

**CITY OF EL PASO, TEXAS**  
**AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** General Services-Fleet Services

**AGENDA DATE:** 09/29/09

**CONTACT PERSON/PHONE:** Stuart Ed, Director, General Service, (915) 621-6822  
Terrence Freiburg, Purchasing Manager (915) 541-4313

**DISTRICT (S) AFFECTED:** All

**SUBJECT:**

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

Approve Kone, Inc. as the supplier of maintenance services for elevators located in buildings throughout the City. This is under a U.S. Communities Contract utilizing the terms and conditions of contract PC 94002. This is an annual contract. Estimated expenditures are estimated to be \$30,000.

**BACKGROUND / DISCUSSION:**

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

This purchase coupled with previous expenditures (\$85,000) will increase the total purchases from this vendor to \$115,000. Approving this purchase would allow for continual maintenance and up keep of elevators for efficient operation in buildings from the Police Department, Fire Department, Main Library and Recreation Centers across the City.

**PRIOR COUNCIL ACTION:**

Has the Council previously considered this item or a closely related one?

Yes, council previously approved funding under the same contract in August of 2009.

**AMOUNT AND SOURCE OF FUNDING:**

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

31010325-502226-01101-31010 - General Services Dept, General Fund

**BOARD / COMMISSION ACTION:**

Enter appropriate comments or N/A

N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**LEGAL:** \_\_\_\_\_ **FINANCE:** \_\_\_\_\_  
(If required) (If required)

**DEPARTMENT HEAD:** \_\_\_\_\_  
Name Signature Date

(Example: if RCA is initiated by Purchasing, client department should sign also)  
Information copy to appropriate Deputy City Manager

**APPROVED FOR AGENDA:**

**CITY MANAGER:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**PROJECT FORM**

**FINANCIAL SERVICES DEPARTMENT, PURCHASING DIVISION**

DATE: September 18, 2009  
TO: Municipal Clerk  
FROM: Terrence Freiburg, Purchasing Manager, ext. 4313  
Edward Hyatt, Administrative Analyst, ext. 4315

Please place the following item on the CONSENT Agenda for the Council Meeting of Tuesday, September 29, 2009.

Item should read as follows:

Request that the Purchasing Manager of the Financial Services, Purchasing Division be authorized to issue a Purchase Order to KONE, Inc. of Albuquerque, New Mexico under US Communities Contract PC 94002 (Elevator Maintenance and Service) in the annual amount of \$30,000 for maintenance and service of City elevators. This is in addition to a previous purchase order for an upgrade of an elevator issued to KONE, Inc. in the amount of \$85,000. Total expenditures are \$115,000.

Additionally, it is requested that the City Attorney's office review and that the City Manager be authorized to execute any related contract documents and agreements necessary to effectuate this award.

The participation by the City of El Paso in the Texas Procurement and Support Services (TPASS) State Contracts Program was approved by Mayor and City Council on February 27, 2007.

Department: General Services  
Estimated Amount: \$30,000 (Total expenditures to-date \$115,000)  
Funds Available in: 31010325-502226-01101  
Funds Source: General Fund  
District (s): All

Municipal Clerk's Use

ITEM NO. \_\_\_\_\_

cc: bid file

*Dedicated to Outstanding Customer Service for a Better Community*

**SERVICE SOLUTIONS SUCCESS**



To: Terrence Freiburg, Purchasing Manager  
From: Stuart C. Ed, General Services Director *sc Ed*  
Date: September 14, 2009  
Re: Kone, Inc - U.S. Communities Contract PC 94002

The General Services Department – Building Maintenance Division recommends the approval of Kone, Inc. as the supplier of maintenance services for elevators located across the City. This is an annual U.S. Communities Contract with estimated expenditures of \$30,000.

This purchase coupled with previous expenditures (\$85,000) will increase the total purchases from this vendor to \$115,000. Because this is a U.S. Communities agreement, purchases may not exceed \$100K in a twelve month period therefore approval is being sought for the maintenance of the elevators. The approval would allow for continual maintenance and up keep of elevators in buildings from the Police Department, Fire Department, Main Library and Recreation Centers across the City.

Should you have any questions, please do not hesitate to contact me or our Department Administrative Manager, René Barraza at (915) 621-6831.

