



AGENDA REPORT

Meeting Date: June 24, 2014
Item Number: D-6
To: Honorable Mayor & City Council
From: Chad Lynn, Assistant Director of Public Works Services 
Terry Wagner, Facilities Maintenance Manager
Subject: APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND THYSSENKRUPP ELEVATOR AMERICAS, INC. FOR ELEVATOR MAINTENANCE SERVICE FOR ALL CITY ELEVATORS AND LIFTS; AND,

APPROVAL OF A PURCHASE ORDER IN THE AMOUNT OF \$375,000 FOR THESE SERVICES

Attachments: 1. Agreement

RECOMMENDATION

Staff recommends that the City Council move to approve an agreement with ThyssenKrupp Elevator Americas, Inc. in the amount of \$375,000 per fiscal year and \$1,164,000 in total over the term of the agreement for elevator maintenance services for all City operated elevators and lifts, and; approve a purchase order in the amount \$375,000 for these services for fiscal year 2014/2015.

INTRODUCTION

The City of Beverly Hills is responsible for the operation and maintenance of 63 elevators throughout the City. This includes passenger and freight elevators, pedestrian escalators, dumbwaiters and disabled lifts from over 8 different Original Equipment Manufacturers (OEMs) in both hydraulic and traction configurations and ranging in age from 40 years of service to less than 1 year of service. The State of California, Department of Industrial Relations, Code of Regulations, Title 8, Section 3001, requires that the City contract with a licensed elevator service provider for on-call, responsive and preventative maintenance and service and repair.

The City is currently served by two service providers for the maintenance and repair of elevators through three separate types of agreements as follows:

- General maintenance and repair services throughout the City are provided by Otis Elevator Company (Otis) through a master agreement for elevator repair and maintenance services
- Warranty service, including maintenance and repair, provided by Otis for the elevators and escalators at the 450 N. Crescent Drive parking facility through October 2014 as part of the original purchase of this equipment
- Warranty service, including maintenance and repair, provided by Liftech Elevator Services, Inc. (Liftech), for elevators that are in progress or have completed modernization projects in the past 12 months. Current locations include:
 - Police Department (completed)
 - 440 N. Camden Drive (completed)
 - 333 N. Crescent Drive (in progress)
 - 461 N. Bedford Drive (not yet started)
 - 216 S. Beverly Drive (not yet started)
 - City Hall (not yet started)

The City will continue to receive warranty services from both Otis and Liftech as provided in the original equipment purchase or modernization project agreements concurrently with the master service agreement.

The City's current maintenance and repair service agreement, for the remaining elevators throughout the City, expires on June 30, 2014.

DISCUSSION

Historically, the City has entered into multi-year agreements with a single elevator maintenance and repair service provider after engaging in a competitive selection process for such services. The most recent agreement was a three-year agreement, with two one-year extensions, for a total of five years of service, with Otis. Prior to the current agreement with Otis, the City was serviced by Schindler Elevator Corporation (Schindler.)

In the most recent agreement, the City became aware that due to the diversity of Original Equipment Manufacturers (OEMs) for elevators in service, and the increased complexity and proprietary nature of the newer elevators in the City's inventory, it is increasingly more difficult to find a single service provider that is able to respond, diagnose and repair outages in a timely manner. As an example, the current service provider was unable to diagnose the cause of an outage at the City's 438 N. Beverly/249 N. Canon (Crate & Barrel) parking facility without the assistance of the OEM because of the proprietary nature of this equipment. This resulted in an outage lasting over 12 weeks which the City had very little ability to mitigate.

Based on these concerns, the City engaged an elevator engineering consultant to advise and counsel the City in matters related to elevator services. After an in-depth review of the City's infrastructure, the City's expert has recommended the following course of action:

- Continue the modernization of older infrastructure, including the installation of non-proprietary equipment for uniformity and simplicity in the future

- Procure the "CampusView" elevator monitoring system to allow for the monitoring and diagnostic capability, which includes the ability to monitor and diagnose the proprietary elevator systems currently in service at the City
 - This procurement will be brought back to the City Council as a separate process
- Contract for a dedicated elevator 'route' which provides for a single service technician and the associated resources that is dedicated to maintenance, repair and on-call service for all elevators not under modernization or warranty service
- Contract with ThyssenKrupp Elevator America (TKE) for a period of two years for the master service agreement for maintenance, repair and service

The City's consultant has recommended contracting specifically with TKE for the following reasons:

- TKE is currently the most proficient elevator company to service the City's diverse elevator infrastructure
- TKE and Computerized Elevator Control Corp. (the provider of the 'CampusView' product) are both subsidiaries of the same parent company
 - This provides a level of installation proficiency across the City's elevator infrastructure during the transition to this product
 - This provides continuity during the installation process with the elevator maintenance and repair service provider
 - A dedicated 'route' provides enough time (based on current warranty services) for the dedicated technician to install this product without incurring additional labor costs

The general terms and conditions of the agreement are as follows:

- Provides for a dedicated 'route' and technician for the City
- Provides for the general and responsive maintenance and repair of all elevators not currently under warranty service
- A term of one-year with two (2) additional one-year extensions
- City may terminate the agreement with five (5) days' notice
- Establishes a minimum standard for maintenance and care on a weekly, monthly, quarterly and annual basis
- A provision for liquidated damages in the amount of \$250 each time a call has not been responded to within a reasonable time period
- If an elevator is out for 3 or more days, the city will be credited the monthly fee for service, plus a liquidated damage fee
- If there are 3 or more call backs to the same unit for the same problem within a 30 day period, the City shall be credited the monthly fee for service
- Ability to add and remove individual elevators and locations
 - This addresses elevators that are ending warranty periods and/or starting modernization projects
- Provides for pre-negotiated rates for additional on-call services and state testing as directed by the City for non-covered services outside of the designated 'route' hours
- Provides for the method and calculation of annual increases based on a combination of CPI and industry Memorandums of Understanding with a cap of 3%

In an effort to create long-term uniformity within the City's elevator system, including expanding the market for service providers, the City's consultant has recommended the installation of the "CampusView" monitoring system for the following reasons:

- This system is able to interface with existing proprietary elevator equipment to provide diagnostic and monitoring services
 - Many of the City's newer buildings contain proprietary elevator systems which are difficult for service providers other than the OEM to diagnose and service
 - The installation of this product is the most cost effective method of gaining access to proprietary elevator diagnostic systems
 - The alternative to mitigating the proprietary nature of these systems is the replacement of the elevator controllers
 - The current modernization project provides for replacement of these systems with non-proprietary systems
 - The current proprietary systems are new and will not require modernization for ten or more years
- This system provides the City with real-time monitoring of elevator functionality and remote notification and alarming for preventative and immediate responses

Once the City has completed a combination of the elevator modernization projects and the implementation of the 'CampusView' monitoring system, the City will have created an environment in which multiple elevator service providers will be able to provide competitive offers to provide these services to the City.

Options

Since the agreement with Otis expires on June 30, 2014, and the City is required to have an elevator service provider, if one of the proposed options is a preferred alternative, staff recommends approval of the current agreement with TKE while the desired option is implemented.

Option 1 – Release an RFP for Elevator Maintenance Services

Under this scenario, the City would release the specifications as outlined in Exhibit A in the agreement with TKE as the specifications for proposals from multiple elevator service providers. While the City may receive more competitive pricing when requesting proposals from multiple vendors, it is very likely that the proprietary nature of the City's elevator infrastructure will eventually lead to a situation in which a service provider will not be able to diagnose or repair and elevator outage. Since the most proprietary elevators are located in the City's newest installations, this is most likely to occur in one of the City's tenant spaces or busiest parking facilities such as the Public Gardens or Beverly/Canon, which experienced this outage earlier this year. Although the City may be able to take contractual and/or financial action against the vendor if properly contracted, the City will operationally need to seek alternative methods to restore service, including emergency agreements with other service providers, including the Original Equipment Manufacturer (OEM.)

Option 2 – Contract with OEM for each location

This option would provide that the City would engage in multiple agreements with OEM for each elevator location. For example, the City would contract with the OEM for the City Hall elevators and then have a different agreement with the OEM for the elevators located at the Police

Department, and a third agreement with the OEM for the elevators at a tenant space. It is estimated the City would require a minimum of 4 service agreements and possibly up to seven agreements to address the proprietary nature of the City's infrastructure. It is estimated that multiple service agreements will be more costly than both the RFP option and the recommended negotiated TKE option, as there will be no economies of scale for this method of contracting. Furthermore, the City will be required to coordinate the maintenance, regulatory compliance, contract management, payable/deduction tracking and performance metrics across multiple vendors.

Irrespective of what option is chosen, including staff's recommendation, the following concerns and operational challenges exist during this transition period:

- Other than the OEMs, no elevator service provider has complete diagnostic and/or repair capability for the elevators located at the 345 N. Beverly Drive (William Sonoma) parking facility
- If a failure requires new or proprietary parts from the OEM, a delay that cannot be mitigated may occur while working to obtain these parts from the OEM
 - The OEM is required to provide the parts to the City as the owner of the equipment, but unless they are under a service agreement, there is no requirement for an immediate or timely response
- No single OEM or service provider is able to provide complete diagnostic, maintenance and repair services for all of the City's elevator assets

TKE has demonstrated to the City's consultant and staff through the negotiations process, the largest depth of experience and available resources to provide maintenance and repair services for the City's elevator assets, including service to the proprietary equipment, and is therefore the recommended service provider during this transition period.

This transition period is estimated to last between 12 and 36 months based on the modernization projects, including the installation of non-proprietary systems, the associated warranty periods and the procurement and installation of the 'CampusView' system. Once the transition is completed, the City will have mitigated many of the proprietary issues related to elevator service and may then release an RFP for a more competitive selection process.

FISCAL IMPACT

The proposal for services provided by TKE is \$348,000 per fiscal year. Staff is recommending additional funds in the amount of \$27,000 per year for non-covered equipment and overtime/emergency responses for a total annual cost of \$375,000. With estimated 3% annual increases it would be an estimated total not-to-exceed amount of \$1,164,000 over the term of the agreement if all options for extension are executed.

This agreement, including contingencies, is approximately \$59,000 per year more than the agreement in place for the current service provider, including contingencies and additional testing services. The current service does not include a dedicated 'route' or the associated costs of the new assets coming out of warranty service. Additional costs of \$36,000 per year are estimated for elevators that will be released from warranty in October 2014 and will be serviced under this agreement.

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Funding is available as part of the 2014/2015 Operating and Capital Improvement Program (CIP) Budgets from the Facilities Maintenance, Tennant Support and Parking Facilities programs and CIP Project 0973 – City Elevator Replacement and Upgrades. The CIP funding for these services will be reserved for the labor associated with the installation and configuration of the CampusView monitoring product.

