



## Monterey County

### Board Order

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

#### Agreement No.: A-12743

Upon motion of Supervisor Potter, seconded by Supervisor Parker and carried by those members present, the Board of Supervisors hereby:

- a. Authorized the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute an Agreement with ThyssenKrupp Elevator Corporation for elevator maintenance and repair services as needed at NMC in an amount not to exceed \$307,862 for the period retroactively beginning January 1, 2015 through December 31, 2019; and
- b. Authorized the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute future amendments to the Agreement provided there is no significant change to the scope of services and to make annual service rate adjustments provided the rates do not increase beyond 4% of the previous year's rate.

PASSED AND ADOPTED on this 16th day of June 2015, by the following vote, to wit:

AYES: Supervisors Phillips, Salinas, Parker and Potter

NOES: None

ABSENT: Supervisor Armenta

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 78 for the meeting on June 16, 2015.

Dated: June 18, 2015

File ID: A 15-164

Gail T. Borkowski, Clerk of the Board of Supervisors  
County of Monterey, State of California

By *Denise Hancock*  
Deputy



# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Board Report

Legistar File Number: A 15-164

June 16, 2015

Introduced: 5/28/2015

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

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- b. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute future amendments to the Agreement provided there is no significant change to the scope of services and to make annual service rate adjustments provided the rates do not increase beyond 4% of the previous year's rate.

### **RECOMMENDATION:**

It is recommended the Board of Supervisors;

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute an Agreement with ThyssenKrupp Elevator Corporation for elevator maintenance and repair services as needed at NMC in an amount not to exceed \$307,862 for the period retroactively beginning January 1, 2015 through December 31, 2019.
- b. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute future amendments to the Agreement provided there is no significant change to the scope of services and to make annual service rate adjustments provided the rates do not increase beyond 4% of the previous year's rate.

### **SUMMARY/DISCUSSION:**

NMC desires to contract with ThyssenKrupp for maintenance and repair services on its elevators. The State of California Department of Industrial Relations, Division of Occupational Safety and Health has jurisdiction over elevators, and The Joint Commission (TJC) audits maintenance and repair of elevators.

Elevator equipment is highly specialized in nature, and elevators are essential to the operation of the hospital for patient and staff safety. Elevators are required to be inspected on a periodic basis. This inspection is part of the preventive maintenance program established by Natividad Medical Center, and the records for these inspections must be maintained in order to be reviewed by state inspectors before receiving the proper permits. The elevator mechanic is required to clean all elevator components, adjust the elevator components, and lubricate the appropriate components that control the mechanical operation and speed of the elevator.

ThyssenKrupp possesses the necessary expertise to perform preventive maintenance and to repair Natividad Medical Center's elevators. There are nine elevators in service at Natividad Medical Center.

NMC started negotiations with ThyssenKrupp in 2014, and unfortunately the negotiations took much longer than anticipated. As a result, NMC is requesting this contract be retroactive to January 1, 2015.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Agreement as to legal form and risk provisions and the Auditor-Controller has reviewed and approved as to payment provisions. The Agreement has also been reviewed and approved by NMC's Finance Committee on 3/26/15 and by its Board of Trustees on 4/3/15.

**FINANCING:**

The cost for this Agreement is \$307,862 of which \$52,224 is included in the Fiscal Year 2014-15 Adopted Budget. Amounts for remaining years of the Agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

Prepared by: Andrea Rosenberg, Asst. Administrator, Operations and Support, 783-2526

Approved by: Dr. Gary Gray, Interim Chief Executive Officer, 783-2504

**Attachments:**

ThyssenKrupp Agreement

Cost Projections Sheet

Attachments on file with the Clerk to the Boards Office

  
\_\_\_\_\_  
Gary Gray DO, Interim Chief Executive Officer

6/8/15

\_\_\_\_\_  
Date

## **AGREEMENT TO PROVIDE ELEVATOR REPAIR & MAINTENANCE SERVICES FOR NATIVIDAD MEDICAL CENTER (COUNTY OF MONTEREY)**

This Agreement for Services (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the *State* of California (hereinafter, "the County"), on behalf of Natividad Medical Center (hereinafter "NMC"), a general acute care teaching hospital wholly owned and operated by the County, and ThyssenKrupp Elevator Corp., (hereinafter "CONTRACTOR"), whereby CONTRACTOR shall provide Elevator Maintenance Services to NMC.

