

1 [Airport Professional Services Agreement Modification - KONE Inc. - Escalator and Electric
2 Walk Maintenance Services - Not to Exceed \$34,465,600]

3 **Resolution approving Modification No. 4 to Airport Contract No. 50205, Escalator and**
4 **Electric Walk Maintenance, Repair, and On-Call Services, with KONE Inc., to increase**
5 **the contract amount by \$16,200,000 for a new not to exceed contract amount of**
6 **\$34,465,600 and to extend the contract term by three years to a new contract end**
7 **date of June 30, 2024, pursuant to Charter, Section 9.118(b), to commence following**
8 **Board approval.**

9
10 WHEREAS, On May 7, 2019, by Resolution No. 19-0098, the Airport Commission
11 awarded Professional Services Contract No. 50205 (the "Agreement") to KONE Inc. to
12 provide maintenance, repair, and on-call service for the Airport's approximately 181
13 escalators and electric walks for a two-year period beginning July 1, 2019, through
14 June 30, 2021, in an amount not to exceed \$9,765,600; and

15 WHEREAS, On October 1, 2019, the Airport Director approved Modification No. 1 to
16 the Agreement to increase the allowance for As-Needed Services with no change to the
17 total contract amount; and

18 WHEREAS, On July 1, 2020, the Airport director approved Modification No. 2 to the
19 Agreement to reduce unit prices for preventative maintenance, adjust the preventative
20 maintenance schedule, and update standard contractual terms, with no change to the total
21 contract amount; and

22 WHEREAS, On December 1, 2020, by Resolution No. 20-0223, the Airport
23 Commission approved Modification No. 3 to the Agreement to increase the contract amount
24 by \$9,000,000 for a new total contract amount not to exceed \$18,765,600 with no change
25 to the contract term; and

1 WHEREAS, On February 9, 2021, by Resolution No. 55-21, the Board of
2 Supervisors approved Modification No. 3 to the Agreement under San Francisco Charter,
3 Section 9.118(b) for a reduced amount of \$8,500,000 for a new total contract amount not to
4 exceed \$18,265,600; and

5 WHEREAS, On May 4, 2021, by Resolution No. 21-0104, the Airport Commission
6 approved Modification No. 4 to the Agreement to extend the term of the Agreement by
7 three years to a new contract end date of June 30, 2024, and to increase the contract
8 amount by \$16,200,000 for a new contract amount not to exceed \$34,465,600; and

9 WHEREAS, KONE Inc. has satisfactorily provided all aspects of the maintenance
10 and repair of Airport escalators and electric walks; and

11 WHEREAS, Charter, Section 9.118(b), provides that agreements entered into by a
12 department, board, or commission requiring anticipated expenditures by the City and
13 County of ten million dollars or more, shall be subject to approval by the Board of
14 Supervisors by Resolution; and

15 WHEREAS, The original Agreement and Modifications No. 1, 2, and 3 are all on file
16 with the Clerk of the Board of Supervisors in File No. 210525, which is hereby declared to
17 be a part of this Resolution as set forth fully herein; now, therefore, be it

18 RESOLVED, That this Board hereby approves Modification No. 4 to Contract
19 No. 50205, Escalator and Electric Walk Maintenance, Repair, and On-Call Services with
20 KONE Inc. to extend the contract duration by three years to a new contract end date of
21 June 30, 2024 and to increase the contract amount by \$16,200,000 for a new not to exceed
22 contract amount of \$34,465,600; and, be it

23 FURTHER RESOLVED, That within 30 days of Modification No. 4 being fully
24 executed by all parties, the Airport Commission shall provide it to the Clerk of the Board for
25 inclusion in the official file.