Additional funding in the amount of \$95,000 for the Operating Budget is anticipated to be required as part of the 2015/16 budgeting cycle. This is based on contractual obligations related to escalations calculated using the Consumer Price Index, the completion of warranty service for both new and modernized assets and the completion of CIP work requiring a transition to ongoing operations funding.



George Chavez

Approved By

Attachment 1

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
THYSSENKRUPP ELEVATOR AMERICAS, INC. FOR
ELEVATOR MAINTENANCE SERVICE FOR ALL CITY
ELEVATORS AND LIFTS

NAME OF CONTRACTOR: ThyssenKrupp Elevator Americas, Inc.

RESPONSIBLE PRINCIPAL OF CONTRACTOR: Attention: Jeff Sprosty
Branch Manager

CONTRACTOR'S ADDRESS: 6087 Triangle Drive
Los Angeles, CA 90040
Attention: Jeff Sprosty
Branch Manager

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: George Chavez, Director of Public
Works Services

COMMENCEMENT DATE: July 1, 2014

TERMINATION DATE: June 30, 2015

CONSIDERATION: Not to exceed \$1,164,000 for FYs 2014-17

Fiscal Year 2014-15: \$348,000 per year, \$27,000 contingency, Total not to exceed \$375,000

Fiscal Year 2015-16: \$359,000 per year, \$30,000 contingency, Total not to exceed \$389,000

Fiscal Year 2016-17: \$370,000 per year, \$30,000 contingency, Total not to exceed \$400,000

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
THYSSENKRUPP ELEVATOR AMERICAS, INC. FOR
ELEVATOR MAINTENANCE SERVICE FOR ALL CITY
ELEVATORS AND LIFTS

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and THYSSENKRUPP ELEVATOR AMERICAS, INC. (hereinafter called "CONTRACTOR").

RECITALS

A. CITY desires to contract with CONTRACTOR for elevator maintenance services as set forth in Exhibit A (the "Scope of Services"), attached hereto and incorporated herein.

B. CONTRACTOR represents that it is qualified and able to perform the Scope of Services.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONTRACTOR's Scope of Services. CONTRACTOR shall perform the Scope of Services described in Exhibit A in a manner satisfactory to CITY and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. City shall have the right to order, in writing, changes in the Scope of Services. Any changes in the Scope of Services by CONTRACTOR must be made in writing and approved by both parties. The cost of any change in the Scope of Services must be agreed to by both parties in writing.

Section 2. Time of Performance. CONTRACTOR shall commence its services under this Agreement upon the Commencement Date. CONTRACTOR shall complete the performance of services by the Termination Date set forth above. The City Manager or his designee may extend the time of performance in writing for two additional one-year terms or such other term not to exceed two years from the date of termination pursuant to the same terms and conditions of this Agreement.

Section 3. Compensation.

(a) CITY agrees to compensate CONTRACTOR for the services provided under this Agreement, and CONTRACTOR agrees to accept in full satisfaction for such services, a sum not to exceed the Consideration set forth above and more particularly described in Exhibit B, attached hereto and incorporated herein.

(b) The amount set forth in paragraph A shall include reimbursement for all actual and necessary expenditures reasonably incurred in the performance of this Agreement (including, but not limited to, all labor, materials, delivery, tax, assembly, and installation, as applicable). There shall be no claims for additional compensation for reimbursable expenses.

(c) Additional Services. City may from time to time require CONTRACTOR to perform additional services not included in the Scope of Services. Such requests for additional services shall be made by City in writing and agreed upon by both parties in writing.

Section 4. Method of Payment. CITY shall pay CONTRACTOR said Consideration in accordance with the method and schedule of payment set forth in Exhibit B, attached hereto and incorporated herein.

Section 5. Independent Contractor. CONTRACTOR is and shall at all times remain, as to CITY, a wholly independent contractor. Neither CITY nor any of its agents shall have control over the conduct of CONTRACTOR or any of CONTRACTOR's employees, except as herein set forth. CONTRACTOR shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

Section 6. Assignment. This Agreement shall not be assigned in whole or in part, by CONTRACTOR without the prior written approval of CITY. Any attempt by CONTRACTOR to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

Section 7. Responsible Principal(s)

(a) CONTRACTOR's Responsible Principal set forth above shall be principally responsible for CONTRACTOR's obligations under this Agreement and shall serve as principal liaison between CITY and CONTRACTOR. Designation of another Responsible by CONTRACTOR shall not be made without prior written consent of CITY.

(b) CITY's Responsible Principal shall be the City Manager or his designee set forth above who shall administer the terms of the Agreement on behalf of CITY.

Section 8. Personnel. CONTRACTOR represents that it has, or shall secure at its own expense, all personnel required to perform CONTRACTOR's Scope of Services under this Agreement. All personnel engaged in the work shall be qualified to perform such Scope of Services.

Section 9. Permits and Licenses. CONTRACTOR shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of services under this Agreement, including a business license.

Section 10. Interests of CONTRACTOR. CONTRACTOR affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the Scope of Services contemplated by this Agreement. No person having any such interest shall be employed by or be associated with CONTRACTOR.

Section 11. Insurance.

(a) CONTRACTOR shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of Comprehensive General Liability Insurance, with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CONTRACTOR.

(2) A policy or policies of Comprehensive Vehicle Liability Insurance covering personal injury and property damage, with minimum limits of One Million Dollars

(\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by CONTRACTOR in performing the Scope of Services required by this Agreement.

(3) Workers' compensation insurance as required by the State of California.

(b) CONTRACTOR shall require each of its sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement.

(c) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(d) CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, CITY may take out the necessary insurance and pay, at CONTRACTOR's expense, the premium thereon.

(e) At all times during the term of this Agreement, CONTRACTOR shall maintain on file with the City Clerk a certificate or certificates of insurance on the form set forth in Exhibit C, attached hereto and incorporated herein, showing that the aforesaid policies are in effect in the required amounts. CONTRACTOR shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The general liability insurance shall contain an endorsement naming the CITY as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to CITY, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(f) The insurance provided by CONTRACTOR shall be primary to any coverage available to CITY. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

(g) Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONTRACTOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONTRACTOR shall procure a bond guaranteeing payment of losses and expenses.

Section 12. Indemnification. CONTRACTOR agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee and agent of CITY, from any claim, liability or financial loss (including, without limitation, attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONTRACTOR or any person employed by CONTRACTOR in the performance of this Agreement.

Section 13. Termination.

(a) CITY shall have the right to terminate this Agreement for any reason or for no reason upon five calendar days' written notice to CONTRACTOR. CONTRACTOR agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by CITY, due to no fault or failure of performance by CONTRACTOR, CONTRACTOR shall be paid based on the percentage of work satisfactorily performed at the time of termination. In no event shall CONTRACTOR be entitled to receive more than the amount that would be paid to CONTRACTOR for the full performance of the services required by this Agreement. CONTRACTOR shall have no other claim against CITY by reason of such termination, including any claim for compensation.

Section 14. CITY's Responsibility. CITY shall provide CONTRACTOR with all pertinent data, documents, and other requested information as is available for the proper performance of CONTRACTOR's Scope of Services.

Section 15. Information and Documents. All data, information, documents and drawings prepared for CITY and required to be furnished to CITY in connection with this Agreement shall become the property of CITY, and CITY may use all or any portion of the work submitted by CONTRACTOR and compensated by CITY pursuant to this Agreement as CITY deems appropriate.

Section 16. Records and Inspections. CONTRACTOR shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years. City shall have access, without charge, during normal business hours to such records, and the right to examine and audit the same and to make copies and transcripts therefrom, and to inspect all program data, documents, proceedings and activities.

Section 17. Changes in the Scope of Services. The CITY shall have the right to order, in writing, changes in the Scope of Services or the services to be performed. Any changes in the Scope of Services requested by CONTRACTOR must be made in writing and approved by both parties.

Section 18. Notice. Any notices, bills, invoices, etc. required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand during the receiving party's regular business hours or by facsimile before or during the receiving party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid to the addresses set forth above, or to such other addresses as the parties may, from time to time, designate in writing pursuant to this section.

Section 19. Attorney's Fees. In the event that either party commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

Section 20. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONTRACTOR, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and CONTRACTOR.

Section 21. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

Section 22. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 23. City Not Obligated to Third Parties. CITY shall not be obligated or liable under this Agreement to any party other than CONTRACTOR.

Section 24. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

EXECUTED the ____ day of June 2014, at Beverly Hills, California.

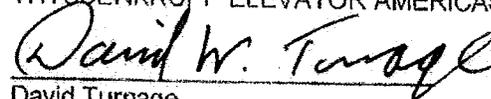
CITY OF BEVERLY HILLS, a municipal corporation

LILI BOSSE
Mayor of the City of Beverly Hills, California

ATTEST:

BYRON POPE (SEAL)
City Clerk

THYSSENKRUPP ELEVATOR AMERICAS, INC.

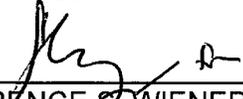


David Turnage
Vice President/Tax



Scott J. Silitsky
Vice President Contracts/Assistant Secretary

APPROVED AS TO FORM:



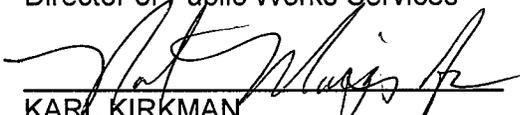
LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY C. KOLIN
City Manager



GEORGE CHAVEZ
Director of Public Works Services



KARL KIRKMAN
Risk Manager A Municipal Corporation

EXHIBIT A
SCOPE OF SERVICES

CONTRACTOR shall perform the following services:

PART 1 GENERAL

1.01 CONTRACTOR'S DUTIES

- a. This Scope of Services establishes the minimum requirements for a full time full preventative maintenance program on all vertical transportation Equipment.
- b. The Basic Services to be performed by Contractor under this Agreement shall consist of, but is not limited to, furnishing all material, labor, tools, transportation and equipment necessary to provide full preventative maintenance service, lubrication, adjusting, cleaning, repairs, testing, reports, parts and trouble call service on the Elevator Equipment listed on the Equipment and Fee Schedule.
- c. All Elevator Equipment maintained by Contractor is or will be accepted by Contractor in its "as is" condition. Existing conditions previously identified in the HKA audits currently outstanding beyond cleaning and adjusting are not included. The rope and drive sheave from 345 N. Beverly Parking Garage elevators are excluded.
- d. Any Basic Services not specifically mentioned in this Exhibit and Exhibit A-1 but which are needed to make the maintenance complete within the intent of this Agreement shall be performed at no additional cost to City.
- e. Contractor shall perform, coordinate and complete the requirements of this Agreement, in cooperation with any other contractors or trades then doing work, promptly, diligently, and in a good workmanlike manner to the full and complete satisfaction and acceptance of City. Contractor shall perform the requirements of this Agreement in a manner that will not impede or obstruct the ongoing business activities of any tenants or residents at the Property.
- f. Contractor shall have a member of its supervisory personnel regularly engaged in inspection and supervision visit each Unit at least semi-annually to observe the quality of maintenance and to make certain that the quality of maintenance meets the specified and intended standards of this Scope of Services. The Supervisor shall schedule each visit with City and will provide a written report, per Section 3.12(b) of this Scope of Services.
- g. Contractor agrees that, in the event of any vertical transportation equipment-related accident or problem of any kind, such as an injury to any employee or the general public, fire, unwanted fire alarm/detector activation, stuck elevator, entrapment, major mechanical damage/failure during equipment servicing, Contractor will immediately notify City and thereafter furnish a full written report of such accident to City within ten (10) business days of such occurrence.
- h. Unless otherwise specified, all materials used by Contractor in performance of the Services shall be new and subject to approval of City. Contractor shall, upon request by City, promptly furnish City with satisfactory evidence as to the kind and quality of materials.
- i. Parts for the Mitsubishi elevators are in limited supply with extended lead times. Owner may have to purchase parts directly from Mitsubishi and reimbursed by Contractor.

