

**CITY OF PEORIA
C O N T R A C T**

99-18

This agreement, made and entered into this 1st day of January A.D., 2019 by and between the City of Peoria, a municipal corporation, party of the first part, and Kone Inc., 6106 W Plank Road, Peoria, IL 61604, his/their executors, administrators, successors or assigns, party of the second part.

WITNESSETH: That for and in consideration of the payments and agreements mentioned in the proposal hereto attached, to be made and performed by the party of the first part, and according to the terms expressed in the bond referring to these presents, the party of the second part agrees with said party of the first part, at his/their own proper costs and expense to furnish and deliver all the work, materials and supplies in accordance with the specifications contained in said proposal, and in full compliance with all of the terms of this agreement.

IT IS UNDERSTOOD AND AGREED that the instructions to bidders, proposal, and bid and specifications are component parts of this contract and shall be deemed a part hereof. It is also understood and agreed that the contractor shall not assign, transfer, convey or otherwise dispose of this contract, or his right to execute it, or his right, title or interest in or to it or any part thereof, unless the previous written consent of the City Manager of the City of Peoria shall first be obtained thereto.

IN WITNESS WHEREOF, the said parties have executed these presents on the date above mentioned.

Kone Inc. will provide Elevator Maintenance including full service preventative maintenance, scheduled and non-scheduled repairs, inspection and testing services for the City of Peoria per the attached US Communities Contract (pricing included) beginning January 1, 2019 and ending December 31, 2021.

THE CITY OF PEORIA

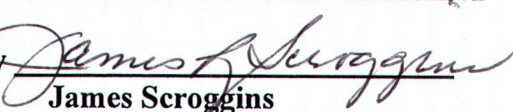
By 
City Manager

PARTY OF THE SECOND PART

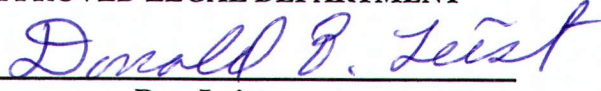
Kone Inc.
(Name of individual, firm, or corporation)

By 
(Member of firm or officer of corporation)

APPROVED FINANCE DEPARTMENT

By 
James Scroggins

APPROVED LEGAL DEPARTMENT

By 
Don Leist

APPROVED USING DEPARTMENT

By 
Scott Reeise



Legislation Details (With Text)

File #: 18-324 **Version:** 1 **Name:**

Type: Contract **Status:** Consent Agenda

File created: 10/25/2018 **In control:** City Council

On agenda: 11/13/2018 **Final action:**

Title: Communication from the City Manager and Director of Public Works with a Request to APPROVE a 3-Year CONTRACT with KONE INC. for Elevator Maintenance, for an Estimated Annual Cost of \$38,000.00, Using the U.S. Communities Government Purchasing Alliance.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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ACTION REQUESTED:

Communication from the City Manager and Director of Public Works with a Request to APPROVE a 3-Year CONTRACT with KONE INC. for Elevator Maintenance, for an Estimated Annual Cost of \$38,000.00, Using the U.S. Communities Government Purchasing Alliance.

BACKGROUND: The City of Peoria routinely contracts elevator maintenance services for City-owned buildings. Kone Inc. will provide maintenance on all elevators owned by the City of Peoria including City Hall (2), Police Headquarters (1), Municipal (1), The Gateway Building (2), One Technology Parking Deck (2), and the Jefferson Street Parking Deck (3).

This will be a 3-year contract and can be extended for an additional 2 one year periods starting January 1st 2019

FINANCIAL IMPACT: The annual expenditure for this contract is estimated at \$38,000. These services will be funded from the 2018 Facilities Operations and Parking deck line items.

NEIGHBORHOOD CONCERNS: N/A

IMPACT IF APPROVED: The building asset will continue to be maintained in a safe serviceable manner as required by the State Fire Marshal.

IMPACT IF DENIED: The building asset may deteriorate to the point of reconstruction rather than normal routine maintenance. Cost of repairs will increase with further deterioration. State Fire Marshal can lock out any elevator that is not inspected and maintained on a monthly basis.

ALTERNATIVES: N/A

EEO CERTIFICATION NUMBER: Kone Inc. has a current EEO #00057-191231

WHICH OF THE GOALS IDENTIFIED IN THE COUNCIL'S 2017 - 2032 STRATEGIC PLAN DOES THIS RECOMMENDATION ADVANCE?

