

CLEVELAND PUBLIC LIBRARY

Finance Committee

June 23, 2015

RESOLUTION AUTHORIZING THE INCREASE IN PRICE TO THE CURRENT AGREEMENT WITH KONE INC. TO PROVIDE MAINTENANCE FOR ELEVATORS IN MAIN BUILDING AND LOUIS STOKES WING

WHEREAS, On June 19, 2014, the Board of Trustees of the Cleveland Public Library authorized the Library to enter into a 5 year agreement with KONE Inc., effective July 1, 2014 through June 30, 2019, for full maintenance services for the elevators in the Main Library and the Louis Stokes Wing, at an amount not to exceed \$4,347 per month, \$52,164 annually; and

WHEREAS, The agreement states the contract price will be adjusted annually on July 1 of each year of the contract. The payment adjustment will reflect the increase or decrease in labor costs. KONE Inc. will provide the Library with notice of any annual price adjustment no later than forty-five (45) days before July 1 of each year. The Library has the right to terminate the Agreement in the event of an increase in price by providing KONE Inc. with 30 days advance notice; and

WHEREAS, In May, the Library's Department of Property Management received notice from KONE Inc. that the cost of providing services in connection with the Library's contract has significantly increased. Such costs include, but are not limited to, the base mechanic rate change, health and welfare, other employment benefit costs, applicable State and Federal taxes and material costs; and

WHEREAS, Effective July 1, 2015, KONE Inc. will be increasing the Library's price by 3.25%; and

WHEREAS, The Department of Property Management desires to continue its relationship with KONE Inc.; now be it

RESOLVED, That the Board of Trustees authorizes the increase in price for full maintenance services for the elevators in the Main Library and the Louis Stokes Wing, in an amount not to exceed \$4,488.28 per month, \$53,859.36 annually for the period July 1, 2015 through June 30, 2016, with the expenditure being charged to the General fund account 12100053-53350 Building Maintenance; now be it further

RESOLVED, That it is the intention of this Board to authorize an increase in price, if any, for the remaining three years of the agreement, effective on July 1 of 2016, 2017 and 2018, providing the increase remains comparable to the current increase.