1.02 CONDUCT OF SERVICES

- a. Coordination With Others; Service Call Report Log. Contractor shall coordinate the Services with the work or services provided by any other contractors, vendors, and suppliers of City as directed by City. In the event City notifies Contractor in writing that, in City's judgment, it is necessary that Contractor delay its Services in order that work or services of other contractors may proceed, Contractor shall be free of responsibility for such delay. Prior to commencing Services at each Property, Contractor shall cause all Contractors' Representatives performing such Services to sign in on the "Elevator Service Call Report Log". This call report log shall be maintained at the Property where Services are performed.
- c. Contractor's Personnel. All Services provided by Contractor hereunder shall be performed, at a minimum, by a sufficient number of skilled, trained, licensed, and experienced journeyman-level elevator service mechanics and repairmen directly employed by Contractor, who are permanently assigned to support the implementation of Services under this Agreement for maintenance and repair work and who shall be trained and qualified to keep the elevators and controls properly adjusted and repaired (with the exception of helpers who need not be so qualified, but may only work alone per the International Union of Elevator Constructors Agreement).
- e. Supervision. Contractor shall diligently direct the performance of the Services and shall, at all times, provide adequate and expert managerial and administrative supervision for its employees and all other Contractor's Representatives. Contractor shall also provide sufficient backup personnel in times of staff shortages due to vacations, illnesses, and inclement weather.
- f. Repair of Damage. Contractor shall be responsible for its acts and the acts of all Contractor Representatives while on any Property. Accordingly, Contractor agrees to take all necessary measures to prevent injury and loss to persons and property located on the Property, and shall be responsible for all damages to persons or property caused by Contractor or Contractor Representatives. Contractor shall, at its sole cost and expense, promptly repair (after review and approval by City of Contractor's proposed repair plan) any damage that it or any Contractor Representatives may cause to any property or equipment to the satisfaction of City. If Contractor fails to repair any damage in prompt and timely fashion, City may repair such damage and bill Contractor for same. Contractor shall reimburse City for the costs incurred by City in causing such repairs within ten (10) business days of Contractor's receipt of City's invoice for the cost of such repair work.
- g. City Evaluations; Corrective Work. City reserves the right to make such evaluations and tests as are necessary to ascertain that the requirements of this Agreement and each Services Agreement are being fulfilled. City's right to make evaluations or tests may be exercised by its designated elevator consultant, who will, if City so advises, have the same authority as City to evaluate and test the elevator performance covered under this Agreement and any Services Agreement. Contractor shall furnish personnel and tools necessary to conduct such tests at no additional cost to City. These evaluations may be made on a semi-annual basis (or on a more frequent basis as reasonably determined by City) during the term of this Agreement. Any deficiencies found during any such evaluation shall be reported in writing to Contractor, and Contractor shall promptly correct any such deficiency at Contractor's expense. If Contractor fails to diligently perform any required corrective work in a manner satisfactory manner to City within ten (10) business days of Contractor's receipt of any such deficiency report (or sooner if the deficiency is, in City's opinion, of a nature that requires immediate correction), City may, in addition to any other remedies City may have, after ten (10) business days written notice to Contractor, perform or cause to be performed all or any part of the corrective work described in the deficiency notice. Contractor shall reimburse City for any expenses incurred by City in exercising City's rights under this Section within ten (10) business days of receipt of City's invoice therefor, unless City elects to deduct the costs incurred by City in effecting the corrective work from any sum owed to Contractor.

Any requested tests will be provided, and any reported deficiencies will be corrected at Contractor's expense so long as the tests and deficiencies relate to the Elevator Equipment being maintained by Contractor under the applicable Services Agreement.

- h. Qualifications. Contractor represents that (i) it has the knowledge, experience, technical knowhow and financial ability to perform the Services and comply with Contractor's obligations under this Agreement entered pursuant hereto, (ii) it has one or more local service offices in such locations as to give it the ability to answer a service call within the response times specified in Section 4.02 of the Scope of Services or elsewhere in this Agreement; (iii) it has the financial and technical resources, personnel, parts and tools necessary to maintain the Elevator Equipment to its original design capabilities based on the condition of the Elevator Equipment and all technical information available on this Agreement Date, (iv) it has obtained (or shall obtain) at its expense, all permits and licenses required to perform the Services, including but not limited to a C-11 elevator license and any necessary business licenses required by the cities or counties where the Units are located, and will maintain such permits and licenses current and valid during this Agreement Term, and (v) all of Contractor's employees, agents, representatives, subcontractors, invitees and any other parties who perform any portion of the Services under the control of Contractor or its subcontractors or for whose acts any of the foregoing may be liable (collectively, "**Contractor's Representatives**") performing any portion of the Services for which a license is required shall hold current licenses at all times during which such persons are performing Services.

PART 2 RECORDS AND SCHEDULED MAINTENANCE

2.01 SCHEDULES, RECORDS, AND REQUIRED HOURS

- a. Routine Service. Routine service of all Elevator Equipment shall consist of examination, minor adjustment, cleaning and lubrication of such equipment. Any repair or replacement of Elevator Equipment is considered as additional time beyond that required for routine service. Contractor shall provide minimum routine servicing of Elevator Equipment based on the following frequency (or more frequently if determined to be necessary by City or Contractor):

Equipment Type	Service Frequency	Time Expended per Visit
Gearless Elevator	Twice Monthly	1.5 Hours
Geared Elevator	Twice Monthly	1.5 Hours
Hydraulic Elevator	Once Monthly	1.25 Hour
Escalator	Twice Monthly	1.5 Hour
Dumbwaiter/Wheel Chairlifts	Quarterly	1 hour

The Resident Mechanic will be assigned a maximum of 128 Preventative Maintenance (PM) hours per month as defined in Exhibit 1, 2.01.a. Once the 128 PM hours are assigned to the Resident Mechanic then any additional elevators or escalators will be service by a Route Mechanic at an additional cost.

- b. Services Schedule. Contractor shall provide a Service schedule chart (the "**Services Schedule**"), and shall keep a copy of same in each machine room for each piece of Elevator Equipment serviced by Contractor.
- c. Specific to Equipment. Services Schedules shall be designed for each type of Elevator Equipment to be serviced, such as gearless elevators, geared elevators, hydraulic elevators, escalators, etc., and shall conform to the manufacturer's recommended practice for the particular Elevator Equipment concerned. The Service Schedules shall show the kind and frequency of service and lubrication proposed by Contractor for the duration of this Agreement.
- d. Performance of Maintenance. All inspections, lubrication, adjustments, tests, cleaning, routine repairs and other preventative maintenance activities shall be performed in accordance with the Services Schedules submitted by Contractor.
- e. Sign In; Approval by City. Service Schedules posted shall be of the chart type, and shall be initialed by the mechanic when each scheduled inspection is performed. The form of each Service Schedule must be approved by City.

- f. Non-Routine Service Log. Contractor shall also maintain an accurate and complete log of all Services performed in addition to routine service at each location. These logs shall include call back service describing the nature of all complaints and their resolution. The logs shall be kept in the equipment rooms of each unit.
- g. Maintenance History. Contractor shall maintain, in each machine room, callback and repair data on each Unit and a record of routine maintenance examinations performed on each Unit during the term of this Agreement and shall make records available to City upon demand.
- h. Callbacks. A "**Callback**" is defined as any unscheduled shutdown of the Elevator Equipment.
- i. Entrapments. An "**Entrapment**" is defined as any shutdown of the Elevator Equipment that is occupied with passengers at the time of City's notification of the shutdown to Contractor.
- j. Extractions. City requires that Contractor contact the local fire department immediately to assist with any extraordinary elevator extractions, and not proceed until the local fire department is on-site to assist with the extraction, other than for routine extractions that can be performed safely at a floor level through the primary elevator doorway system. Examples of extraordinary elevator extractions include, but are not limited to, passengers climbing out of an elevator cab via a ladder through the ceiling, or transferring to another elevator through the elevator hoist way. The local fire department must assist with these types of extraordinary elevator extractions. All other normal elevator entrapment and building procedures should be followed during elevator entrapment and extraction conditions, including but not limited to confirming the elevator is secure and clearly communicating with passengers and building personnel on an ongoing basis. Failure to comply with these requirements is grounds for immediate termination of this Agreement or Services Agreement (or both) with Contractor. Furthermore, City assumes no responsibility for Contractor's failure to comply with the above policy, and Contractor will be solely responsible for any consequences that may arise.

2.02 WORK HOURS; CHECKING IN AND OUT

- a. Unless otherwise specified in this Agreement, all Services under this Agreement will be performed during the following hours: Monday through Friday 7:30 a.m. to 4:00 p.m. ("**Regular Hours**"). Upon mutual agreement, City and Contractor may change the Regular Hours. Contractor shall designate a full time elevator mechanic to perform on-site preventive maintenance procedures for all Elevator Equipment, exclusive of emergency callback service, emergency repairs, and scheduled repairs or safety tests as specified herein assigned to separate repair personnel. If Basic Services included within the Basic Fee described in this Agreement are required to be performed outside of Regular Hours, City will pay the associated fees as listed in Exhibit B.
- b. Contractor's Representatives shall provide a week look ahead schedule to the Cities facility manager one full week prior so to allow the facilities manager time to submit notifications. This requirement applies to regular maintenance, repair, and extra services. City shall provide Contractor's personnel with a list of any reported problems requiring Contractor's attention. Contractor shall use the Elevator/Escalator Service Call Report Log and Maintenance Log where Services are to be performed as a guide to create the look ahead schedule.

