Contractor for elevator maintenance service for all City elevators and lifts, which has been previously amended.

B. City desires to extend the Agreement, and further amend the Consideration.

NOW, THEREFORE, the parties hereto do amend the Agreement as follows:

Section 1. Pursuant to Section 3 of the Form of Contract entitled "PERFORMANCE PERIOD" the Agreement is hereby extended through June 30, 2012.

Section 2. Pursuant to paragraph 2B, "Labor Cost Escalation Provisions" of Section 8 of the Agreement, the Labor Union increase for 2011-12 shall be four percent (4%) of \$187,824 which is \$7,813.24.

Section 3. A contingency shall be added of 7%, not to exceed \$14,790 for unforeseen circumstances outside the Scope of Work set forth in Section 9 of the Agreement

Section 4. Except as specifically amended by Sections 2, 3 and 4 of Amendment No. 1, Sections 2 and 3 of Amendment No. 2, and this Amendment No. 3, the Agreement shall remain in full force and effect.

EXECUTED the ____ day of _____, 2011 at Beverly Hills, California.

CITY OF BEVERLY HILLS,
A Municipal Corporation

BARRY BRUCKER
Mayor of the City of Beverly Hills, California

ATTEST:

BYRON POPE
City Clerk

CONTRACTOR: OTIS ELEVATOR COMPANY



MARCUS BURTON
General Manager



CAROLINE ANDRUKIEWICZ
Authorized Representative

APPROVED AS TO FORM



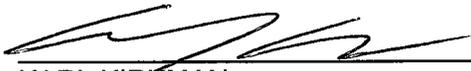
LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT

JEFFREY KOLIN
City Manager



DAVID D. GUSTAVSON
Director of Public Works & Transportation



KARL KIRKMAN
Risk Manager