

EXAMPLE - ELEVATOR AGREEMENT

FEBRUARY 13, 2014

ELEVATOR MAINTENANCE AGREEMENT

This agreement, between \_\_\_\_\_  
hereinafter called "Owner," and FUJITEC AMERICA, INC. \_\_\_\_\_  
hereinafter called "Contractor":

WITNESSETH

**1. DUTIES OF CONTRACTOR**

Contractor will furnish all supplies, material, labor, labor supervision, tools, equipment and lubricants necessary to provide full preventive maintenance, adjustment, replacement and repair service for the complete elevator/escalator systems described in ATTACHMENT "A".

**2. EXTENT OF COVERAGE**

**Traction Elevators**

2.1 Contractor will maintain the elevator equipment on the following terms and conditions:

Contractor will use trained persons under direct employment and direct supervision. Such employees will be qualified to keep the equipment properly adjusted, and they will use all reasonable care to maintain the elevator equipment and equipment spaces clean and in proper operating condition.

Contractor will regularly and systematically examine, adjust, lubricate and, if conditions warrant, repair or replace:

- a. Complete hoist machine, worm, gear, thrust bearings, drive sheave, drive sheave shaft bearings, brake components and brake coil, contacts, linings and any and all component parts.
- b. Motor, motor-generator set, motor windings, rotating elements, commutator, brushes, brush holders and bearings.

- c. Silicon-controlled rectifiers(SCR's), reactors, filters, heat sinks, amp traps, transducers, and all control components.
- d. Controller, selector and dispatching equipment, all relays, solid state components, resistors, condensers, transformers, contacts, leads, dashpots, timing devices, computer and microcomputer devices, selector cable or tape, and mechanical and electrical driving equipment.
- e. Governor, governor sheave and shaft assembly, governor rope, bearings, contacts and governor jaws.
- f. Deflector or secondary sheave, bearings, hoist ropes, counterweight assembly, compensation chains/ropes, car and counterweight guide rails, top and bottom limit switches, governor tension sheave assembly, compensating sheave assembly, counterweight and counterweight guide shoes including rollers and gibs.
- g. Hoistway door interlocks and hangers, bottom door guides and auxiliary door closing devices.
- h. Automatic power operated door operator, car door hanger, car door contact, door protective device, load weighing equipment, car frame, car safety mechanism, elevator car guide shoes, gibs or rollers.

2.2 Contractor will also:

- a. Examine periodically all safety devices and governors and conduct annual no-load test, and each fifth year, if such requirement falls within the term of this Agreement, perform a full-load, full-speed test of safety mechanism, overhead speed governors, car and counterweight buffers. The car balance will be checked, and the governor set. If required, the governor will be recalibrated and sealed for proper tripping speed.
- b. Recalibrate load weighing devices after annual and five-year safety tests.
- c. Renew all wire ropes as often as is necessary to maintain an adequate factor of safety; equalize the tension on all hoisting ropes, repair or replace conductor cables and hoistway and machine room elevator wiring.
- d. Furnish lubricants selected by Contractor to meet the specific requirements of the equipment.
- e. Make other safety tests required by governmental authorities pursuant to

regulations or orders in effect on the date of this Agreement including any requirements to test the firefighters' service and standby (emergency) power.

2.3 Contractor will not be required:

- a. To install new attachments to any equipment, whether or not recommended or directed by insurance companies or by governmental authorities.
- b. To make any replacements with parts of a design different from that designed or specified by the original manufacturer of the equipment to be replaced or to make any changes in the existing design of the test equipment. Contractor shall be responsible for obsolete/out of production (i.e., discontinuance) parts if such parts are readily available on the open market. However, if the equipment has to be substantially modified to accommodate a non-OEM part, then consideration shall be given with regard to obsolescence of materials, systems, or parts.
- c. To make renewals or repairs necessitated by reason of accidents, vandalism, negligence, or misuse of the equipment by persons other than Contractor or by reason of any cause beyond Contractor's control except ordinary wear and tear.

2.4 Contractor will have no responsibility for the following items of elevator equipment which are not included in this contract:

- a. Hoistway panels, door hinges, frames, gates and sills; cabs and cab flooring; cab doors, gates and removable cab panels; power switches, fuses and feeders to controllers; light fixtures and lamps; cover plates for signal fixtures and operating stations; cab mirrors and handrails; cleaning of cab interiors and exposed sills.