1. Financially Sound City
2. Choose an item.
3. Choose an item.

WHICH CRITICAL SUCCESS FACTOR(S) FROM THE COMPREHENSIVE PLAN DOES THIS RECOMMENDATION IMPLEMENT?

1. Invest in our infrastructure and transportation.
2. Have an efficient government.
3. Choose an item.

DEPARTMENT: Public Works



Elevators Escalators

October 24, 2018

CITY OF PEORIA

Re: CITY OF PEORIA

KONE Inc.
6106 W. Plank Road
Peoria, Illinois 61604
Tel 309.697.9011
www.kone.us
dawn.shipman2@kone.com

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Dear Jason Meeks,

KONE Elevators/Escalators is proud to be a supplier member of the U.S. Communities™ Program. In accordance with our discussion, we are pleased to attach our proposal to furnish MAINTENANCE / REPAIR / MODERNIZATION (choose one) service for the vertical transportation referenced in Attachment A.

As a registered participant of the U.S. Communities Program, you are eligible to receive special pricing for this service. This special pricing is not being advertised to the general public; it is limited to U.S. Communities members only. Through this program, you receive the following benefits:

- **Lowest maintenance pricing** available to public agencies
- **Discounted** labor and material billing rates
- **No charge** for KRMS Voice Link (Phone monitoring) – An important code required life safety feature that reduces liability
- **No Charge** Web-Based Reporting System that provides costing and invoicing reports to improve transparency and efficiency
- **Eliminates costly RFP Process** for maintenance, repairs and modernization
- **Established contract terms** that save time in processing the contract and allow public agencies to negotiate purchases of products and services without the need to go through a time consuming procurement and tendering process

Thank you for your interest in U.S. Communities and KONE. Should you have any questions, or if I can be of any further assistance, please feel free to call me at 309.697.9011.

Sincerely,
KONE Inc.

Dawn Shipman
Sr. Sales Consultant

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Elevators Escalators

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*KONE participated in the City and County of Denver RFP # ELEVATOR_MAINT_0572U. After thorough evaluation, KONE was awarded **Contract PC GENRL-201414653-00 Dated January 1, 2014***

The following Twenty (20) pages spell out the terms and conditions of that agreement which become the basis of contract for all units added through the U.S. Communities program. A complete copy of the contract can be viewed online by U.S. Communities members at the following website:

<http://www.uscommunities.org/>



Attachment A

KONE Inc. Proposal to Supply Elevator, Escalator, Moving Walkway Services, repair or modernization under the U.S. Communities Program utilizing the Terms and Conditions of the City and County of Denver Master Contract (Reference GENRL-201414653-00 dated April 1st, 2014)

PROPOSED UNITS & EQUIPMENT PRICING:

CITY OF PEORIA ELEVATOR SERVICE BID

Our price to perform the service agreement work for the three-year period starting 1 January 2019 as specified is:

	YEAR 1	YEAR2	YEAR3	Extension 1	Extension 2
200 NE Water St Gateway Building 1-Passenger Elevator - Long 1-Service Elevator - Long	<u>\$3990.12</u>	<u>\$4109.82</u>	<u>\$4233.12</u>	<u>\$4360.11</u>	<u>\$4490.92</u>
419 Fulton St. City Hall Passenger Elevator-Dover	<u>\$2003.64</u>	<u>\$2063.75</u>	<u>\$2125.66</u>	<u>\$2189.43</u>	<u>\$2255.11</u>
419 Fulton St. City Hall Passenger Elevator-Westinghouse	<u>\$2412.60</u>	<u>\$2484.98</u>	<u>\$2559.53</u>	<u>\$2636.31</u>	<u>\$2715.40</u>
542 SW Adams St. Municipal Services Building Passenger Elevator- Thyssen Krupp	<u>\$1900.68</u>	<u>\$1937.70</u>	<u>\$2016.43</u>	<u>\$2076.92</u>	<u>\$2139.23</u>
222 SW Jefferson Street Jefferson Street Parking Deck Passenger Elevator (3) - Montgomery	<u>\$6010.92</u>	<u>\$6191.25</u>	<u>\$6376.99</u>	<u>\$ 6568.29</u>	<u>\$6765.34</u>
600 SW. Adams St. Police Headquarters Passenger Elevator - Dover	<u>\$1849.20</u>	<u>\$1904.68</u>	<u>\$1961.82</u>	<u>\$2020.67</u>	<u>\$2081.29</u>
222 SW Adams St. Tech Deck Passenger (2) - Montgomery- Kone	<u>\$5907.84</u>	<u>\$6085.08</u>	<u>\$6267.63</u>	<u>\$ 6455.66</u>	<u>\$ 6649.33</u>
STATE FIRE MARSHAL INSPECTION This price is for all 11 elevators each year.	<u>\$ 2446.00</u>	<u>\$2567.00</u>	<u>\$2696.00</u>	<u>\$2830.00</u>	<u>\$2972.00</u>
TOTALS	<u>\$26,520.00</u>	<u>\$27,364.50</u>	<u>\$28,236.78</u>	<u>\$29,137.80</u>	<u>\$30,068.54</u>