PART 3 MAINTENANCE REQUIREMENTS

3.01 MAINTENANCE AND REPAIR

Contractor shall maintain all Elevator Equipment in proper and safe operating condition. All preventive maintenance, lubrication, cleaning and adjusting shall meet the standards established by the original manufacturer or dictated by the use of the Elevator Equipment. Contractor will not

limit the servicing requirements necessary to maintain the Elevator Equipment in safe and top operating condition. The components of the Elevator Equipment maintained under each Services Agreement shall include, but not be limited to, the following:

- a. Machines, including worms, gears, thrust bearings, drive sheaves, drive sheave shaft bearings, brake pulleys and all other components and parts of the machine and brake.
- b. Hoist and governor ropes, including tension equalization.
- c. Hoist motors, including motor windings, solid state power conversion drives, motor generators, rotating elements, including commutators, brushes, brush holders and bearings and all other related components and parts.
- d. Motor windings, which shall be treated as needed with proper insulating compound which has been approved by the motor manufacturer.
- e. Controllers, encoders, transducers, selectors and dispatching equipment, including all relays, solid-state components, resistors, capacitors, transformers, contacts, leads, timing devices, computer devices, steel tape or cable and mechanical and electrical driving equipment and all other related components and parts.
- f. Pump units, including motors belts, sheaves or pulleys, valves, seals, mufflers, heating elements, tank, tank oil, exposed pipes, shut-off valves and all other components of the pump unit.
- g. Plungers, packing, seismic over-speed valves, scavenger pumps, and hydraulic system oil and all above ground piping and connections.
- h. Starters, which shall be covered at all times for hydraulic elevators. Where an elevator has a mechanical starter that has failed, Contractor shall be responsible for replacing it at no additional cost to City, regardless of whether Contractor is able to obtain the identical replacement. Furthermore, City has the option to request that all failed starters be replaced with Electronic Solid State Starters at no additional cost to City.
- i. Governors, governor sheave and shaft assemblies, bearings, contacts, governor jaws, car and counterweight safety mechanism, car and counterweight sheave assemblies, deflectors, 2:1 or secondary sheaves, including bearings, car and counterweight buffers, car and counterweight guide rails (excluding replacement), top and bottom limit switches, governor tension sheave assembly, compensating sheave assembly, counterweight guide shoes, rollers and liners, inductors, cams and tapes and all other related components and parts.
- j. Hoistway door interlocks, hoistway door hangers and rollers, bottom door gibs, door closing devices and all other related components and parts.
- k. Door operators, including door drive chains, sheaves, belts, car door hangers, rollers and up thrusts, car door contacts, door protective devices, bottom door guides and all other related components and parts.
- l. Door protective devices, which shall be covered at all times. If an infrared door protective device fails, Contractor shall replace it at no additional cost to City, regardless of model, type, and manufacturer.
- m. Communication devices, which shall be covered at all times. If an elevator phone or intercom fails, it shall be replaced at no additional cost to City, regardless of model, type, and manufacturer.

- n. Load-weighing equipment, car frames, platforms, elevator car roller guides and all other components and parts.
- o. Alarm bells, emergency stop switches, emergency car lights and batteries and all other related components and parts.
- p. Car fans or exhaust blower, car and corridor signals and fixtures including lights, pushbuttons, contact assemblies, key switches, dials, voice annunciation systems, read-out indicators and audible signaling devices.
- q. Car, hoistway and machine room wiring, including traveling cables.
- r. All operating features and functions, including firefighters' service, emergency power operation and Independent Service, including the operating switches for those features and functions.

3.02 ADDITIONAL MAINTENANCE AND REPAIR OBLIGATIONS

In addition to maintenance of the above equipment, Contractor shall be responsible for the following:

- a. Should conditions warrant, Contractor shall immediately repair or replace any and all components of the Elevator Equipment to maintain safe operating conditions. When such Services are determined not to be Contractor's responsibility, Contractor shall notify City in writing for further action, with the exception of a safety or potential safety situation (in which case Contractor shall take immediate corrective action).
- b. At City's reasonable request, Contractor will provide a hall call traffic analysis report on any or all elevators. The analyzer shall be capable of gathering and printing information about the elevator performance and group operation.
- c. Contractor shall maintain the machine rooms, hoist ways, pits, car tops and other Elevator Equipment in a clean condition. Contractor shall paint the equipment as needed to maintain a professional appearance, prevent rusting, and preserve the equipment. Machine room and pit floors shall be painted and kept clean.
- d. Contractor is responsible for the preventive maintenance, repair and replacement of all vertical transportation equipment, except for those items listed under Exclusions (in Section 3.05 below).
- e. If the elevators are equipped with on-board diagnostics utilizing digital status indicators, the following shall apply:
 - (1) These status indicators are sufficient for almost all maintenance and fault finding diagnostic needs by a capable elevator mechanic. In the event that a company other than Contractor maintains the elevators, and if the equipment was unable to be repaired by the maintenance company, a factory-trained technician would be required to assist (as it would if Contractor's own technician were in the same situation). If such an event were to occur, Contractor would make its factory-trained technician available for assistance upon request of City within three (3) business days, based on the Rate Schedule contained in this Agreement (and subject to established annual escalations).
 - (2) Contractor will furnish its standard City's package including as-builts, wiring hook up sheets, mechanical parts list, and maintenance instructions at time of installation completion and will attach its fault diagnostic code definitions to each control cabinet door.
 - (3) If Contractor is not performing the maintenance on the equipment, Contractor will make parts available to City. Parts may be provided from inventory when adequate stock exists.

In some cases, parts will have to be special ordered from the factory or other vendor at their standard lead-times. Proprietary parts will be made available on an exchange basis. Parts pricing will be per Contractor's standard pricing policy.

(4) The obligations under this subsection I will survive any termination of this Agreement.

3.03 HOUSEKEEPING

- a. During the first six (6) months of maintenance under this Agreement entered, Contractor shall thoroughly clean all elevator hoist ways, pits, car tops, and controller interiors, including filters and machine rooms. In addition, during the same period of time, all car and hoist way door tracks, hangers, interlocks and closers shall be cleaned, lubricated and adjusted. Contractor shall perform additional cleaning on an on-going basis and at the following minimum intervals (or sooner where conditions warrant):
 - (1) Quarterly: Car tops, pits and machine rooms
 - (2) Semi-Annually: Hoist ways and door equipment
- b. The exterior of the machinery and any other parts of the Elevator Equipment subject to rust shall be properly painted and presentable at all times. The motor windings and controller coils are to be periodically treated with proper insulating compound. Contractor shall keep the elevator machinery rooms clean.

3.04 SPECIAL TESTS

- a. Elevators provided with fire service, derailment devices, seismic switches or other special circuits shall be checked once every year or more often if required by Law, to make certain that these devices are operating correctly and as designed. City and Contractor shall arrange for mutually acceptable dates to perform the tests. City will test the emergency power operation and, if elevator system fails, Contractor shall make corrections and retest.
- b. Contractor shall examine periodically the elevator safety devices and governors and conduct an annual no-load test and shall, during the term of each Services Agreement (or more often if required by Law, but no less than every five years), perform one full load, full speed test of the safety mechanism, over-speed governors, car and counterweight buffers. The car balance shall be checked electrically and the governor set. If required, the governor shall be recalibrated and sealed for proper tripping speed. City shall witness these tests and a written report shall be furnished indicating the results of such test. All testing shall conform to the requirements of ASME A17.1 and applicable local code testing requirements. Contractor will install test tags indicating type of test and date.
- c. Contractor shall create a form for each elevator describing tests performed and deliver a signed copy to City after a successful test has been concluded. This form will also describe any malfunctions along with any corrective action taken.
- d. All required testing shall be performed at Contractor's expense.
- e. In addition to the above requirements, this Contractor shall perform all Periodic Testing as required by ASME A17.1 Section 8.11. All Testing shall conform to the testing intervals as outlined in ASME A17.1 Table N-1.
- f. Testing for traction elevators outside of monthly fire service testing, annual Fire Life Safety, annual Emergency Power testing are not included. All testing to be performed on regular time unless Owner requests and compensates Contractor at overtime rates.

3.05 EXCLUSIONS: The following work is excluded from the scope of Services and is not the responsibility of Contractor:

- a. Repair or replacement of power supply feeders, switches and fuses.
- b. Repair or replacement of products of combustion detectors for fire recall.
- c. Repair or replacement of car enclosure finishes and lighting lamps; hoist way enclosures; hoist way door panels and frames.
- d. Repair or replacement of machine room lighting fixtures or lamps.
- e. Repair of damage caused by vandalism, misuse, negligence, and out of contractors control, by persons other than Contractor, its representative and employees, excluding wear and tear. Contractor shall obtain City's written approval to repair damages caused by vandalism. All billable repairs are subject to City's Representative review. Payment will not be made for any unauthorized work.
- f. Installation of new attachments as may be recommended or directed by insurance companies or by federal, state, municipal or other governmental authorities.
- g. Replacement of obsolete items. Obsolete items and the labor to replace them will be at City's expense. Obsolete items (including, but not limited to, assemblies, parts, components or systems) are defined as follows: An item for which the original design is no longer regularly manufactured by the OEM or obtainable by reasonable means, or the original item has been replaced with an item of different design (so long as the different design requires an unreasonable upgrade to the original equipment). City and Contractor agree, if required, to have all obsolescence claims reviewed by an independent third party elevator consultant for final approval.
- h. Contractor is not responsible for existing scrape marks on doors, escalator steps or chains. Contractor to document and submit to City existing door scrapes within thirty (30) days of contract start date. Any scrapes not documented will become the responsibility of the Contractor.

Except for exclusions above, all other components of the Elevator Equipment are fully covered by this Agreement.

Notwithstanding the above exclusions, Contractor shall be responsible for the refinishing of scrape marks on car and hoistway doors if caused by improper adjustment of the doors or associated equipment.

3.06 MINIMUM PREVENTIVE MAINTENANCE FREQUENCY

Contractor shall perform preventive maintenance as described in this Scope of Services in accordance with the "Preventive Maintenance Frequency and Task Schedules" attached hereto as **Exhibit A-1**. The Preventive Maintenance Frequency and Task Schedules are not inclusive of all required maintenance points for the variety of equipment available throughout the elevator industry. The Preventive Maintenance Frequency and Task Schedules are designed to be examples of the preventive maintenance quality level required by this Scope of Services.