### **PERFORMANCE OF THE AGREEMENT**

The intent of this AGREEMENT is to summarize the contractual obligations of the parties. The component parts of this AGREEMENT include the following:

- AGREEMENT, Including
- All Exhibits and Attachments
  - Exhibit A: Maintenance Schedule and Fees
  - Exhibit B: ThyssenKrupp Elevator Holiday Schedule
  - Exhibit C: Billing Rates
- Certificate of Insurance
- Additional Insured Endorsements

All of the above-referenced contract documents are intended to be complementary. Work required by one of the above-referenced contract documents and not by others shall be done as if required by all. In the event of a conflict between or among component parts of the contract, the contract documents shall be construed in the following order: AGREEMENT, General Requirements and General Provisions, Certificate of Insurance, and Additional Insured Endorsements.

### **1.0 SCOPE OF SERVICES**

#### **1.1 PLATINUM PREMIER SERVICE AGREEMENT**

CONTRACTOR shall provide its "Platinum Premier Service Maintenance Package". Elevators to be serviced per this Agreement shall be defined as per **Exhibit A-Maintenance Schedule and Fees** attached hereto.

#### **1.2 PREVENTATIVE MAINTENANCE PROGRAM**

CONTRACTOR will service the equipment on a regularly scheduled basis. These service visits will be performed during normal business working days and hours, which are defined as Monday through Friday, 8:00 AM to 4:30 PM (except scheduled holidays). All work performed before or after normal business working days and hours shall be considered "Overtime".

1.2.1 CONTRACTOR will perform the following services:

1.2.1.1 Examine NMC's elevator equipment for optimum operation. The CONTRACTOR's examination, lubrication and adjustment will cover the following components of the NMC elevator system:

- Control and landing positioning systems Signal fixture
- Machines, drives, motors, governors, sheaves, and wire ropes Power units, pumps, valves, and jacks:
- Car and hoistway door operating devices and door protection equipment:
- Loadweighers, car frames and platforms, and counterweights:
- Safety mechanisms:
- Lubricate equipment for smooth and efficient performance: and
- Adjust elevator parts and components to maximize performance and safe operation

### **1.3 FULL COVERAGE PARTS REPAIR AND REPLACEMENT**

CONTRACTOR will provide full coverage parts repair and/or replacement for all components worn due to normal wear, unless specifically excluded in the "Items Not Covered" or "Other Conditions" provisions herein. CONTRACTOR maintains a comprehensive parts inventory to support its field operations. All replacement parts used for NMC equipment will be new or refurbished to meet the quality standards of CONTRACTOR. Most specialized parts are available within 24 hours, seven days a week. CONTRACTORS will relamp all signals as required (during regularly scheduled visits).

### **1.4 MAINTENANCE CONTROL PROGRAM**

CONTRACTOR performs service in accordance with A17.1 - 2010 / CSA B44-10. Section 8.6 of the code requires the unit owner to have a Maintenance Control Program (MCP), CONTRACTOR's MCP meets or exceeds all requirements outlined in Section 8.6. The Maintenance Control Program includes CONTRACTOR's Elevator's Maintenance Tasks & Records documentation which shall be used to record all maintenance, repairs, replacements and tests performed on the equipment and are provided with each unit as required by code. CONTRACTOR also provides per Section 8.6 of the code, a maintenance tasks procedure manual with each unit; TKE calls this manual the BEEP Manual, or Basic Elevator, Escalator Procedures Manual. CONTRACTOR does not perform any tests unless such tests are specifically listed as included elsewhere in this agreement.

### **1.5 QUALITY ASSURANCE**

To help increase elevator performance and decrease downtime, CONTRACTOR's technicians utilize the latest industry methods and technology available to us for your specific brand of elevator. They will be equipped with our tools, documentation and knowledge to troubleshoot NMC's unique system, as well as access to a comprehensive parts replacement inventory system.