	HOURLY RATE	TOTAL
Hourly rate/man for after hours callback work.....	<u>\$ see USC Attachment</u>	
Hourly rate/man for additional work.....	<u>\$ see USC Attachment</u>	
Hourly rate/man for additional overtime work.....	<u>\$ see USC Attachment</u>	

SCOPE OF WORK

The work of this contract shall include full-service preventative maintenance, scheduled and non-scheduled repairs, and inspections and testing services for the hydraulic and traction type elevators in City of Peoria facilities as listed in Exhibit A. All work shall be performed in accordance with applicable codes, elevator industry standards and as recommended by the elevator equipment manufacturer.

CONTRACT ADMINISTRATOR

This contract shall be administered by the City of Peoria, Director of Public Works or his designated representative. The designated representative for the administration of this contract shall be the Facilities Manager, 3505 N. Dries Lane, Peoria, Illinois 61604, phone: 494-8894.

All actions or modifications concerning contract language, extensions, cost adjustments or other technicalities regarding the contract shall be administered by the City of Peoria, Purchasing Manager, 419 Fulton Street, Peoria, Illinois 61602, phone: (309) 494-8582.

LENGTH OF CONTRACT

The term of this contract shall be for three years. The base contract will commence on 1 January 2018 and terminate on 31 December 2021. The contract may be extended for two additional years based upon contractor performance and as determined by the City of Peoria.

CONTRACT EXTENSION

Upon expiration of this contract, and at the discretion of the City of Peoria, the bidder may be required to extend the terms of this contract for a maximum of two (2) one-year extensions. In the event the City of Peoria desires to extend the term of this contract, a notification will be sent by certified mail to the contractor's address of record, 30 days prior to termination of this contract.

CONTRACTOR QUALIFICATIONS

Firms engaged in the business of elevator installation service and repair for a period of not less than five (5) years. The contractor shall be registered and licensed in the state of Illinois to perform the work of this contract. The contractor shall have a local office and service staff available for twenty-four (24) hour on-site service response.

PERSONNEL QUALIFICATIONS

The contractor shall use trained journeyman technical personnel directly employed and supervised by the contractor. The contractor will provide copies to the City of Peoria of all licenses held by the Firm including those required by State Statute for all mechanics that will be performing work under this contract.

TOOLS / EQUIPMENT

The contractor shall provide all tools, equipment, and parts required to perform the work of this contract. Proprietary systems tools required for testing, troubleshooting and reprogramming of microprocessor and digital control equipment will be provided by the owner. The contractor shall be responsible for providing all tools which are of other than proprietary nature.

WORK TO BE PERFORMED

The contractor shall perform routine maintenance and preventive maintenance and repairs as well as routine and scheduled inspections and testing of City of Peoria Elevator equipment according to the standards and requirements of ASME/ANSI A17.1 and applicable BOCA building codes.

The following is a listing of the general types of services required by this contract but is not meant to limit services required by this contract.

Perform inspections, maintenance and preventative maintenance to include:

STATE FIRE MARSHAL CERTIFICATE OF OPERATION

The contractor will be responsible for coordinating an independent contractor to do annual safety inspections required State Fire Marshal.

MONTHLY

Examine, clean, lubricate, adjust; and when conditions warrant, repair or replace the following:

- *Machines
- *Motor generators or solid state motor drives
- *Controllers
- *Selectors
- *Dispatcher and relay panels
- *Machine brakes and parts thereof, including....
 - *Hoisting motors
 - *Selector motors
 - *Worms and gears
 - *Bearings
 - *Rotating elements
 - *Brake magnet coils
 - *Brake shoes and linings
 - *Windings and coils
 - *Controllers
 - *Relays
 - *Resistors
 - *Solid state devices
 - *Electric pumps
 - *V-belts
 - *Strainers
 - *Valves
 - *Regulators

MONTHLY (Continued)

Clean equipment and equipment rooms.