3.07 PERFORMANCE

- a. General: Contractor shall maintain the original Contract speed in feet per minute and the performances for elevators as indicated under the "Basic Performance Requirements" set forth in the remainder of this Section 3.07.

- (1) If the actual performance time of the elevator does not meet the times established for elevators of the speed and type of control, Contractor shall restore the performance of the elevator to its optimum potential.
 - (2) If, in Contractor's opinion, the equipment is inherently designed so that it cannot meet these criteria, Contractor shall so state at time of bid. If there are no exceptions taken, performance shall be provided as specified hereinafter.
- b. Basic Performance Requirements for Elevators: Electric elevators shall be adjusted to meet the following basic performance standards and shall maintain these standards for the life of the Agreement.
- (1) Operating Characteristics:
 - (a) Starting, acceleration, stopping and leveling shall be smooth and free from jars or bumps.
 - (b) Full speed riding shall be without swaying or vibration.
 - (c) Elevator and door operation shall be quiet with smooth checking at the extremes of travel.
 - (d) Door pressure shall be maintained below 30 pounds in closing and not exceed kinetic energy forces stipulated in the code.
 - (2) Group Supervisory Systems: Keep group control systems operating at design criteria for the life of this Agreement.
 - (3) Individual Elevator Performances: Maintain performance requirements as follows:
 - (a) Maintain accurate leveling of +/- 1/8" for Traction Elevators and 1/4" for Hydraulic Elevators under all loading conditions.
 - (b) Contract speed shall not vary by more than 10% for hydraulic and open loop motor control systems and 3% for closed loop motor control systems under any loading condition.
 - (c) Start-To-Stop Times based on a typical 12'-6" floor height:
 - (1) Gearless Elevators: 4.5 to 5.0 seconds.
 - (2) Geared Elevators:
 - a. 200-300 FPM: 6.5 to 7.0 seconds.
 - b. 350-450 FPM: 5.5 to 6.0 seconds.
 - (d) Door Open Times: Based on Standard Steel Doors, 8'-0" Maximum Height.
 - (1) 3'-6" Center Opening: 1.6 to 2.2 seconds.
 - (2) 3'-6" Side Opening: 3.2 to 3.8 seconds
 - (2) 4'-0" Center Opening: 2.0 to 2.5 seconds.
 - (3) 4'-0" Two-Speed: 2.8 to 3.3 seconds.
 - (e) Door Standing Times:
 - (1) Car Call: 5.0 to 6.0 seconds.
 - (2) Hall Call: 5.0 to 8.0 seconds.
 - (f) Door Close Times: Minimum without exceeding kinetic energy and closing force allowed by Code.

3.08 STOCK OF MATERIALS

- a. Contractor shall keep in the machine room where Services are performed an adequate supply of contacts, switch parts, coils, conductors, springs, holders, resistors, relays, lamps, condensers, tubes, transformers, car and hall buttons, fuses and other parts which are required for prompt replacement together with an adequate supply of lubricants and wiping rags. All supplies shall be stored in metal cabinets or shelves and oily rags shall be stored in enclosed metal containers. All cabinets, shelves and containers shall be provided by Contractor and become the property of City upon termination of this Agreement.
- b. Used parts or parts that are not equal to or better than genuine manufacturer's parts are not acceptable and shall not be used by Contractor on any Elevator Equipment at any of the Properties.
- c. In addition to the requirements of subsection (a) above, Contractor shall keep on each Property (or in a warehouse within fifty miles of each Property or reasonably obtainable within 24 hours):
 - (1) One set of motor brushes and holders for each type of motor and generator.
 - (2) One door operator motor of each type used.
 - (3) Hanger sheaves for car and hoist way doors.
 - (4) Two complete door interlocks.
 - (5) One set of generator bearings for each type of generator.
 - (6) One set of brake linings for each type of brake.
 - (7) Parts for door protective devices.
 - (8) Power supplies.
 - (9) Coils, relays, motor brushes and all other parts as needed to assure prompt replacement in the event of the shutdown of any elevator.
 - (10) SCR drive components.
 - (11) One spare printed circuit board of each type installed.
- d. Contractor shall keep an adequate supply of drive rollers, handrail rollers, contacts, switch parts, coils, conductors, springs, holders, resistors, relays, lamps, condensers, tubes, transformers, fuses and other parts that are required for prompt replacement, together with an adequate supply of lubricants and wiping rags. All supplies shall be stored in metal cabinets or shelves and oily rags shall be stored in enclosed metal containers.
- e. In addition to the requirements of subsection (d) above, Contractor shall keep on each Property (or in a warehouse within fifty miles of each Property or reasonably obtainable within 24 hours):
 - (1) Controller parts, contacts, coils, resistors, etc.
 - (2) Brake parts.
 - (3) One set of brake linings if applicable.
 - (4) Controller drives components.

(5) One spare printed circuit board of each type installed.

3.09 WIRING DIAGRAMS

- a. Contractor shall maintain a complete set of all wiring diagrams for the Elevator Equipment covered under each Services Agreement and stored in the machine rooms of the Properties described in each Services Agreement. All changes in circuitry made by Contractor shall be properly recorded on City's and machine room copies of diagrams, including date of change and name of person making the same. The wiring diagrams are the property of City and are to remain in the respective machine room of each Property.
- b. Contractor shall edit any changes to the original wiring diagrams and complete such changes within sixty (60) days after the installation or additions to the Elevator Equipment (the "**Edit Deadline**"). If Contractor fails to perform such wiring diagram changes by the Edit Deadline, City and Contractor agree that City will suffer, as a result of Contractor's failure to timely complete such changes, damages that are extremely difficult and impracticable to ascertain at the time of execution of this Agreement. Therefore, City and Contractor agree that, in addition to all other damages to which City may be entitled, in the event Contractor fails to perform such edits by the Edit Deadline, Contractor will pay to City as liquidated damages, and not as a penalty but as a reasonable estimate of the damages that City will suffer, the amount of fifty dollars (\$50.00) per day for each calendar day after the Edit Deadline until the changes are completed. City may, at its election, deduct the sum of the liquidated damages owed by Contractor from any sum owed or to be owed to Contractor. Notwithstanding the foregoing, City and Contractor agree that this liquidated damage provision shall only apply to damages caused by Contractor's failure to complete the edits to the wiring diagrams by the Edit Deadline, and shall not apply to or limit any other type of damages suffered by City under this Agreement.
- c. Owner to provide at no cost a set of wiring diagrams for each elevator.

3.10 SOFTWARE

- a. If any part of the Elevator Equipment incorporates computer software for which Contractor requires a back-up or archival copy, Contractor shall submit to City a written request for same prior to preparing its own back-up copy.
- b. If City agrees to approve Contractor's request for a copy of such software, the back-up or archival copy shall remain the property of City and shall not be removed from the Property to which the software applies.
- c. If, during the term of this Agreement, Contractor should install controller software upgrades, the upgrades shall remain a part of the Elevator Equipment in the event of termination of this Agreement or the Services Agreement for the Property to which the software applies.

3.11 REMOTE MONITORING

City requires remote monitoring of the Elevator Equipment to facilitate its maintenance program, the cost of such remote monitoring equipment, including all installation and maintenance costs, shall be at the City's expense and not part of this maintenance specification

3.12 REPORTS

- a. Monthly Reports. Within five (5) business days of the last day of each month during this Agreement Term, Contractor shall submit the following reports to City. Failure to provide such reports shall be considered breach of Agreement and cause for withholding of the Basic Fee for the Services provided for that month until such time as the applicable report is delivered.

- (1) Activity Report. This report shall provide an overview of the month's routine maintenance activities, identifying the overall condition of the Elevator Equipment, areas of concern, problematic conditions, usage of the Elevator Equipment that may reduce the longevity of major components, and recommendations for any corrective action that is outside the scope of Services.
 - (2) Trouble Call Report. This report shall provide details of all trouble calls that occurred during the month, and shall identify the applicable Property, building and equipment number, the time and nature of the call, who placed the call, the time Contractor arrived in answer to the call, the condition of the Elevator Equipment upon arrival, work performed to correct the condition, and the time Contractor departed. This report shall identify if the callback was covered under the scope of Services or if it was an additional billable call.
 - (3) Entrapment Report. On all elevator shutdowns involving passenger entrapments, a comprehensive report shall be prepared and submitted to City within 24-hours of the entrapment. The report shall include the Property and building location, elevator identification, date and time of entrapment, time entrapped passengers were released, cause of entrapment and corrective action taken by Contractor. In addition, this information will be included in the monthly report.
 - (4) Test and Inspection Reports. This summary report will describe all Elevator Equipment receiving special tests during the month with a detailed back up of the test results. This includes, but is not limited to, fire service testing, safety testing, hydraulic pressure tests, standby emergency power testing and safety inspections performed by the local enforcing authorities.
- b. Semi-Annual Supervisor's Reports. Within five (5) business days of the end of each six-month period during the term of this Agreement, Contractor's supervisor shall submit to City a written report containing the following information on the Elevator Equipment within any Property for which a Services Agreement has been entered. Failure to provide such report shall be considered breach of contract and cause for withholding of the Basic Fee for the Services for all Properties subject to Services Agreements until such time as the supervisor's report is delivered. If more than one supervisor is supervising the Services, then Contractor shall submit a services report from each supervisor. Each supervisor's report shall contain the following information:
- (1) Evaluation of the overall preventative maintenance being performed by Contractor's employees.
 - (2) Confirmation that supervisor visited each piece of Elevator Equipment, reviewed machine room maintenance logs and signed same.
 - (3) Report on the planned activities and schedules over the next quarter with regard to repair work that will be required that will cause any Elevator Equipment to be removed from service.
 - (4) Any recommendations that will improve the overall operation or extend the remaining useful life of the Elevator Equipment.