Behind the CONTRACTOR's technicians is a team devoted to elevator excellence. Technicians are supported around the clock by a team of engineers and field support experts.

CONTRACTOR's North American technical support facilities continuously research advancements in the industry and in your equipment. Also, our internal quality control program ensures optimum and reliable operation of your elevator equipment.

To assure that quality standards are being maintained, CONTRACTOR may conduct periodic field quality audit surveys. The CONTRACTOR's dedicated Elevator representative for NMC will be available to discuss your elevator needs with you in all aspects of service and modernization. In addition, you may receive recommendations for upgrades that will also provide NMC with budget options designed to enhance the appearance, performance and safety of or meet Code requirements for your equipment over time.

**1.6 SERVICE REQUESTS DURING NORMAL WORKING DAYS AND HOURS**

Service requests a Pare, defined as any request for dispatch of CONTRACTOR's technician to the location of the equipment covered in this agreement from one or more of the following: NMC's or NMC's representative, the building or building's representative, emergency personnel, and/or passengers through the elevator's communication device and/or from Vista Remote Monitoring through the elevator's communication line. Service requests include minor adjustments and response to emergency entrapments that can be accomplished in two hours or less (excluding travel time) and do not include regularly scheduled maintenance visits.

CONTRACTOR will respond to service requests during normal business working days and hours, as defined above, at no additional charge.

**1.7 OVERTIME SERVICE REQUESTS**

For overtime service requests, CONTRACTOR will absorb straight time and overtime premium expenses. Overtime service requests are performed before or after normal business working days and hours. Over time shall be paid per this Agreement and shall be defined as per **Exhibit C-Billing Rates**.

**1.8 PLATINUM PREMIER SERVICE HOURS**

All service visits will be performed during normal business working days and hours, which are defined as Monday through Friday, 8:00 AM to 4:30 PM except scheduled holidays as per **Exhibit B-Scheduled Holidays** attached hereto. Overtime and holiday rates shall be absorbed by CONTRACTOR provided that any afterhours service requests are minor adjustments or emergency entrapments that can be accomplished in two hours or less (excluding travel time) and performed before or after normal business working days and hours defined as per **Exhibit B-Scheduled Holidays** attached hereto.

**1.9 PRODUCT INFORMATION**

NMC shall provide CONTRACTOR with copies of current wiring diagrams that reflect changes, parts catalogues, and maintenance instructional documentation for equipment covered by this Agreement.

**1.10 SPECIFIC ITEMS NOT COVERED UNDER MAINTENANCE PACKAGES**

CONTRACTOR shall not cover cosmetic, construction, or ancillary components of the elevator system, including the finishing, repairing or replacement of the cab enclosure, ceiling frames, panels, and/or fixtures, hoist doorway panels, door frames, sills, car flooring, floor covering, lighting fixtures, ceiling bulbs/tubes, mail line power switches, breakers, feeders to controller, hydraulic elevator jack outer casing, buried piping, alignment of elevator guard rails, smoke and

fire sensors, fire service reports, communication devices, security systems not installed by CONTRACTOR, batteries for emergency lighting and lowering, air conditioners, heaters, and ventilation fans. CONTRACTOR shall not include repair due to vandalism in any maintenance package, and such repairs shall be billed at an additional cost.

**1.11 REMOVED PARTS**

All existing equipment removed by CONTRACTOR during repairs shall become the exclusive property of CONTRACTOR.

## **2.0 TERM OF AGREEMENT**

- 2.1 The term of this AGREEMENT is from January 1, 2015 through and including December 31, 2019 unless sooner terminated pursuant to the terms of this Agreement.
- 2.2 NMC reserves the right to cancel this AGREEMENT, or any extension of this AGREEMENT, without cause, with a thirty day (30) written notice, or with cause immediately
- 2.3 If the NMC exercises its option to extend, the parties shall mutually agree upon changes to rates, terms and conditions.