Properly lubricate guide rails.

Re-lamp all signals during regular examinations.

Maintain oil level in all oil storage tanks and all hydraulic pumping equipment.

Furnish lubricants compounded to elevator manufacturer's specifications and compatible with elevator parts which they may contact.

Perform all required no load pressure tests in accordance with A.N.S.I. A-17 Code, including buffers, on all hydraulic elevators.

Examine, lubricate, adjust, repair and when conditions warrant, replace safety devices, including:

- *Interlocks and door closures
- *Buffers
- *Over speed governors and car safeties
- *Limit, slow-down, and landing switches
- *Door protective devices
- *Alarm bells
- *Car and corridor operating stations
- *Car and corridor door hangers and tracks
- *Door operating devices
- *All door gibs
- *Car fan

SEMI-ANNUALLY

Examine, and when conditions warrant, replace: guide shoe gibs or rollers.

Inspect and repair or replace control and hoisting cables.

Re-groove or replace all sheaves, including drive sheaves and, where installed, secondary or deflector sheaves according to industry standards.

Test all hydraulic pumping equipment.

ANNUALLY

Conduct, no-load, low-speed test of car safeties and a test of buffers as required by A.N.S.I. A-17.

Perform all inspections required by the State Fire Marshal – Elevator Division, by a licensed independent elevator inspector.

Perform all other inspections and testing required by ANSI A-17.

Clean rails, inductors, hatch door hangers, hanger tracks and relaying devices, switches, and buffers of hatch equipment.

Equalize the tension in all hoisting ropes according to industry standards.

THIRD YEAR

During the last first month of the first year of this contract, perform all third year inspections and testing as required by ANSI A-17. This work will be conducted in October or November of each year that is divisible by 3 i.e.; 2013, 2016, 2019 etc.

RESPONSE TIME

All work under this agreement shall be performed during regular City of Peoria working hours and days. The contractor shall respond with personnel on site within two (2) hours following notification of any emergency condition. Breakage or repair work which the contract representative determines is not of an emergency nature may be scheduled for work by mutual agreement between the contractor and the City of Peoria contract representative.

WAGE ADJUSTMENTS

If during the term of this contract the prevailing rate of wages, as found by the City of Peoria, Illinois and the Illinois Department of Labor, is adjusted, then this contract shall be adjusted only by that adjusted rate. No multipliers or other additions to the adjusted rate will be allowed during the term of this contract.

AUTHORIZING WORK

Normally, only those staff persons of Facility Operations are authorized to order work. If an unauthorized City employee requests the contractor for an emergency condition, the contractor shall proceed with the work, and notify the contract administrator as soon as practical. Except under emergency conditions, a printed work order will be issued by City of Peoria Facility Operations at the time of requesting work and prior to the contractor providing service. In emergency conditions, a printed work order will be provided after the fact.

ADDITIONAL WORK

Repairs necessitated by vandalism, negligence on the part of the owner or other circumstances beyond the control of the contractor and as authorized by the owner shall be additional work to be paid at the agreed hourly rate as established by the contract.

It is understood that repair or replacement of those parts such as hydraulic cylinders, piping, and casings installed below ground or otherwise inaccessible for inspection shall be excluded from coverage under this contract. Repairs or replacements of such parts as may be required is considered additional work under this contract.

The contractor shall advise the Contract Administrator of the need for any additional work, and if requested, provide a quote for the estimated cost of this work. The City reserves the right to seek bids from other contractors for any additional work as may be in the best interest of the City.

SUBMITTALS

Submit with the bid a list of five (5) local area reference contracts of similar work requirements and equipment. References shall include: name of firm and contact person including address and telephone number.

The contractor shall perform an initial inspection of all elevator installations for the purpose of determining the current condition of each elevator system and shall provide, with the bid, a complete

listing of any and all specific components or parts of the individual system which do not qualify for full service coverage under this contract and which will therefor be excluded from coverage due to condition or obsolescence.

Additionally, the contractor shall submit with his bid, a unit cost to repair or replace any system component or part so excluded so that this excluded system component or part shall then be qualified for and included in full-service coverage under this contract. For purposes of this contract, the term "obsolete parts" shall be defined as (and apply only to) those component parts which have no functionally equivalent replacement component parts which may be installed without significant modification of the existing system in which they are to be installed.