Mayor  
John F. Cook

City Council

District 1  
Ann Morgan Lilly

District 2  
Susannali M. Byrd

District 3  
Emma Acosta

District 4  
Carl Robinson

District 5  
Rachel Quintana

District 6  
Eddie Holguin Jr.

District 7  
Steve Ortega

District 8  
Belo O'Rourke

City Manager  
Joyce A. Wilson

General Services  
Director  
Stuart C. Ed

GENERAL SERVICES DEPARTMENT

1059 Lafayette Drive - El Paso, Texas 79907 - (915) 621-6822

**U.S. COMMUNITIES Contracts**Close **ELEVATOR MAINTENANCE and SERVICE CONTRACT**

Solicited by City and County of Denver, Colorado

Contract Term: 3 years, Jan. 01, 2009 to Dec. 31, 2011

Extension: Ability to extend up to an additional 24 months

[Supplier Contact](#)**Contact Information**

www.kone.com  
Tel. No. (800) 956-5663  
Fax. No. (817) 453-3098  
uscommunities@kone.com

You must be a registered participant to utilize the U.S. Communities contract. If not, please click here to Register to Participate.

[How to Order](#)[Recovery Toolbox](#)**Contract Documents**

- Master Agreement PC 94002

**RFP Documents**

- Request For Proposal
  - RFP No. 0572UB08 Addenda
  - RFP No. 0572UB08 Posting Docs
- RFP Posting Summary**

**No. of suppliers participated in the solicitation process: 18 invited; 5 responded; posted in the internet**

- U.S. Communities: Upcoming Contract  
July 08, 2008 to Aug. 11, 2008
- City and County of Denver website  
Date Posted: July 08, 2008 to Aug. 11, 2008
- Association of Oregon Counties  
Date Posted: July 08, 2008 to Aug. 11, 2008
- Canadian MERX Public Tenders  
Date Posted: July 08, 2008 to Aug. 11, 2008
- State of Hawaii  
Date Posted: July 08, 2008 to Aug. 11, 2008
- Onvia Demand Star  
Date Posted: July 08, 2008 to Aug. 11, 2008

## ELEVATOR MAINTENANCE and SERVICE

Solicited by City and County of Denver, CO.

Contract Term:3 years

Jan. 01, 2009 to Dec. 31, 2011



[Click Here to Request Contact](#)

[www.kone.com](http://www.kone.com)

Tel. No. (800) 956-5663

Fax. No. (817) 453-3098

[uscommunities@kone.com](mailto:uscommunities@kone.com)

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### Contract Documents

- [Master Agreement PC 94002](#)
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### RFP Documents

- [Request For Proposal](#)
  
  - [RFP 0572UB08 Addenda](#)
  
  - [RFP 0572UB08 Posting Docs](#)
- 

### RFP Posting Summary

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- State of Hawaii  
Date Posted: July 08, 2008 to Aug. 11, 2008
  
- Onvia Demand Star  
Date Posted: July 08, 2008 to Aug. 11, 2008

[Back To Top](#)



## Attachment A

**KONE Inc Proposal to Supply Services under the  
U.S. Communities Program  
Utilizing the Terms and Conditions of the  
City and County of Denver Master Contract  
(Reference PC 94002 Dated 10-28-08)**

### PROPOSED UNITS & EQUIPMENT PRICING:

<u>Location Address</u>	<u>Elevators</u>	<u>Escalators</u>	<u>Other</u>	<u>Pricing</u>
<b>Police Headquarters - 911 Raynor</b>				
	#1 022234	N/A	N/A	\$95.00
	#2 022232	N/A	N/A	\$95.00
	#3 022231	N/A	N/A	\$95.00
	#4 022233	N/A	N/A	\$95.00
<b>Police Garage - 910 Raynor</b>				
	#1 042441	N/A	N/A	\$95.00
<b>Westside Garage - 4801 Osborne</b>				
	#1 010375	N/A	N/A	\$95.00
<b>Central Police - 200 S. Campbell</b>				
	#1 010354	N/A	N/A	\$95.00
<b>El Paso Main Library - 501 N. Oregon</b>				
	#1 042599	N/A	N/A	\$95.00
	#2 061048	N/A	N/A	\$330.00
	#3 002898	N/A	N/A	\$95.00
<b>Central Fire Station - 201 S. Florence</b>				
	#1 010353	N/A	N/A	\$95.00
<b>Fire Administration - 8600 Montana</b>				
Shop	#1 005136	N/A	N/A	\$95.00
(HDQ)	#2 005137	N/A	N/A	\$95.00
<b>Texas Building - 617 Texas</b>				
	#1 016035	N/A	N/A	\$95.00
	#2 016036	N/A	N/A	\$95.00
<b>911 District - 200 N. Kansas</b>				
	#1 061006	N/A	N/A	\$95.00
	#2		Handicap Lift	\$30.00



