

RESOLUTION NO. 2011-107

AUTHORIZING AN INCREASE TO CONTRACT NO. 2008-293 WITH KONE, INC. TO PROVIDE CORRECTIVE MAINTENANCE SERVICES OF THE ELEVATORS, ESCALATORS AND LIFT EQUIPMENT AT THE AUTHORITY'S FACILITIES IN AN AMOUNT NOT TO EXCEED \$385,179.00 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$1,778,401.00 (GENERAL FUND, SERVICE MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Authority deemed it necessary to acquire parts and maintenance services for the Authority's elevators, escalators and lift equipment; and

WHEREAS, by Resolution No. 2009-10 the Board of Trustees authorized Contract No. 2008-293 for the maintenance of the elevators, escalators and lift equipment at the Authority's facilities for a period of three (3) years in an amount not to exceed \$803,768.00 with two, one-year options in amounts not to exceed \$289,094.00 and \$300,360.00 respectively, for a total contract amount not to exceed \$1,393,222.00; and

WHEREAS, the General Manager/Secretary-Treasurer authorized the option year in the amount of \$289,094.00 resulting in a current total contract amount of \$1,092,862.00; and

WHEREAS, this total contract amount only funded the preventative maintenance portion of the contract and approval is now requested to fund the corrective maintenance portion; and

WHEREAS, an increase of \$163,779.00 for the base term of the contract, \$108,600.00 for the first year option and \$112,800.00 for the second year option for a total of \$385,179.00 is requested resulting in a total contract amount of \$1,778,401.00; and

WHEREAS, said increase will exceed the General Manager/Secretary-Treasurer's signing authority; and

WHEREAS, the General Manager/Secretary-Treasurer deems acceptance of the offer of Kone, Inc. to be in the best interest of the Authority and recommends acceptance thereof.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the increase to Contract No. 2008-293 with Kone, Inc. to provide funding for corrective maintenance of the elevators, escalators and wheelchair lifts at the Authority's facilities is hereby accepted as being in the best interest of the Authority.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to increase Contract No. 2008-293 with Kone, Inc. to provide funding to cover the corrective maintenance of the elevators, escalators and wheelchair lifts at the Authority's facilities, as required.


Section 3. That said increase shall be payable from the General Fund, Service Management Department budget, in an amount of three hundred eighty-five thousand one hundred seventy-nine & 00/100 dollars (\$385,179.00) for a total contract amount not to exceed one million seven hundred seventy-eight thousand four hundred one & 00/100 dollars (\$1,778,401.00).

Section 4. That the General Manager/Secretary-Treasurer change order authority be reinstated to its entirety.

Section 5. That all other terms and conditions of said contract shall remain unchanged.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: December 20, 2011

  
President *ACTING*

Attest:   
CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority  
**STAFF SUMMARY AND COMMENTS**

<b>TITLE/DESCRIPTION:</b> <b>CONTRACT:</b> INCREASE TO CONTRACT NO. 2008-293 FOR CORRECTIVE MAINTENANCE SERVICES OF ESCALATORS, ELEVATORS AND LIFT EQUIPMENT  <b>VENDOR:</b> KONE, INC.  <b>AMOUNT:</b> NOT TO EXCEED \$385,179.00 FOR TOTAL CONTRACT AMOUNT NOT TO EXCEED \$1,778,401.00	<b>Resolution No.:</b> 2011-107
	<b>Date:</b> December 15, 2011
	<b>Initiator:</b> Service Management Department
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

1.0 **PURPOSE/SCOPE:** This action will allow the Authority to increase Contract No. 2008-293 with Kone, Inc. to provide funding to cover corrective maintenance services of the Authority's escalator, elevator and lift equipment.

2.0 **DESCRIPTION/JUSTIFICATION:** This contract provides services to maintain and repair the Authority's elevators, escalators and wheelchair lifts. The elevators must be operational to meet ADA requirements. Charges for both preventative and corrective maintenance were contracted for, however funding for the corrective maintenance was not included in Resolution No. 2009-10. Included in this estimate is funding to cover the greater than average repairs required due to water damage experienced in the past year.

3.0 **PROCUREMENT BACKGROUND:** In February 2009 the Board of Trustees by Resolution No. 2009-10, authorized a contract with Kone, Inc. for the repair and maintenance of the elevators, escalators and wheelchair lifts at the Authority's facilities for a three year period in an amount not to exceed \$803,768.00 with two, one year options in amounts not to exceed \$289,094.00 and \$300,360.00 respectively for a total contract amount not to exceed \$1,393,222.00. The first year option was exercised by the General Manager/Secretary-Treasurer. This increase includes corrective maintenance of \$163,779.00 for the balance of the initial contract term, \$108,600.00 for the first option year and \$112,800.00 for the second option year for a total increase of \$385,179.00. The increase will bring the total contract amount to \$1,778,401.00 after exercise of the second option year. A summary is as follows:

Original Contract Amount	\$	803,768.00
Exercise of 1 <sup>st</sup> Year Option	\$	289,094.00
Subtotal	\$	1,092,862.00
Change Order Request	\$	385,179.00
Revised Contract Amount	\$	1,478,041.00
2 <sup>nd</sup> Year Option (if exercised)	\$	300,360.00
Total Contract Amount	\$	1,778,401.00

Negotiated rates from original contract remain unchanged. A price analysis was performed and the Procurement Department determined those rates to be fair and reasonable to the Authority.

4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to the lack of certified DBE firms.

- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This contract change order shall be payable from the General Fund, Service Management Department budget in an amount not to exceed three hundred eighty five thousand one hundred seventy-nine & 00/100 dollars (\$385,179.00), for a total contract amount not to exceed one million seven hundred seventy eight thousand four hundred one & 00/100 dollars (\$1,778,401.00).
- 7.0 ALTERNATIVES: Reject this change order: Rejection of this change order will impact the maintenance of the elevators, escalators and lift equipment at the Authority's Facilities.
- 8.0 RECOMMENDATION: It is recommended that this change order be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to modify the contract.
- 9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



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CEO, General Manager/Secretary-Treasurer