PART 4 SPECIAL PROVISIONS

4.01 PERFORMANCE GUARANTEE AND LIQUIDATED DAMAGES

In addition to the Warranty requirements contained in this Agreement, Contractor provides the following performance guarantees to City:

- a. Contractor shall maintain an adequate stock of replacement parts to ensure prompt repair of any malfunction of the Elevator Equipment and its prompt return to service. If any Elevator Equipment is out of service for a non-scheduled repair for longer than three (3) consecutive business days and Contractor fails to repair same by the end of such three (3) business day period (the "**Non-Scheduled Repair Deadline**"), City and Contractor agree that City will suffer, as a result of Contractor's failure to timely respond to each trouble call, damages that are extremely difficult and impracticable to ascertain at the time of execution of this Agreement. Therefore, City and Contractor agree that, in addition to all other damages to which City may be entitled, in the event Contractor fails to timely repair by the Non-Scheduled Repair Deadline, Contractor will give to City as liquidated damages, and not as a penalty but as a reasonable estimate of the amount of damages City will suffer, a credit equal to the monthly maintenance cost of that Unit against the next month billing as a form of liquidated damages. Notwithstanding the foregoing, City and Contractor agree that this liquidated damage provision shall only apply to damages caused by Contractor's failure to timely repair a Unit by the Non-Scheduled Repair Deadline, and shall not apply to or limit any other type of damages suffered by City under either this Agreement. For purposes of this subsection, a "scheduled repair" consists of repairs required as part of routine preventative maintenance such as replacing hoist ropes, cylinder head packing and so forth, but not a repair that is caused by the lack of preventative maintenance. All repairs shall be pre-scheduled in writing. Fujitec and Mitsubishi parts are not as readily available and may require additional time.
- b. If Contractor does not respond to trouble calls in the time frames listed under "Hours and Manner of Services" as set forth in Section 4.02 below (each, a "**Trouble Call Deadline**"), City and Contractor agree that City will suffer, as a result of Contractor's failure to timely respond to each trouble call, damages that are extremely difficult and impracticable to ascertain at the time of execution of this Agreement. Therefore, City and Contractor agree that, in addition to all other damages to which City may be entitled, in the event Contractor fails to timely respond to each trouble call by the Trouble Call Deadline, Contractor will give to City as liquidated damages, and not as a penalty but as a reasonable estimate of the amount of damages City will suffer, a credit of two hundred and fifty dollars (\$250.00) against the next month billing for the applicable Services Agreement. Notwithstanding the foregoing, City and Contractor agree that this liquidated damage provision shall only apply to damages caused by Contractor's failure to timely respond to each trouble call by the Trouble Call Deadline, and shall not apply to or limit any other type of damages suffered by City under either this Agreement or any Services Agreement.
- c. If three (3) or more callbacks on the same Unit for the same problem are experienced during 30 consecutive days, the monthly maintenance cost of that Unit will be credited to the next monthly billing for the applicable Agreement as liquidated damages, subject to the same understandings specified in Section 4.01(a) above.
- d. If a Unit is out of service for more than three (3) consecutive days, the monthly maintenance cost of that Unit will be credited to the next monthly billing as liquidated damages, subject to the same understandings specified in Section 4.01(a) above. Major repairs (including machine work) may require an elevator to be out of service more than 3 days; regardless if the work is pre-scheduled or not.
- e. No liquidated damages shall be payable under Sections 4.01(a), (c) or (d) if the damage is caused by vandalism or any other cause except for normal wear and tear.

4.02 HOURS AND MANNER OF SERVICES

- a. Contractor shall provide callback service upon request at its expense during Regular Hours. In the event a callback outside of Regular Hours is required, Contractor shall provide City with information documenting all travel time and time expended by Contractor and Contractor's Representatives on the job; provided, however, that City shall pay Contractor only at the

Differential Billing Rate (as noted in Section 2.02(a) above) for the travel time and time billed for any such callbacks. All overtime trouble calls related to passenger "entrapment" (as defined in Section 2.01(i) above) shall be made by Contractor at no cost to City.

- b. Contractor shall respond to all trouble calls reported to Contractor's dispatch center by 3:30 P.M. on regular working days during the same day at no additional cost to City.
- c. In the event an elevator is shut down with trapped passengers, Contractor guarantees that it shall respond (i) within 45 minutes when responding to or from the La Cienega Tennis Center or 30 minutes to or from all other locations of any such event that occurs during Regular Hours, and (ii) within 1 hour of any such occurrence during all other times.
- d. In the event an elevator is shut down with no trapped passengers, Contractor guarantees that it shall respond (i) within 40 minutes of any such event that occurs between 8:00 A.M. and 5:00 P.M., Monday-Friday, and (ii) within 2 hours of any such occurrence during all other times.
- e. As noted in Section 2.02(a) above, if Basic Services included within the Basic Fee described are required to be performed outside of Regular Hours, City will pay rates as shown in Exhibit B. Removal of elevators from service shall be coordinated with and approved by City.
- f. Contractor shall conduct monthly Fire Services and Emergency Power testing per City's request, and any such testing is included in the Basic Fee portion of this Agreement Price, regardless of whether the testing is performed during Regular Hours or during overtime working hours, at no additional cost, unless overtime hours are requested by the City. If overtime hours are requested by the City, rates shall apply as listed in Exhibit B.
- g. Except for hydraulic elevators, all other State testing will be submitted as a repair and is not included.

4.03 MATERIAL SAFETY DATA SHEETS

Contractor shall furnish to City an approved Material Safety Data Sheet (MSDS) for all cleaning solvents, oils, greases, paints, and other lubricants and cleaning fluids used during the performance of the elevator/escalator preventative maintenance. A copy of the applicable MSDS shall be visibility mounted in the elevator equipment room of each Property in a protective cover.

4.04 EMPLOYEE SAFETY

Contractor shall maintain employee safety as one of its most important concerns. Contractor shall provide employees with information and supplies necessary to comply with the Occupational Safety and Health Act and procedures stated in the Elevator Industry Field Employees' Safety Handbook. Contractor shall conduct regular and systematic safety meetings with employees to discuss new procedures and improve on safety awareness. At City's request, Contractor shall provide copies of minutes and handouts from such meetings.

EXHIBIT A-1 PREVENTIVE MAINTENANCE FREQUENCY AND TASK SCHEDULES

1. GEARLESS PASSENGER

Each visit:

- a. Ride each elevator and observe performance, leveling, floor stops, door opening and closing operation and noise.
- b. Test safety edges, photo eyes, detectors, door open buttons, and alarm bell.
- c. Check for proper car and hall button operation and all indicator illuminations and lantern operations.

Monthly:

- a. Clean and inspect machine, controller, selector, motor, motor generator/SCR and governor.
- b. Clean and inspect car top, operating switches, door operator and controls, car door hangers, gibs, detectors and/or photo eyes and safety edges. Lubricate and adjust door operator and door accessory equipment.
- c. Clean and inspect hoistway door hangers, interlocks, linkage, pick up assembly, door gibs, non-vision wing and hoistway switches.
- d. Clean and inspect governor tension sheave, car and counterweight buffers, compensating sheave assembly. Clean pit and check safety plank and travel cable loops.
- e. Clean machine room, check commutators and brushes, clean and adjust controller and selector contacts and relays.
- f. Check car and hall fixture lamps, leveling and floor stops, alarm bell and emergency stop, inspect travel cable.
- g. Perform any fire service and emergency power testing requested by City or required by Law or any government agency with jurisdiction over the Properties.

Quarterly:

- a. Inspect rope shackles, car and counterweight guides, TM and Slow Down switches, adjust and lubricate as required, check emergency light.
- b. Check and adjust brake. Inspect and lubricate pivot pins.
- c. Clean and adjust controller and selector components including contacts, relays and timers. Check transformers and rectifiers. Vacuum or brush all controller and selector parts.
- d. Check out complete safety circuit.
- e. Check selector cables and/or tapes. Lubricate selector drive worm. Inspect selector drive.

- f. Clean, inspect and lubricate governor linkage.
- g. Inspect, rotate and equalize hoist and compensating cables. Inspect cable shackles and fastenings.
- h. Check adjustment of roller/slide car and counterweight guides. Check bearings/liners and fastenings.
- i. Inspect TM, slowdown, leveling and/or limit switches.
- j. Clean and inspect all car and hoistway door contacts and interlocks.
- k. Check door closing force. Check car and hoistway hangar rollers and adjust up thrusts.
- l. Inspect door operator bearings and cams.
- m. Clean and inspect governor tail sheave, compensating sheaves, compensation ropes and hitches and/or compensating chains, guides and hitches.
- n. Clean and inspect car and counterweight buffers. Check buffer oil level and operation.

Semi Annual:

- a. Check control and main line fuses, voltage readings, motor and motor generator wire connections, overloads, armature clearance and brake cores.
- b. Check motor overload devices, resistor and resistance connections.
- c. Check car safety mechanism and governor rope hitch.

Annual:

- a. Drop brake shoes, clean, lubricate and adjust. Flush and replace worm gear oil.
- b. Check all controller and selector terminals. Check and clean all fuse holders.
- c. Check car frame, overhead, car and counterweight sheaves, sills and pit.
- d. Perform annual lubrication of motor, motor generator and machine bearings, deflector, compound and compensating sheaves and governor tension sheave bearings. Check all fastenings.
- e. Perform annual car safety test. Clean, inspect and lubricate governor and safety mechanisms. Check buffer oil level.
- f. Adjust motor control and perform logic systems operation check.
- g. Clean hoistway and hoistway equipment including guide rails, counterweights, hoistway door hangars, interlocks, closers, headers and related devices. Check all fastenings on guide rails, brackets and entrances. Check traveling cables.

Five year:

Perform full load governor, safety and buffer test.

2. GEARED PASSENGER AND SERVICE

Each visit:

- a. Ride each elevator and observe performance, leveling, floor stops, door opening and closing operation and noise.
- b. Test safety edges, photo eyes, detectors, door open buttons, and alarm bell.
- c. Check for proper car and hall button operation and all indicator illuminations and lantern operations.

Monthly:

- a. Clean and inspect machine, controller, selector, motor, motor generator/SCR and governor.
- b. Clean and inspect car top, operating switches, door operator and controls, car door hangers, gibs, detectors and/or photo eyes and safety edges. Lubricate and adjust door operator and door accessory equipment.
- c. Clean and inspect hoistway door hangers, interlocks, linkage, pick up assembly, door gibs, non-vision wing and hoistway switches.
- d. Clean and inspect governor tension sheave, car and counterweight buffers, compensating sheave assembly.
- e. Check hoist motor and motor generator commutators and brushes. Replace or reset as required.
- f. Check for leaks and oil level in machine.
- g. Perform any fire service and emergency power testing requested by City or required by Law or any government agency with jurisdiction over the Properties.

Quarterly:

- a. Inspect rope shackles, car and counterweight guides, TM and Slow Down switches, adjust and lubricate as required, check emergency light.
- b. Check and adjust brake. Inspect and lubricate pivot pins.
- c. Clean and adjust controller and selector components including contacts, relays and timers. Check transformers and rectifiers. Vacuum or brush all controller and selector parts.
- d. Check out complete safety circuit.
- e. Check selector cables and/or tapes. Lubricate selector drive worm. Inspect selector drive.
- f. Clean, inspect and lubricate governor linkage.
- g. Inspect, rotate and equalize hoist and compensating cables. Inspect cable shackles and fastenings.