## **PROPOSED SCOPE OF WORK:**

This contract/agreement, dated 06/22/09, by and between The City of El Paso, (Purchaser) and KONE Inc. (Contractor) is for Complete Maintenance for the vertical transportation located at The City of El Paso.

KONE and Purchaser, in consideration of the terms, covenants & conditions set forth, hereby agree as follows:

### **PERFORMANCE**

KONE will systematically examine, maintain, adjust and lubricate the equipment. In addition, unless specifically excluded elsewhere, KONE will repair or replace the following if the repair or replacement is, in KONE's judgment, necessitated by normal wear and tear.

### **CONTRACT PRICE**

KONE in consideration of \$7,245.00 (SEVEN THOUSAND TWO HUNDRED FORTY FIVE AND 00/100 DOLLARS) payable by Purchaser quarterly in advance (equivalent to \$2,415.00/month), hereby agrees to furnish services herein described on the equipment within the agreement.

### **HYDRAULIC ELEVATORS**

#### **RELAY LOGIC HYDRAULIC ELEVATOR SYSTEM COMPONENTS**

##### **CONTROL SYSTEM**

Control, selector, dispatcher, relay panel, relays, timers, resistors, transformers and motor starter.

KONE First Service technicians will be equipped with necessary field diagnostic and service tools. Microprocessor software examinations will be conducted to ensure dispatching and motion control systems are operating at proper levels.

##### **POWER UNIT**

Enclosure, pump, motor, valves, power transmission elements between the pump and motor, strainers, mufflers, gaskets and all other accessories.

##### **HYDRAULIC SYSTEM ACCESSORIES**

Exposed piping, fittings, jack packing and accessories, such as vibration dampeners and silencers between the pumping unit and the jack unit. Hydraulic fluid, heating or cooling elements, insulation and accessories installed by the elevator equipment manufacturer for controlling oil temperature.

##### **CAR EQUIPMENT**

Car panel connect board, car operating board, car top inspection station, floor leveling unit assembly, switch tree assembly and floor controllers.

##### **ELECTRICAL**

Electrical wiring, conduit, ducts, and traveling cables from the elevator equipment to the machine room mainline disconnect switch, and hoistway outlets.

##### **HOISTWAY AND PIT EQUIPMENT**

Landing and slowdown switches, limits and car buffers.

##### **RAILS AND GUIDES**

Guide rails, guide shoe gibs and rollers. Guide rails will be properly lubricated, except where roller guides are used.

##### **DOOR EQUIPMENT**

Automatic door operators, hoistway and car door hangers, hoistway and car door contacts, door protective devices, hoistway door interlocks, door gibs and auxiliary door closing devices.

##### **SIGNALS AND ACCESSORIES**

Car operating panels, hall push button stations, hall lanterns, emergency lighting, car and hall position indicators, lobby control panels, car operating panels, fireman's service equipment and all other signal and accessory facilities furnished and installed as an integral part of the elevator equipment.

Re-lamping of signal fixtures is included only during KONE's systematic examinations. Service requests related to re-lamping of signal fixtures will be considered billable.

#### **HOUSEKEEPING**

Purchaser and KONE have a shared responsibility to clean elevator machine rooms, pit areas, hoistway equipment including rails, interlocks, hoistway door hangers and tracks, relating devices, switches, buffers and car tops.

#### **LUBRICANTS**

KONE will use lubricants compounded under OEM's specifications or equal.

### **TRACTION ELEVATORS**

#### **RELAY LOGIC TRACTION ELEVATOR SYSTEM COMPONENTS**

##### **CONTROL SYSTEM**

Control, selector, dispatcher, relay panel, relays, timers, resistors, transformers and motor starter.

KONE First Service technicians will be equipped with necessary field diagnostic and service tools. Microprocessor software examinations will be conducted to ensure dispatching and motion control systems are operating at proper levels.