2.5 Contractor will also maintain, and if conditions warrant, repair or replace the following auxiliary equipment:

- a. Emergency lighting bulbs, batteries, battery charger and related wiring and components.
- b. Intercom system, master stations, speakers, latch-in system, emergency batteries, wiring and components. (Only those systems and devices directly related to elevator communication and only if the device is of an ADA-compliant type.)
- c. Elevator operating devices for fire emergency operation.



- d. Elevator operating devices for emergency power operation.
  - e. All disability devices pertaining to elevator equipment.
- 2.6 Contractor will maintain the original contract speed (within + or - 5%) in feet per minute and the original performance time, including acceleration and deceleration as designed and installed by the manufacturer, and perform the necessary adjustments as required to maintain the original door operations within limits of applicable codes or adjust and maintain revised times upon written direction of Owner.
- 2.7 Contractor will check the group dispatching systems and make necessary tests to ensure that all circuits and time settings are properly adjusted and that the system performs as designed and installed by the manufacturer or adjust and maintain revised setting upon written direction of Owner.

**3. GENERAL COVERAGE**

- 3.1 All work is to be performed during regular working hours of regular working days unless otherwise specified below.
- 3.2 Contractor will provide emergency minor adjustment call back service on a 24 hours a day, 7 days a week basis. Call back service is included at no additional cost to the Owner.

In the event of a call back, Contractor must arrive at the building within three (3) hour from time of notification by Owner of equipment problem or failure.

In the event of an entrapment, Contractor must arrive at the building within one (1) hour from time of notification by Owner of equipment problem or failure.

Emergency minor adjustment call back service is the adjustment associated with equipment and devices, including the following, providing the adjustment can be performed by the examiner:

Operating switches and relays on the following: controller, selector, brake, governor, leveling device, car safety systems, door operator system including door protective device, car and hall button stations, and in the hoistway and pit.

Contractor shall include up to 6 key retrieval call backs on an annual basis at no additional cost to Owner to recover sets of keys that have fallen into elevator pits.

- 3.3 If examinations, cleaning, lubrication or repairs are requested on other than the regular working hours of the regular working days for the elevator trade, then Contractor will absorb the worked hours at single time rates and will be reimbursed for the overtime portion of the hours at regular hourly billing rates.

- 3.4 When, as a result of an examination, corrective action is found to be the responsibility of the Contractor, the Contractor will proceed immediately to make (or cause to be made) replacements, repairs, and corrections. When such work is determined not to be the responsibility of the Contractor, a written report signed by the Contractor will be delivered to the Owner for further action, unless a safety or potential safety problem exists, in which case the Contractor will immediately correct the problem at the least expense possible to the Owner.
- 3.5 Removal of elevators from service will be coordinated with and approved by the Owner or his representative. Owner agrees to permit Contractor to remove elevators from service for a reasonable time in order to perform maintenance thereon.
- 3.6 Contractor agrees to furnish a mechanic for a **minimum number of hours per week** (SEE ATTACHMENT "A") and a helper for a **minimum number of hours per month** (SEE ATTACHMENT "A") based on a 4-week average, exclusive of callbacks, repair work, or billable work not covered by this contract.
- Contractor must commit to provide routine preventive maintenance on a regular basis. The specific days of the week to provide this service will be negotiated with the Owner prior to signing this agreement. (For example, provide a mechanic for 8 hours every 2<sup>nd</sup> Tuesday of the month.)
- 3.7 In performing the indicated work, Contractor agrees to provide parts used by the manufacturer of the equipment for replacement or repair, and to use lubricants obtained from and/or recommended by the manufacturer of the equipment. Equivalent parts or lubricants may be used if approved in writing by Owner.
- 3.8 Parts requiring repair must be rebuilt to "as new" condition. No parts for elevator equipment covered under this contract may be permanently removed from the job site without written approval by the Owner. This does not include renewal parts stocked on the job by Contractor, which remain his sole property until installed for use on the equipment.