- h. Check adjustment of roller/slide car and counterweight guides. Check bearings/liners and fastenings.
- i. Inspect TM, slowdown, leveling and/or limit switches.
- j. Clean and inspect all car and hoistway door contacts and interlocks.
- k. Check door closing force. Check car and hoistway hangar rollers and adjust up thrusts.
- l. Inspect door operator bearings and cams.
- m. Clean and inspect governor tail sheave, compensating sheaves, compensation ropes and hitches and/or compensating chains, guides and hitches.
- n. Clean and inspect car and counterweight buffers. Check buffer oil level and operation.
- o. Perform any required fire service and emergency power testing.

Semi Annual:

- a. Check control and main line fuses, voltage readings, motor and motor generator wire connections, overloads, armature clearance and brake cores.
- b. Check motor overload devices, resistor and resistance connections.
- c. Check car safety mechanism and governor rope hitch.

Annual:

- a. Drop brake shoes, clean, lubricate and adjust. Flush and replace worm gear oil.
- b. Check all controller and selector terminals. Check and clean all fuse holders.
- c. Check car frame, overhead, car and counterweight sheaves, sills and pit. Annual lubrication of motor, motor generator and machine bearings, deflector, compound and compensating sheaves and governor tension sheave bearings. Check all fastenings.
- d. Perform annual car safety test. Clean, inspect and lubricate governor and safety mechanisms.
- e. Check buffer oil level.
- f. Adjust motor control and perform logic systems operation check.
- g. Clean hoistway and hoistway equipment including guide rails, counterweights, hoistway door hangars, interlocks, closers, headers and related devices. Check all fastenings on guide rails, brackets and entrances. Check traveling cables.

Five year:

Perform full load governor, safety and buffer test.

HYDRAULIC PASSENGER AND SERVICE:

Each visit:

Ride each elevator and observe performance, leveling, floor stops, door opening and closing operation and noise.
Test safety edges, photo eyes, detectors, door open buttons, and alarm bell.
Check for proper car and hall button operation and all indicator illuminations and lantern operations.
Check for leaks in power unit, hydraulic control valve, silencer, sound couplings and oil line.

Monthly:

Clean and inspect power unit, controller and motor. Check drive belt tension and condition.
Check for leaks and oil level in power unit. Clean power unit oil drip pan.
Clean and inspect car top, operating switches, door operator and controls, car door hangers, gibs, detectors and/or photo eyes and safety edges. Lubricate and adjust door operator and door accessory equipment.
Clean and inspect hoist way door hangers, interlocks, linkage, pick up assembly, door gibs, non-vision wing and hoist way switches.
Clean and inspect hydraulic plunger, seals and packing. Check jack oil drip container.
Check guide rail lubrication drip containers in pit.

Quarterly:

Check motor and pump sheave alignment. Check motor and pump mounting fastenings.
Adjust hydraulic control valve. Clean hydraulic control valve strainers. Check hydraulic control valve locking nuts, adjustment screws and mounting fastenings.
Clean and adjust controller components including contacts, relays and timers. Check transformers and rectifiers. Vacuum or brush all controller parts.
Check out complete safety circuit.
Check adjustment of roller/slide car guides. Check bearings/liners and fastenings.
Inspect TM, slowdown, leveling and/or limit switches.
Clean and inspect all car and hoist way door contacts and interlocks.
Check door-closing force. Check car and hoist way hangar rollers and adjust up thrusts.
Inspect door operator bearings and cams

Semi Annual:

Check control and main line fuses, voltage readings and motor wire connections.
Check motor overload devices, resistor/resistance connections and starters, contactors and contacts.

Annual:

Check all controller terminals. Check and clean all fuse holders.
Check car frame, sills and pit.
Annual hydraulic pressure test. Check relief valve seal and tag valve with current test information, date test was performed and performing company name.
Perform logic systems operation check.
Clean hoist way and hoist way equipment including guide rails, hoist way door hangars, interlocks, closers, headers and related devices. Check all fastenings on guide rails, brackets and entrances. Check traveling cables.

ESCALATOR:

Each visit:

- Inspect machine space and lower well.
- Check steps.
- Check and clean handrail.
- Check comb teeth.
- Check skirt guard.
- Check lighting.
- Inspect and lubricate step and drive chains.
- Check and test start key switches and stop switches.

Monthly:

- Clean and inspect machine and controller.
- Clean machine space and lower well.
- Check stop buttons – top and bottom.
- Check drive machine oil level.
- Check comb plate – top and bottom.
- Check handrails, guards and brushes – top and bottom.
- Clean and apply friction reducing agent on step risers and skirt panels.
- Check demarcation lighting.
- Check and adjust handrail chains and drive.
- Inspect step and drive chains and rollers.

Quarterly:

- Check main line disconnect and fuses.
- Check condition of step chain guide.
- Check reverse phase relay.
- Check brake action and stopping distance.
- Check handrail tension and drive.
- Test safety switches on skirt panels and comb plate.
- Test broken driving chain safety switch.
- Test broken step chain safety switch.
- Test handrail inlet safety switch.
- Test skirt guard safety switch.
- Test step running safety switch.
- Test step wheel tire safety switch.

Semi Annual:

- Check soffit guards.
- Inspect balustrade panels for damage and fastenings.
- Adjust magnet brake, gap adjustments between core and armature, adjustment or BSR (brake serial resistance).
- Inspect and lubricate lower terminal gear guide.
- Inspect and lubricate step bearing.
- Inspect and lubricate each moving part of drive chain safety switch.
- Check step surfaces and structural integrity.
- Check play in steps and proper riser clearance.
- Check running clearance between step and skirt panels.
- Clean intermediate oil pan.

Annual:

Clean escalator wellway drip pans and related equipment.
Inspect and lubricate drive motor bearings.
Inspect and lubricate driving machine.
Inspect and lubricate upper terminal gear bearing.
Clean and inspect step tracks.
Drop brake shoes, clean, lubricate and adjust.
Flush gear case, replace oil.
Check for proper running speed.
Check reversal stop switches for proper operation.
Check step up thrust device for proper operation.
Test drive motor overloads.
Perform safety tests.

EQUIPMENT LISTING AND FEE SCHEDULE

Building Name	Unit Type & Number	Controller Type
*333 Crescent	2 Gearless Traction	MCE 4000
*BH Police Facility	2 Gearless Traction	MCE 4000
**BH Police Facility	1 Gearless Traction	MCE 4000
*440 Camden Garage	2 Gearless Traction	MCE 4000
**City Hall	2 Gearless Traction	MCE iBox
** 216 Beverly Garage	2 Gearless Traction	MCE 4000
**461 Bedford Garage	2 Gearless Traction	MCE 4000
*PW Warehouse	1 Hydraulic & 1 Hydraulic Freight	MCE 2000
IT Center	1 Hydraulic	MCE 1000
Fire Department HQ	2 Hydraulic	Dover WCR
PW Facility	1 Hydraulic	Kone
BH Library	2 Hydraulic & 1 Hydraulic Freight	O&W, Kone
La Cienega Tennis Center	1 Hydraulic	Otis 211
331 Foothill Office	2 MRL Traction	Kone Mono Space
9400 Santa Monica	1 Geared Traction	Kone
*Crescent Garage (Wallis)	3 MRL Traction & 3 Escalators	Otis Gen 2
9333 W 3 rd Street Garage	2 MRL Traction	Kone MonoSpace
345 Beverly Garage	2 Geared Traction	Mitsubishi
438 N. Beverly Garage	2 Geared Traction	Schindler TRX5
439 Canon Garage	2 Geared Traction	Schindler TRX5
9510 Brighton Garage	2 Geared Traction	Fujitec
221 Crescent Garage	4 Geared Traction	Dover WCR
450 Rexford Garage	2 Geared Traction	Dover TIV
Montage Parking	3 MRL Traction	Otis Gen 2
The Gardens Bldg	2 MRL Traction	Otis Gen 2
Santa Monica 5 Parking	5 Wheel Chair Lifts	
Police HQ	3 Hydraulic	
Greystone Mansion Kitchen	1 Dumbwaiter	

* Under Warranty Service

** Under Modernization Agreement.

RATE SCHEDULE

1. REGULAR BILLING RATES:

Regular Working Hour:	\$ _____	Per Hour. (One Mechanic)
Regular Working Hour:	\$ _____	Per Hour. (Mechanic & Helper)
Overtime 1.7 rate Working Hour:	\$ _____	Per Hour. (One Mechanic)
Overtime Working Hour:	\$ _____	Per Hour. (Mechanic & Helper)
Sundays and Holidays:	\$ _____	Per Hour. (One Mechanic)
Sundays and Holidays:	\$ _____	Per Hour. (Mechanic & Helper)

2. DIFFERENTIAL BILLING RATES:

Overtime 1.7 rate Working Hour:	\$ _____	Per Hour. (One Mechanic)
Overtime Working Hour:	\$ _____	Per Hour. (Mechanic & Helper)
Sundays and Holidays:	\$ _____	Per Hour. (One Mechanic)
Sundays and Holidays:	\$ _____	Per Hour. (Mechanic & Helper)

CONTRACTOR'S APPROVED PERSONNEL

1. Contractor's Account Manager: _____
2. Contractor's Supervisor: _____
3. Contractor's Mechanic: _____
4. Other Personnel: _____

Annual Price Adjustment Request

1. Date of Submittal of Request: _____, 20__
[Note: must be submitted by Requesting Party at least 90 days prior to applicable Anniversary Adjustment Date]

2. Applicable Anniversary Adjustment Date: _____, 20__

3. Services Agreement Number: _____

4. Adjustment Request: In accordance with Exhibit C to this Agreement, the undersigned Requesting Party hereby requests the Receiving Party's approval of an Annual Price Adjustment to revise the Fee Schedule and the Rate Schedule.

5. Adjusted Basic Fee: The Basic Fee subject to the above Agreement shall be revised as shown on the Revised Fee Schedule, and the Rate Schedule is revised as shown on the Revised Rate Schedule. The Revised Fee Schedule and the Revised Rate Schedule shall be effective as of the date set forth in Section 6 of the Services Agreement Addendum.

Submitted by:

_____ (Requesting party)

By: _____

Name: _____

Title: _____

Approved by:

_____ (Receiving party)

By: _____

Name: _____

Title: _____

Approval Date: _____, 20__

EXHIBIT B

SCHEDULE OF PAYMENT AND RATES

Based on a price of \$29,000 per month for the Basic Fee.

Payment terms are net 30 days from invoice.

An annual pre-payment discount of 3% or quarterly pre-payment discount of 1% is available.