##### **GEARED/GEARLESS MACHINES**

Brushes, worms, gears, thrusts, bearings, brake magnet coils, brake shoes, brake linings, deflector sheaves, secondary and other sheaves, bearings and assemblies, rotating elements, pins.

##### **ELECTRICAL**

Electrical wiring, conduit, ducts, and traveling cables from the elevator equipment to the machine room mainline disconnect switch, and hoistway outlets.

##### **HOISTWAY AND PIT EQUIPMENT**

Landing and slowdown switches, limits, car and counterweight buffers, overspeed governors, governor tension sheave assemblies and car counterweight safeties.

##### **RAILS AND GUIDES**

Guide rails, guide shoe gibs and rollers. Guide rails will be properly lubricated, except where roller guides are used.

##### **HOIST ROPES**

Hoist ropes will be properly lubricated and adjusted for equalized tension.

##### **SIGNALS AND ACCESSORIES**

Car operating panel, hall push button stations, hall lanterns, emergency lighting, car and hall position indicators, lobby control panels, car operating panels, fireman's service equipment and all other signal and accessory facilities furnished and installed as an integral part of the elevator equipment.

Re-lamping of signal fixtures is included only during KONE's systematic examinations. Service requests related to re-lamping of signal fixtures will be considered billable.

#### **HOUSEKEEPING**

Purchaser and KONE have a shared responsibility to clean elevator machine rooms, pit areas, hoistway equipment including rails, interlocks, hoistway door hangers and tracks, relating devices, switches, buffers and car tops.

#### **LUBRICANTS**

KONE will use lubricants compounded under OEM's Specifications or equal.

### **HOURS OF SERVICE**

All work covered under this Agreement is to be performed during the regular working hours of regular working days of the elevator trade, unless otherwise indicated herein.

## **KONE SERVICE CENTER**

The KONE Service Center is available 24-hours a day, seven days a week to respond to all calls and dispatch a service technician if necessary. In the unlikely event of an entrapment, a highest priority response will be given. If your unit is equipped with remote monitoring capabilities, KONE reserves the right to utilize this functionality and the phone line for the unit to collect data related to the use and operation of your equipment.

## **SERVICE REQUESTS (CALLBACKS)**

This Agreement covers minor adjustment service requests during the regular working hours of regular working days of the elevator trade, unless otherwise indicated herein.

If Purchaser should require, at any time, service requests (unless included above) to be made on overtime, Purchaser will be charged only for the difference between KONE's regular hourly billing rate and KONE's regular overtime billing rate applicable for each overtime hour worked. All work outside the scope of this Agreement is to be performed by KONE at an agreed upon rate.

Purchaser will also be charged for travel time to and from project location at KONE's regular billing rates.

Service requests are defined as minor adjustments, corrections or emergency entrapments that require immediate attention and are not caused by reasons beyond KONE's control. Service requests do not include work that requires more than one technician or more than two hours to complete.

## **TESTS**

KONE will perform the following tests on the equipment:

### **HYDRAULIC ELEVATOR**

A pressure relief test and a yearly leakage test as required by the A.S.M.E A-17.1 code.

### **TRACTION ELEVATOR**

An annual no load test as required by the A.S.M.E. A-17.1 code.

## **EXCLUSIONS**

KONE assumes no responsibility for the following items or services, which are excluded from the Agreement:

### **ELEVATOR**

Refinishing, repairing, replacement or cleaning of car enclosure, gates and/or door panels, door pull straps, hoistway enclosure, rail alignment, hoistway doors, door frames, sills, hoistway gates, finished flooring, power feeders, switches, their wiring and fusing, car light diffusers, ceiling assemblies and attachments, smoke or heat sensors, fireman's phone devices, intercoms, music systems, media displays, card-readers or other security systems, light tubes and bulbs, pit pumps, emergency power generators, hydraulic cylinder, unexposed piping, disposal of or clean-up of waste oil or any contamination caused by leaks in the hydraulic cylinder or unexposed piping. KONE shall not be obligated to perform or keep records of firefighter's service testing, unless specifically included in this agreement.