## **3.0 COMPENSATION AND PAYMENTS**

- 3.1 Each elevator is identified by Elevator Unit ID Number as per **Exhibit A -Maintenance Schedule and Fees**.
  - 3.1.1 Invoices for maintenance work performed during normal business working days and hours shall include all labor time, travel costs, and supplies needed in order to complete the maintenance package defined per each binding **Exhibit A-Maintenance Schedule and Fees** associated with this Agreement. Any additional travel costs shall be reimbursed per the NMC of Monterey Travel Policy which is available online at [www.co.monterey.ca.us/auditor/policy.htm](http://www.co.monterey.ca.us/auditor/policy.htm)
  - 3.1.2 All work performed before or after normal business working days and hours shall be considered "afterhours" and invoiced at overtime billing rates as per **Exhibit C-Billing Rates** attached hereto.
- 3.2 Prices shall remain firm for the first year of the AGREEMENT and, thereafter, may be adjusted annually as provided in this section.
  - 3.2.1 NMC does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.
  - 3.2.2 Service fees may be adjusted in January of each calendar year by an amount no more than the prior 12 month increase of the U.S. Bureau of Labor Statistics (BLS) Employment Cost Index (ECI) for elevator maintenance and repair by local examiners. This

Agreement with ThyssenKrupp Elevator Company  
Elevator Repair and Maintenance at Natividad Medical Center  
Term: through December 31, 2020  
Not to Exceed: \$307,862

Agreement between ThyssenKrupp Elevator Company and Natividad Medical Center (County of Monterey)  
adjustment shall be no more than four percent (4%) annually and NMC will be notified at least sixty (60) days prior to any adjustment.

3.3 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the AGREEMENT.

3.4 **INVOICES**

CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services

3.4.1 Invoices shall be billed directly to NMC.

3.4.2 The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. On each invoice it shall be stated that services are per an Agreement.

3.4.3 NMC shall certify the invoice; either in the requested amount or in such other amount as the NMC approves in conformity with this AGREEMENT, and shall promptly submit such invoice to the NMC Auditor-Controller for payment. The NMC Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

3.5 **OVERDUE INVOICES**

Should NMC fail to pay the sum due to CONTRACTOR within sixty (60) days from the billing date, CONTRACTOR may choose to suspend all service until the amount due has been paid in full. Should the NMC fail to pay the sum due to CONTRACTOR within one hundred twenty days (120), CONTRACTOR may choose to declare all sums for the unexpired term of this Agreement due immediately and may terminate the Agreement.

3.5.1 Should CONTRACTOR suspend service due to an overdue invoice, CONTRACTOR shall not be responsible for personal injury, death or damage to equipment or property, or any other type of loss that is, in any way, related to CONTRACTOR ceasing to provide service.

3.6 **SURCHARGES NOT PERMITTED**

CONTRACTOR shall levy no additional surcharges of any kind during the term of the Agreement.

## 4.0 SAFETY

4.1 **PASSENGER SAFETY**

NMC shall notify CONTRACTOR immediately by phone in the event that any observable or reported condition or irregularity with elevator functionality should occur.

- 4.1.1 NMC agrees to immediately shutdown any elevator equipment which has outwardly observable or reported operational irregularities until CONTRACTOR is able to complete repairs.
- 4.1.2 NMC will not attempt to maintain or repair elevator equipment at any time, nor will NMC hire a third party to maintain an elevator identified to be maintained by CONTRACTOR in each binding **Exhibit A-Maintenance Schedule and Fees**.
- 4.1.3 CONTRACTOR may shutdown elevator equipment should there be an apparent safety risk and shall advise NMC as such immediately by phone, and also in writing. CONTRACTOR shall then provide, in writing, an explanation of the problem and an estimate of time and cost for repair.

#### **4.2 SAFETY OF CONTRACTOR'S WORKERS**

- 4.2.1 NMC agrees to provide CONTRACTOR's workers a machine room which is well lit, ventilated, waterproofed, maintained at temperatures between 50 degrees and 90 degrees Fahrenheit, and with secured doors.
- 4.2.2 CONTRACTOR reserves the right to discontinue work in a building should the worker feel it is unsafe, and CONTRACTOR agrees to immediately notify NMC by phone if such a situation should arise.
- 4.2.3 NMC agrees that in the event asbestos material is knowingly or unknowingly removed or disturbed in any manner at the job site by parties other than CONTRACTOR's employees, the work place shall be monitored, and prior to CONTRACTOR's presence on the job, NMC shall certify that asbestos in the environment does not exceed .01 fibers per cc as tested by NIOSH 7400.
- 4.2.4 Should any elevator which has been identified to be routinely maintained by CONTRACTOR per each binding **Exhibit A-Maintenance Schedule and Fees** require a safety test on the commencement date of this Agreement, CONTRACTOR assumes no responsibility for the day-to-day operation of the governor or safeties on traction elevators, or the hydraulic system on hydraulic elevators, until the safety test has been made.