RATE SCHEDULE

A. REGULAR BILLING RATES:

Regular Working Hour:	\$283 Per Hour. (One Mechanic)
Regular Working Hour:	\$510 Per Hour. (Mechanic & Helper)
Overtime 1.7 rate Working Hour:	\$479 Per Hour. (One Mechanic)
Overtime Working Hour:	\$916 Per Hour. (Mechanic & Helper)
Sundays and Holidays:	\$519 Per Hour. (One Mechanic)
Sundays and Holidays:	\$916 Per Hour. (Mechanic & Helper)

B. DIFFERENTIAL BILLING RATES:

Overtime 1.7 rate Working Hour:	\$196 Per Hour. (One Mechanic)
Overtime Working Hour:	\$406 Per Hour. (Mechanic & Helper)
Sundays and Holidays:	\$236 Per Hour. (One Mechanic)
Sundays and Holidays:	\$406 Per Hour. (Mechanic & Helper)

C. State Testing of Traction Elevators: \$1,800 each

1. Agreement Price.

a. Basic Fee for Basic Services. City shall pay Contractor the amount shown herein to the Services Agreement for the Basic Services performed on the Elevator described on said Exhibit (the "**Basic Fee**"). The Basic Fee shall be payable in arrears. Contractor shall bill City on a monthly basis for the Basic Fee for the prior month's Services under this Agreement. City shall pay the Basic Fee to Contractor within forty-five (45) days of City's receipt of each invoice from Contractor. The Basic Fee may be increased or decreased as the result of (i) a change to the Scope of Services pursuant to a Services Agreement Addendum, (ii) the addition or deletion of any Properties or Units pursuant to Section 2 below, (iii) an annual adjustment pursuant to Section 3 below, or (iv) an "occupancy" or "quantity" discount pursuant to Section 4 below.

b. Cost of Extra Services. In addition to the Basic Fee, City may order the performance of Extra Services by Contractor, in which case Contractor shall prepare an "Extra Services Schedule" in the form provided by City and submit same to City within five (5) business days of Contractor's receipt of City's Extra Services request. If said schedule is approved by City, the parties shall execute a Services Agreement Addendum and attach the approved Extra Services Schedule to said Addendum to reflect the cost of the Extra Services to be paid by City. Contractor shall bill City on a monthly basis for the Extra Services. City shall pay Contractor for the Extra Services within forty-five (45) days of City's receipt of Contractor's approved invoice and backup provided by Contractor in accordance with Section 5 below. All prices shown on the Extra Services Schedule include all applicable taxes.

- c. Withholding of Payments. Failure by Contractor to provide Basic Services or Extra Services in accordance with this Agreement, Agreement or Services Agreement Addendum, or failure by Contractor to comply with any provision of said documents in its performance of the Basic Services or Extra Services, shall entitle City (in addition to any other remedies City may have) to withhold payments due to Contractor as City deems necessary in City's reasonable discretion.
2. Addition or Deletion of Properties or Elevator Equipment. Either or both Properties and Units of Elevator Equipment may be added at any time during this Agreement Term pursuant to a Services Agreement Addendum executed by City and Contractor. The Services Agreement Addendum shall address the price adjustment and changes to the Fee Schedule attached to the affected Services Agreement. The deletion of Properties or Units shall proportionally reduce the Basic Fee for the applicable Property, and the addition of Properties or Units shall proportionally increase the Basic Fee for the applicable Property.
3. Adjustments to Exhibit 1 to Services Agreement. The Rate Schedule set forth in Section 8 of this Exhibit C (the "**Original Rate Schedule**") contains the "Regular Billing Rates" (as defined in Section 8 below) for all Services under each Services Agreement until the Fee Schedule and Rate Schedule contained in Exhibit 1 to each Services Agreement is adjusted in accordance with this Section 3. The Fee Schedule and Rate Schedule contained in Exhibit 1 to each Services Agreement are subject to annual adjustments upon the request of either Contractor or City in accordance with the following procedure.
- a. Adjustment Procedure. At least 90 days prior to the upcoming Anniversary Adjustment Date of the applicable Services Agreement, the party who desires to implement an adjustment (the "**Requesting Party**") to the schedules contained in Exhibit A to a Services Agreement shall provide to the other party (the "**Receiving Party**"), an "Annual Price Adjustment Request" in the form attached as Exhibit A-4 to the Services Agreement Addendum. Each Annual Price Adjustment Request shall have two exhibits attached to it: (i) an Adjusted Rate Schedule Calculation, and (ii) a Revised Fee Schedule. The Adjusted Rate Schedule Calculation will allow for adjustments in the cost of materials and labor as follows:
- i. Twenty percent (20%) of the material prices used in computing (A) the Basic Fee in the Fee Schedule and (B) the cost of any Extra Services requested by City, will be increased or decreased based on the "Producer price index - Commodity code 10 - Metals and metal products" published by the U.S. Department of Labor, Bureau of Labor Statistics, for the month of August for the year in which the Anniversary Adjustment Date occurs as compared with such index for the month of August of the previous year.
- ii. Eighty percent (80%) of the cost of labor used in providing Services or Extra Services will be increased or decreased based on the "regular hourly billing rate for labor" for the month within which the Anniversary Adjustment Date occurs as compared with such regular hourly billing rate for labor for the same month of the previous year.

As used herein, the phrase "**regular hourly billing rate for labor**" means the sum of the standard hourly billing rate for labor plus the average hourly cost of fringe benefits paid to elevator examiners in the County in which the Property is located. The words "**fringe benefits**" mean employee benefits granted in lieu of or in addition to hourly rate increases and include, but are not limited to, pensions, vacations, paid holidays, group life, sickness, accident and hospitalization insurance. The regular hourly billing rate for labor for each Property is the "Regular Billing Rate" amount shown on the Rate Schedule set forth in Section 8 below.

Within ten (10) business days of receipt of an Annual Price Adjustment Request, the Receiving Party shall review and approve or disapprove of such request. When approved by the Receiving Party, City and Contractor shall execute a Agreement Addendum for each Services Agreement affected by the approved Annual Price Adjustment Request to reflect the changes the Fee

Schedule and the Rate Schedule set forth on Exhibit 1 to such Agreement. (The first annual adjustment shall adjust the Original Rate Schedule based on the above materials and labor formulas to produce the revised Rate Schedule for this Agreement, and each adjustment thereafter shall update the previously revised Rate Schedule for such Agreement.) The Receiving Party shall not withhold its approval of the Annual Price Adjustment Request so long as the Requesting Party is able to verify that the numbers contained in the "Adjusted Rate Schedule Calculation" attached to the Annual Price Adjustment Request are accurate.

b. Maximum Allowable Annual Increase. Notwithstanding any other provision of this Agreement, the maximum allowable increase or decrease for any one year period during the term of this Agreement (and any extension of the term), shall be three percent (3%). This maximum increase/decrease limitation shall apply to adjustments to both (1) the Basic Fee for each Property reflected in the Fee Schedule attached as Exhibit B to this Agreement, and (2) the Rate Schedule contained in Exhibit B to this Agreement.

4. Modernization Discounts:

a. Modernization Discount. In the event any Property serviced by Contractor experiences a modernization, the Basic Fee payable for that Property shall be reduced from the total maintenance Agreement amount until the modernization is complete and the warranty period has expired.

City shall, promptly after execution of the Modernization Agreement, inform Contractor of the building elevator modernization for each Property covered by such Services Agreement. City shall then deduct the specified reduction from the monthly invoices submitted by Contractor for so long as the modernization and its warranty period is in effect.

5. Extra Services Billing Procedure: Within 15 business days of the end of each month during this Agreement Term, Contractor shall provide City with an invoice for the amount of Extra Services, if any, performed during the month. The Extra Services charges shall be broken down for Elevator number and purchase order number, where applicable. If travel time is included, Contractor shall provide back-up documentation for such travel time if requested by City. City will not accept lump sum invoices without such breakdown. If Contractor fails to provide the invoice for Extra Services to City within 15 days of the end of each month during this Agreement Term, City shall receive a discount for each day thereafter that Contractor fails to provide the invoice, equal to five percent (5%) of the amount payable for Extra Services included in the invoice. All Extra Services invoices must have a business card and signature of the approved account representative for the applicable Services Agreement (from the applicable Contractor Account Manager listed on the Agreement), indicating that the invoice has been reviewed prior to being sent to the City.

6. Billing Errors: Contractor agrees to give notice to City within five (5) business days of Contractor's discovery of any instance where the amount invoiced to City by Contractor was incorrect or inaccurate. Contractor's failure to notify City in accordance with this Section shall entitle City to terminate this Agreement as provided in the Agreement.

7. Dates for Billing Purposes. For purposes of billing for Services performed under Agreements or adjustments to the Basic Fee or Rate Schedule set forth herein or in any Agreement, the following terms shall have the following meanings:

a. Commencement Date: The Commencement Date of Services under each Services Agreement shall be the "Date of Services Agreement" set forth at the top of each Services Agreement.

b. Anniversary Date: The "Anniversary Date" of Agreement shall begin on the "Anniversary Adjustment Date" set forth at the top of the first page of this Agreement, and each annual anniversary of the Anniversary Adjustment Date thereafter.



EXHIBIT C

CERTIFICATE OF INSURANCE

This is to certify that the following endorsement is part of the policy(ies) described below:

NAMED INSURED

COMPANIES AFFORDING COVERAGE

- A.
- B.
- C.

ADDRESS

COMPANY (A. B. C.)	COVERAGE	POLICY NUMBER	EXPIRATION DATE	B.I.	<u>LIMITS</u> P.D.	AGGREGATE
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS <input type="checkbox"/> BLANKET CONTRACTUAL <input type="checkbox"/> CONTRACTOR'S PROTECTIVE <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> WORKERS' COMPENSATION <input type="checkbox"/>					

It is hereby understood and agreed that the City of Beverly Hills, its City Council and each member thereof and every officer and employee of the City shall be named as joint and several assureds with respect to claims arising out of the following project or agreement:

It is further agreed that the following indemnity agreement between the City of Beverly Hills and the named insured is covered under the policy: Contractor agrees to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all liability or financial loss resulting from any suits, claims, losses or actions brought against and from all costs and expenses of litigation brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the wrongful or negligent actions of contractor's officers, employees, agents or others employed by Contractor while engaged by Contractor in the (performance of this agreement) construction of this project.

It is further agreed that the inclusion of more than one assured shall not operate to increase the limit of the company's liability and that insurer waives any right of contribution with insurance which may be available to the City of Beverly Hills.

In the event of cancellation or material change in the above coverage, the company will give 30 days written notice of cancellation or material change to the certificate holder.

Except to certify that the policy(ies) described above have the above endorsement attached, this certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

DATE: _____

BY: _____
 Authorized Insurance Representative

AGENCY: _____

TITLE: _____
 ADDRESS: _____