### **GENERAL**

KONE shall not be obligated to: make safety tests other than those specified herein; install new attachments or equipment adjustments, whether or not recommended or directed by insurance companies or by federal, state, municipal, ASME codes or other governmental or non-governmental authorities; make changes or adjustments required by new or retroactive code changes; perform tests or correct outstanding violations or deficiency lists cited by code authorities or any third party agency prior to the effective date of this agreement; make renewals or repairs necessitated by fluctuations in the building AC power systems, adverse machine room conditions (including temperature variations below 60 degrees and above 90 degrees Fahrenheit), excessive humidity, adverse environmental conditions, water damage, prior water exposure, rust, fire, explosion, acts of God, misuse, vandalism, theft, war, acts of government, labor disputes, strikes, lockouts or tampering with the elevator equipment by unauthorized personnel; make repairs or renewals for damage or deterioration caused by UV rays; make renewals or repairs necessitated by negligence or misuse of the equipment or any other cause beyond its control except ordinary wear and tear. KONE will maintain the equipment performance and its components to the operating condition at the effective date of this agreement.

Obsolete items are excluded from this agreement. Obsolete items and the labor to replace them will be at the owner'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 the original item has been replaced with an item of different design. No exception to this exclusion will be made for items defined as obsolete above simply because they can be custom made or acquired at any price. Any modifications to existing equipment necessary to accommodate replacement components will also be at the owner's expense. KONE will not be required to furnish reconditioned or used parts.

#### **PURCHASER ASSURANCES**

Purchaser agrees to: furnish KONE with a list of authorized personnel responsible for building operations; provide KONE with a complete set of as-built wiring diagrams; to shut down the equipment and notify KONE for repair, in the event that the equipment is not functioning properly; notify KONE in the event of any injury or accident in or about the equipment included in this agreement (verbal notification must be provided immediately and written notification must be provided within seven days); perform the monthly firefighter's service testing and keep record of such tests, if required and not specifically included elsewhere herein; annually maintain the mainline disconnect switch by a certified electrician and repair as necessary; provide safe access to the equipment and machine room areas for service and keep all machine rooms and pit areas free from water, stored materials and debris; remove and dispose of any hazardous materials, water or waste according to applicable laws and regulations; provide a safe workplace for KONE personnel; contact KONE immediately if you are ever less than very satisfied with KONE's performance. Purchaser shall at all times be solely liable for the proper use of the equipment. Purchaser agrees to post any and all instructions and warnings to passengers related to the use of the equipment. Purchaser shall not permit anyone other than KONE to make repairs, additions, modifications, upgrades or adjustments to the equipment covered herein during the term of the agreement.

#### **CONTRACT TERM**

The service specified will be furnished from the effective date stated herein, and shall continue for an initial, non-cancelable term of THREE (3) years. This Agreement will automatically renew for successive terms of TWO (2) years thereafter. Either party may terminate this Agreement either at the end of the initial THREE (3) year term or at the end of any subsequent TWO (2) year term by giving the other party ninety (90) days written notice, via certified mail, prior to the expiration date of the Agreement, the expiration date being THREE (3) years from the effective date of this agreement or TWO (2) years from the effective date of any subsequent renewal term. The parties acknowledge that premature cancellation of this Agreement or delayed notice of termination shall constitute a material breach of contract and the entire remaining amount of the contract will accelerate and become due to KONE as liquidated damages. In the event of the sale, lease or other transfer of the ownership of the equipment described herein, or the premises in which it is located, Purchaser agrees to see that such Purchaser is made aware of this Agreement and assumes and agrees to be bound by the terms hereof for the balance of the Agreement. KONE may, at its sole discretion, temporarily suspend upon written notice or terminate entirely upon thirty (30) days' written notice this Agreement at any time due to the Purchaser's breach of contract. In the event of circumstances presenting a safety hazard to the riding public or KONE's technicians (including, but not limited to, Purchaser's act of creating or allowing unsafe practices or conditions or Purchaser's failure to authorize necessary repairs or upgrades), KONE may immediately terminate this Agreement in its entirety upon written notice.

#### **PRICE ADJUSTMENTS**

The contract price will be adjusted annually on January 1 of each year of the contract.  
The payment adjustment will reflect the increase or decrease in labor and material.

##### **Labor**

80% of the current contract price will be increased or decreased by the percent increase or decrease in the straight time hourly labor cost. The current straight time labor cost is the sum of the straight time hourly rate plus the cost of fringe benefits (fringe benefits include but are not limited to welfare, pension, vacations, paid holidays, insurance, and other union contributions) paid to elevator examiners in the locality the equipment is maintained.

