

CLEVELAND PUBLIC LIBRARY

Finance Committee

September 13, 2016

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 five 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, and 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 June 2015, this Board authorized a 3.25% price increase, increasing KONE's fee to \$4,488.28 per month or \$53,859.36 per year; and

WHEREAS, On August 9, 2016, the Library received notice that, effective July 1, 2016, KONE Inc. would be increasing the Library's price by 3.45%. However, since KONE failed to provide the Library 45 days' notice prior to July 1st as required by the agreement, KONE agreed to delay the increase until October 1, 2016; and

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

RESOLVED, That the Board of Trustees authorizes the increase in price of 3.45% effective October 1, 2016 for full maintenance services for the elevators in the Main Library and the Louis Stokes Wing, in a total amount not to exceed \$55,252.94 for the period from July 1, 2016 through June 30, 2017, with the expenditure being charged to the General fund account 12100053-53350 Building Maintenance; now therefore be it further

RESOLVED, That it is the intention of this Board to authorize an increase in price, if any, for the remaining two years of the agreement, effective on July 1st of 2017 and 2018, provided the increase from the then current year is not greater than one half of one percent (.5%).