### **5.0 INDEMNIFICATION**

CONTRACTOR shall indemnify, defend, and hold harmless the NMC, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this AGREEMENT, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this AGREEMENT, unless such claims, liabilities, or losses arise out of the negligence or willful misconduct of the NMC.

Agreement with ThyssenKrupp Elevator Company  
Elevator Repair and Maintenance at Natividad Medical Center  
Term: through December 31, 2020  
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“CONTRACTOR’s performance” includes CONTRACTOR’s action or inaction and the action or inaction of CONTRACTOR’s officers, employees, agents and subcontractors. If, after the proportionate shares of liability of CONTRACTOR and the NMC have been adjudicated in a court of law, the CONTRACTOR has paid defense costs or a judgment on behalf of the NMC, then CONTRACTOR shall be entitled to reimbursement from the NMC of such amounts in proportion to the CONTRACTOR’s and the NMC’s respectively adjudicated liability.

## 6.0 INSURANCE

### 6.1 EVIDENCE OF COVERAGE

Prior to commencement of this AGREEMENT, CONTRACTOR shall provide a “Certificate of Insurance” certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In the event of a claim, CONTRACTOR shall provide a copy of the policy or policies upon request by NMC. NMC agrees to pay for administrative costs and shipping associated with this request.

This verification of coverage shall be sent to the NMC’s, Contracts/Purchasing Division, unless otherwise directed. CONTRACTOR shall not receive a “Notice to Proceed” with the work under this AGREEMENT until it has obtained all insurance required and such, insurance has been approved by the NMC. This approval of insurance shall neither relieve nor decrease the liability of CONTRACTOR.

### 6.2 QUALIFYING INSURERS

All coverage’s, except surety, shall be issued by companies which hold a current policy holder’s alphabetic and financial size category rating of not less than A- VII, according to the current Best’s Key Rating Guide or a company of equal financial stability that is approved by the NMC’s Purchasing Officer.

### 6.3 INSURANCE COVERAGE REQUIREMENTS

Without limiting CONTRACTOR’s duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this AGREEMENT a policy or policies of insurance with the following minimum limits of liability:

- 6.3.1 Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.
- 6.3.2 Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this AGREEMENT, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

- 6.3.3 Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this AGREEMENT, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

**6.4 OTHER INSURANCE REQUIREMENTS**

All insurance required by this AGREEMENT shall be with a company acceptable to the NMC and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. The coverage required herein shall continue in effect for a period of, no more than three years following the date CONTRACTOR completes its performance of services under this AGREEMENT if the insurance is written on an occurrence basis and five years if written on a claims made basis. Notwithstanding these three and five year minimums, if any of CONTRACTOR's insurance policies make any person or entity an additional insured to the extent that CONTRACTOR is required by contract to obtain additional insured coverage for that person or entity, then it is hereby agreed that CONTRACTOR shall be contractually obligated to obtain such additional insured coverage for a period of one year following the completion of the services performed under this Agreement.

- 6.5 Each liability policy shall provide that the NMC shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this AGREEMENT, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements
- 6.6 Commercial general liability and automobile liability policies shall provide an endorsement naming the NMC of Monterey, its, officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations coverage, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the NMC and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The additional insured coverage shall provide a defense and indemnity only for actions arising from Contractor's acts, actions, omissions, or neglects but does not provide defense or indemnity for the additional insured(s) own acts, actions, omissions, neglects.
- 6.7 Prior to the execution of this AGREEMENT by the NMC, CONTRACTOR shall file certificates of insurance with the NMC's contract administrator and NMC's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this AGREEMENT. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this AGREEMENT, which shall continue in full force and effect.
- 6.8 CONTRACTOR shall at all times during the term of this AGREEMENT maintain in force the insurance coverage required under this AGREEMENT and shall send, without demand by NMC, annual certificates to NMC's Contract Administrator and NMC's Contracts/Purchasing Division.