##### **Material**

20% of the current contract price will be increased or decreased by the percent increase or decrease shown by the index of "Producer Commodity Prices for Metals to Metal Products" published by the U.S. Department of Labor, Bureau of Statistics for the price adjustment period. The current index on 06/01/2009 was 181.3.

KONE reserves the right to additionally adjust the contract price under extraordinary circumstances if the cost of fuel (based on the Producer Price Index of Commodities for Gasoline), insurance or other administrative expenses increase.

**PAYMENT TERMS**

Payments are due within ten (10) days of date of invoice. A delinquent payment charge calculated at the rate of 1½% per month, or if such rate is usurious then at the maximum rate under applicable law, shall be applied to delinquent payments. In the event of default of the payment provisions herein, Purchaser agrees to pay, in addition to any defaulted amount, all attorney fees, collection cost or court cost in connection therewith. Failure to pay any sum due by Purchaser within sixty (60) days will be a material breach. KONE may at KONE's option declare all sums due or to become due for the unexpired term immediately due and payable as liquidated damages, and until the same are paid, KONE may suspend service, and be discharged from further obligations under the contract. If KONE exercises its right to suspend service, KONE shall not be responsible for injury or damage resulting from the lack of service. When service is resumed, Purchaser will be responsible for any costs KONE incurs as a result of the lapse in service.

These payment terms shall also be applicable to any charges for work outside the scope of this Agreement.

**NON-KONE EQUIPMENT**

The Purchaser agrees to procure replacement parts or proprietary diagnostic devices from the original equipment manufacturer when requested by KONE for replacement, repair, inventory, restoration or modification of the operation of the equipment. KONE agrees to reimburse owner for the cost of all parts acquired at KONE's request. The purchaser authorizes KONE to produce single copies of the EPROM and/or ROM chips for each unit for the sole purpose of an archive backup of the embedded software. These will be stored on the building premises and the purchaser retains possession. KONE agrees that these backup chips shall only be used for the replacement of a defective or damaged chip on the subject unit. KONE will notify purchaser promptly if the need for an OEM diagnostic tool arises. Purchaser agrees to provide diagnostic tools and facilitate repair of diagnostic tools through OEM. Purchaser further agrees that KONE will not be responsible for any delays, damage, cost or claims associated with the failure to provide such diagnostic tools in a timely manner.

KONE agrees to maintain the existing performance as designed and installed. KONE shall not be required under this Agreement to make changes in operation and/or control, subsequent to the date of this contract.

**PERFORMANCE CLAUSE**

Purchaser may, at any time and at Purchaser's expense, call for an independent elevator consulting firm to evaluate KONE's performance within the scope of this contract. The elevator consulting firm shall be mutually agreed upon by Purchaser and KONE.

If it is found KONE is not complying with the terms of this Agreement, a detailed report shall be submitted to KONE outlining the specific requirements and a minimum period of ninety (90) days shall be allowed for KONE to correct the corresponding non-compliance.

In the event KONE fails to correct the noted material items within the allowed time, Purchaser shall have the right to terminate this Agreement by giving KONE ninety (90) days written notice. Notwithstanding this right, Purchaser remains obligated to pay all previously outstanding balances owed KONE.

**TAX**

~~Purchaser shall pay, in addition to the price, any tax imposed upon Purchaser by any existing or future law and the amount of tax imposed upon KONE, KONE's suppliers or Purchaser under any statute, court decision, rule or regulation currently effective or becoming effective after the date of this Agreement which is based upon or incident to the transfer, use, ownership, or possession of the materials or equipment involved in the performance hereof or the services rendered, hereunder.~~

The City of El Paso is tax exempt and will provide a tax exemption certificate. ( \_\_\_ / \_\_\_ ) Please initial.

# ACCEPTANCE

Service Agreement Effective Date: 07/01/09

Service Agreement Number:

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

Signed for and on behalf of The City of El Paso
_____
(Signature)
_____
(Print Name)
_____
(Print Title)
Date:    /    /

Respectfully submitted, KONE, Inc.
_____
(Submitted By) Natasha Kraus
_____
(Approved By) Authorized Representative
_____
(Title)
Date:    /    /