

1 [Airport Professional Services Agreement Modification - KONE Inc. - Escalator and Electric
2 Walk Maintenance Services - Not to Exceed \$48,465,600]

3 **Resolution approving Modification No. 5 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 \$14,000,000 for a new not to exceed contract amount of**
6 **\$48,465,600 with no change to the contract term of July 1, 2019, through June 30,**
7 **2024, pursuant to Charter, Section 9.118(b).**

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

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

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

21 WHEREAS, On December 1, 2020, by Resolution No. 20-0223, the Airport
22 Commission approved Modification No. 3 to the Agreement to increase the contract amount
23 by \$9,000,000 for a new total contract amount not to exceed \$18,765,600 with no change
24 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 contract term by three years to
7 a new contract end date of June 30, 2024, and to increase the contract amount by
8 \$16,200,000 for a new contract amount not to exceed \$34,465,600; and

9 WHEREAS, On June 15, 2021, by Resolution No. 306-21, the Board of Supervisors
10 approved Modification No. 4 to the Agreement under San Francisco Charter Section
11 9.118(b); and

12 WHEREAS, On April 18, 2023, by Resolution No. 23-0095, the Airport Commission
13 approved Modification No. 5 to the Agreement to increase the contract amount by
14 \$14,000,000 for a new contract amount not to exceed \$48,465,600, with no change to the
15 contract term; and

16 WHEREAS, Airport staff has monitored KONE Inc's performance through reviews of
17 daily operational reports, and has determined that KONE Inc has satisfactorily provided all
18 aspects of the maintenance and repair of Airport escalators and electric walks; and

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

23 WHEREAS, The original Contract and Modifications No. 1, 2, 3, and 4 are all on file
24 with the Clerk of the Board of Supervisors in File No. _____, which is hereby declared
25 to be a part of this Resolution as set forth fully herein; now, therefore, be it

1 RESOLVED, That this Board hereby approves Modification No. 5 to Contract No.
2 50205, Escalator and Electric Walk Maintenance, Repair, and On-Call Services with KONE
3 Inc. to increase the contract amount by \$14,000,000 for a new not to exceed contract
4 amount of \$48,465,600; and, be it

5 FURTHER RESOLVED, That within 30 days of Modification No. 5 being fully
6 executed by all parties, the Airport Commission shall provide it to the Clerk of the Board for
7 inclusion in the official file.

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