Submit with the bid all required contractor and contractor personnel certifications and licenses which substantiate compliance with the bid package. The elevator contractor, mechanics, and inspectors will be licensed by the State of Illinois, Office of the State Fire Marshall

RECORDS

The contractor shall provide written reports on standard forms for all maintenance, repairs, inspections and testing required and performed under this contract. Such reports shall be provided with monthly invoices.

BASIS OF PAYMENT FOR LABOR

Unit of payment for shall be per each location. All monitoring and preventive maintenance work shall be paid for at the contract unit prices and shall include all labor, license/fees, profit, overhead, equipment, materials, and supplies to complete these items, of service. No additional payment shall be made for travel time. Additional services required including maintenance and repair requests shall be invoiced at the contract unit price per labor hour plus parts utilized in the work. The City shall pay one (1) hour minimum for authorized work requests or the actual time on the work site whichever is greater. Additional time shall be invoiced and paid in fifteen (15) minute increments.

INVOICING

The contractor shall prepare and submit an invoice monthly. The invoice shall include the following information: Work order numbers, names of workers, date job started, date completed, the total number of hours in each category and copies of all material invoices and a copy of the signed work order. All invoices shall be submitted to the City of Peoria, Facility Operations Division, 3505 N. Dries Lane, Peoria, Illinois 61604.

METHOD OF PAYMENT

the City of Peoria shall pay the contractor from invoices submitted and approved for completed work.

FAILURE TO COMPLY

Invoices submitted without required documentation, inspection reports, work order authorization numbers and verification signatures will be returned to the contractor unprocessed.

CANCELLATION

If the contractor fails to perform work to the standards as determined by the City of Peoria and recognized within the community as being standard, or does not complete the assigned work within a reasonable amount of time as determined by the City of Peoria, then the City of Peoria has the right to cancel the contract upon a ten (10) day written notification, delivered by certified mail to the contractor's address of record. In the event the contract is canceled, "... the vendor may be declared an irresponsible vendor by the City Manager"...and as a result, may be disqualified from doing business with the City for the period of one year in accordance with City Ordinance Section 10-102.

NO GENERAL OPEN ENDED DISCLAIMER CLAUSES OR CLAUSES THAT RESTRICT THE SPECIFIC TERMS OF THE BID WILL BE ACCEPTED!

THE CITY RESERVES THE RIGHT TO ADD/REMOVE ELEVATORS FROM THIS CONTRACT AT ANY TIME.

This Agreement is in accordance with the Master US Communities Agreement between KONE and City & County of Denver (GENRL-201414653-00 dated April 1st, 2014), and Attachment A. All Terms and Conditions of Attachment A in accordance with UAB guidelines will prevail. In the event that a new Master US Communities agreement between KONE and City of Kansas City is executed during the term of this agreement, UAB can automatically convert to this new agreement. A separate rider will be provided upon request.

**KRMS-Elevator Phone Monitoring Y X N

**Requires execution and completion on the CIS (Customer Information Sheet) before phones can be programmed to KONE.

APPLICABLE LAW

This Agreement shall be construed and enforced in accordance with, and the validity and performance of shall be governed by, the laws of the State of Illinois .

Service Agreement Effective Date: 3 year complete maintenance service agreement effective January 1, 2019 – December 31, 2021.

Contract Extension: Upon Expiration of this contract, and at the discretion of the City of Peoria, the bidder may be required to extend the term of this contract for a maximum of two (2) one- year extensions. In the event the City of Peoria desires to extend the term of this contract, a notification shall be sent by certified mail to the contractor 30 days prior to the termination date.

Service Agreement Number: TBD

The parties to this service agreement agree to the conditions contained herein:

<p><u>Sign for on behalf of Participating Public Agency</u></p> <p>_____</p> <p><u>(Signature)</u></p> <p>_____</p> <p><u>(Print Name)</u></p> <p>_____</p> <p><u>(Print Title)</u></p> <p>Date: / / </p> <p>Respectfully submitted, <u>KONE Inc.</u></p> <p>_____</p> <p><u>(Submitted By)</u></p> <p>_____</p> <p><u>(Approved By) Authorized Representative</u></p> <p>_____</p> <p><u>(Title)</u></p> <p>Date: / / </p>