If the certificate is not received by the expiration date, NMC shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this AGREEMENT, which entitles NMC, at its sole discretion, to terminate this AGREEMENT immediately.

## 7.0 FORCE MAJEURE

- 7.1 "Force Majeure" means any cause beyond the reasonable control of a party, including but not limited to acts of God, civil or military disruption, fire, strike, flood, riot, war, or inability due to the aforementioned causes to obtain necessary labor, materials or facilities.
- 7.2 If any party hereto is delayed or prevented from fulfilling its obligations under this Agreement by Force Majeure, said party will not be liable under this Agreement for said delay or failure, nor for damages or injuries resulting directly from the inability to perform scheduled work due to Force Majeure.
- 7.3 CONTRACTOR shall be granted an automatic extension of time commensurate with any delay in performing scheduled work arising from Force Majeure. CONTRACTOR agrees to resume such work within three (3) days after the Force Majeure has subsided enough to do so.

## 8.0 NOTICES

Notices required to be given to the respective parties under this AGREEMENT shall be deemed given by any of the following means: (1) when personally delivered to the NMC's contract administrator or to CONTRACTOR'S responsible officer; (2) when personally delivered to the party's principle place of business during normal business hours, by leaving notice with any person apparently in charge of the office and advising such person of the import and contents of the notice; (3) 24 hours after the notice is transmitted by FAX machine to the other party, at the party's FAX number specified pursuant to this AGREEMENT, provided that the party giving notice by FAX must promptly confirm receipt of the FAX by telephone to the receiving party's office; or, (4) three (3) days after the notice is deposited in the U. S. mail with first class or better postage fully prepaid, addressed to the party as indicated below. Notices mailed or faxed to the parties shall be addressed as follows:

### TO THE NMC:

Natividad Medical Center  
Contracts Division  
1441 Constitution Blvd.  
Salinas, CA 93906  
Tel No. 831.783-2620  
Fax: 757-2592  
Email: [aldrichk@natividad.com](mailto:aldrichk@natividad.com)

### TO THE CONTRACTOR:

ThyssenKrupp Elevator  
Attn: Dwayne Carpenter  
2140 Zanker Road  
San Jose, CA 95131  
Tel No.: (408) 210-0377  
Fax: (866) 744-1915  
Email: [Dwayne.carpenter@thyssenkrupp.com](mailto:Dwayne.carpenter@thyssenkrupp.com)

Agreement with ThyssenKrupp Elevator Company  
Elevator Repair and Maintenance at Natividad Medical Center  
Term: through December 31, 2020  
Not to Exceed: \$307,862

IN WITNESS WHEREOF, the NMC and CONTRACTOR execute this AGREEMENT as follows:

**NATIVIDAD MEDICAL CENTER**

By: [Signature]  
NMC Contracts/Purchasing Agent

Date: 6/1/15

**Approved as to Legal Provisions**

By: [Signature]  
Anne Brereton, Deputy NMC Counsel

Date: May 18, 2015

**Approved as to Fiscal Provisions**

By: [Signature]  
Gary Giboney, Auditor/Controller's Office

Date: 5/20/15

**CONTRACTOR**

ThyssenKrupp Elevator Corp.  
Contractor's Business Name\*\*\*

[Signature]  
Signature of Chair, President, or Vice-President, *designate*

**Bradley Kiehl**  
Contract Analyst

\_\_\_\_\_  
Name and Title

Date: 4/27/15

By: [Signature]  
(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Asst. Treasurer)

**Mark Hintz**  
**Asst. Secretary**

\_\_\_\_\_  
Name and Title

Date: 4/27/15

**\*\*\*INSTRUCTIONS:**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers.

If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership.

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.

**EXHIBIT A – MAINTENANCE SCHEDULE AND FEES  
for Elevator Maintenance Service with ThyssenKrupp Elevator Corp.**

Building/Department: Natividad Medical Center – Main Hospital and Medical Office  
Buildings (MOB).

Address of Building: 1441 Constitution Blvd. Salinas, CA. 93906

Please complete the table below. Each line item represents each individual single elevator to be serviced at the location indicated above.

| <b>Elevator<br/>Unit ID/Location</b>                           | <b>Platinum<br/>Premier<br/>Service<br/>Agreement</b> |                 |
|----------------------------------------------------------------|-------------------------------------------------------|-----------------|
| 109811/ Main Hospital                                          | Yes                                                   |                 |
| 109812/ Main Hospital                                          | Yes                                                   |                 |
| 109813/ Main Hospital                                          | Yes                                                   |                 |
| 109814/ Main Hospital                                          | Yes                                                   |                 |
| 109815/ Main Hospital                                          | Yes                                                   |                 |
| 109676/Main Hospital                                           | Yes                                                   |                 |
| 109677/ Main Hospital                                          | Yes                                                   |                 |
|                                                                |                                                       |                 |
| <b>Annual Costs</b>                                            |                                                       | <b>\$40,404</b> |
| <b>3% Discount for full annual<br/>charges paid in advance</b> |                                                       | <b>\$39,192</b> |

Additional Comments:

Monthly Fire Service Testing and Record Completion per ASME A 17.1

This Agreement includes monthly fire service testing and record completion in accordance with the American National Safety Code for Elevators and Escalators, ANSI A17.1 which is in effect in the jurisdiction in which the equipment is located at the time this agreement is executed. At the conclusion of each calendar year, Purchaser assumes responsibility for maintaining long-term storage of such records

| <b>Elevator Unit ID/Location</b>                               | <b>Platinum<br/>Premier<br/>Service<br/>Agreement</b> |                    |
|----------------------------------------------------------------|-------------------------------------------------------|--------------------|
| 109584/ MOB                                                    | Yes                                                   |                    |
| 109585/ MOB                                                    | Yes                                                   |                    |
| <b>Annual Costs</b>                                            |                                                       | <b>\$11,819.76</b> |
| <b>3% Discount for full annual<br/>charges paid in advance</b> |                                                       | <b>\$11,464.76</b> |

## Exhibit B - ThyssenKrupp Elevator Holiday Schedule

### Union Observed Holidays:

New Years Day  
Memorial Day  
Independence Day  
Veterans Day  
Thanksgiving Day & Day After  
Christmas Day

When a holiday falls on Saturday, it shall be observed on Friday. When a holiday falls on a Sunday, it will be observed on Monday.

**EXHIBIT C**  
**BILLING RATE BREAKDOWN (effective 1-1-2015)**

**Contractor's premium portion of the billing rate for work performed outside of regular working hours (Platinum / FMTD Agreement overtime rates).**

**FOR OVERTIME SERVICE REQUESTS:**

|                              |                                    |
|------------------------------|------------------------------------|
| Monday through Saturday..... | \$ <u>216.07</u> per mechanic hour |
| Sundays and Holidays.....    | \$ <u>308.61</u> per mechanic hour |

**FOR REPAIRS (OVERTIME):**

|                                                  |                                                                      |
|--------------------------------------------------|----------------------------------------------------------------------|
| Monday through Friday.....                       | \$ <u>308.61</u> per mechanic hour<br>\$ <u>555.51</u> per team hour |
| Overtime Hours excluding Holidays & Sundays..... | \$ <u>308.61</u> per mechanic hour<br>\$ <u>555.51</u> per team hour |
| Holidays and Sundays.....                        | \$ <u>308.61</u> per mechanic hour<br>\$ <u>555.51</u> per team hour |

**CONTRACTOR'S BILLING RATE FOR WORK DUE TO NEGLIGENCE OR OTHER CAUSES NOT COVERED IN THIS CONTRACT:**

|                                                    |                                                                        |
|----------------------------------------------------|------------------------------------------------------------------------|
| Normal Working Hours.....                          | \$ <u>308.61</u> per mechanic hour<br>\$ <u>555.51</u> per team hour   |
| Overtime Hours excluding Holidays and Sundays..... | \$ <u>524.68</u> per mechanic hour<br>\$ <u>1,111.02</u> per team hour |
| Sundays & Holidays.....                            | \$ <u>617.22</u> per mechanic hour<br>\$ <u>1,111.02</u> per team hour |

The above rates are subject to annual adjustment In January of each calendar year based upon the percentage change in the labor wage rates including fringe benefits paid to the local examiners in the area in which the equipment is located.

**ThyssenKrupp Elevator Americas**  
Legal Department



September 2, 2013

Bradley Kiehl  
ThyssenKrupp Elevator Corporation  
114 Townpark Drive, Suite 300  
Kennesaw, GA 30144

Re: Execution Authorization

Dear Mr. Kiehl,

I hereby designate you as empowered and duly authorized to execute for and in the name of ThyssenKrupp Elevator Corporation, all contracts, novation agreements, lien releases, bonds, questionnaires, qualification statements and bid documents pursuant to or in connection with the sale of Company's products and services in the normal and ordinary course of business.

Your position as Manager, Contracts allows you to bind ThyssenKrupp Elevator as well as to seal legal documents on behalf of the corporation.

This is a charge of trust and responsibility that I know you will discharge with discernment and meticulous vigilance.

Should you have any questions, please do not hesitate to contact me.

A handwritten signature in black ink, appearing to read 'Scott J. Silitsky', written over a horizontal line.

Scott J. Silitsky  
Vice President Contracts & Assistant Secretary

**THYSSENKRUPP ELEVATOR CORPORATION**  
**UNANIMOUS CONSENT OF DIRECTORS**  
**(Election of Officers)**

The undersigned, being all of the directors of ThyssenKrupp Elevator Corporation (the "Company"), do hereby waive all required notice and consent to the following:

WHEREAS, James Harrison has submitted his resignation from the position of Executive Vice President and Chief Financial Officer of the Company effective September 30, 2013, and

WHEREAS, the Company desires to appoint Steven Wedge as Executive Vice President and Chief Financial Officer.

NOW, THEREFORE, IT IS:

RESOLVED, that the resignation of James Harrison from his position of Executive Vice President and Chief Financial Officer of the Company is accepted effective September 30, 2013;

RESOLVED, that Steven Wedge is hereby appointed as Executive Vice President and Chief Financial Officer of the Company effective October 1, 2013;

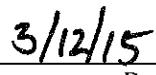
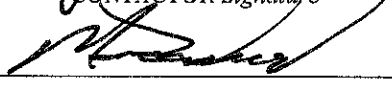
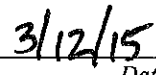
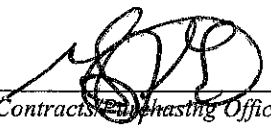
RESOLVED, that the following persons be, and they hereby are, elected to the office of the Company set opposite their respective names effective October 1, 2013, and shall constitute all the officers of the Company, to serve until their respective successors are duly elected and shall qualify or until their resignation or removal:

| <u>Name</u>         | <u>Office</u>                                        |
|---------------------|------------------------------------------------------|
| Richard T. Hussey   | President                                            |
| Steven Wedge        | Executive Vice President and Chief Financial Officer |
| Stuart Prior        | Chief Operating Officer - Brazil and Latin America   |
| David Turnage       | Vice President - Tax                                 |
| Eric Scrudgers      | Executive Vice President and General Counsel         |
| Lawrence C. Paulson | Secretary                                            |
| Alan S. Weisser     | Assistant Secretary                                  |
| Joseph Braman       | Assistant Secretary                                  |
| Charles Califf      | Assistant Secretary                                  |
| Scott J. Silitsky   | Vice President-Contracts and Assistant Secretary     |

RESOLVED, that this consent may be executed in separate written counterparts, each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same document.

*[signatures on next page]*

**Required Signatures:**

|                                                                                                                                          |                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| <br>_____<br>CONTACTOR Signature                        | <br>_____<br>Date |
| <br>_____<br>Date                                       | <br>_____<br>Date |
| <br>_____<br>NMC Contracts Purchasing Officer Signature | <br>_____<br>Date |