#### 4. DOCUMENTATION AND CONSULTATION

- 4.1 Contractor will provide and maintain routine short and long term maintenance schedules and records in each elevator machine room for each elevator. Records will be available to Owner at all times.
- 4.2 Mechanics responding to call backs will be required to record, in Owner's call back record, a brief description of corrective action taken in response to each call.
- 4.3 Contractor will also provide inspections and will complete inspection forms and certifications in accordance with national, state, or local government laws, ordinance or regulations. State or City inspection fees will be paid by the Owner. Fees for reinspection due to failure to eliminate deficiencies covered by this maintenance agreement will be paid by the Contractor.
- 4.4 Owner may, from time to time, engage the services of an independent elevator consultant ("Consultant"). Contractor will cooperate with the Owner's designated Consultant. The Owner may, at his discretion, engage a consultant to evaluate the maintenance if unusual problems are reoccurring. If necessitated by lack of proper maintenance, Contractor will share a reasonable portion of the expense for such Consultant with the Owner.
- 4.5 Contractor will not be liable for obtaining operating permits or associated fees.
- 4.6 Contractor will comply with the requirements of section 8.6 of A17.1 code including providing and



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keeping current a written Maintenance Control Program. This document must be kept on site. Reference: ASME A17.1, Rule 8.6.1.2.1.

**5. STEEL PARTS CABINETS AND WIRING DIAGRAMS**

- 5.1 Contractor will maintain standard approved cabinets for the orderly storage of replacement parts in the machine room and original engineering wiring diagrams for the term of this contract. The wiring diagrams on site that were provided to the owner after construction will remain the property of the owner. Wiring diagrams must be modified to reflect any changes made by contractor for any reason during the term of this contract.

**6. INVENTORY**

- 6.1 Contractor will maintain a supply of contacts, coils, leads, generator brushes, lubricants, wiping cloths, and other minor parts in each elevator machine room for the performance of routine preventive maintenance. Escalator spare parts will include comb plates, step treads, steps, micro-switches and controller parts. Such parts will be at a ratio of not less than 10% of parts in use and in no case less than one.
- 6.2 Contractor will maintain a supply of genuine manufacturers' spare replacement parts in their warehouse inventory. This inventory will include, but not be limited to, SCR's, generator rotating elements, door operator motors, brake components, generator and motor brushes, controller switch contacts, selector tapes, door hangers, rollers, hoistway limit switches, escalator handrails, drive chains, step chains and driver components. Such spare lending and replacement parts will be kept in warehouse inventory or be available from manufacturing facilities located strategically so as to provide delivery capability within twenty-four (24) hours.

**7. TERM**

The term of this contract will for THREE (3) years from \_\_\_\_\_ to \_\_\_\_\_, both dates inclusive, and from year to year thereafter, but subject to the following:

- A. If during the effective period of this agreement, Contractor violates any of the provisions of this contract or fails to properly provide the services required by this contract under the procedure set forth in section 10.2 below, Owner may terminate this agreement on 30 days written notice to Contractor.
- B. If, during the effective period of this agreement, Owner fails to pay current monthly invoices within 60 days of receipt of said invoices, Contractor may, on 30 days written notice to Owner, terminate this agreement.
- C. In the event of building sale or change of ownership, this agreement will remain in force until canceled by either party by giving 30 days written notice of termination to the other party.
- D. If the Owner chooses to modernize vertical transportation equipment, the contract may be canceled with 30 days written notice, provided the modernization work is considered a major modernization as defined by ASME A17.1.

- E. The Owner and the Contractor reserve the right to terminate the agreement at the end of each term by giving the other party written notice at least sixty (60) days before the end of the term.

**8. CONTRACT PRICE AND ADJUSTMENT**

- 8.1 Owner will pay Contractor on or before the last day of each and every month during the term of this agreement the sum indicated in ATTACHMENT "A" for the faithful performance of the services herein required of Contractor for all equipment described in herein, but subject to the following:

The contract price will be subject to review and adjustments at the end of each 12 month period from effective date of this contract and yearly thereafter. 75% of the contract price will be adjusted to reflect any increase or decrease in labor cost based on the straight-time rate (including fringe benefits cost) of elevator mechanics in the area wherein the equipment covered by this contract is located. Fringe benefits cost includes, but is not limited to, pensions, vacations, paid holidays, group life, sickness, accident and hospitalization insurance. The remaining 25% will be adjusted to reflect any increase or decrease in material cost based on the Producer Price Index for Metals and Metal Products Commodity Code 10 as published by the U.S. Department of Labor, Bureau of Statistics. Base rates for the above contract are:

LABOR RATE INCLUDING FRINGE BENEFITS APPLICABLE	RATE: (SEE ATTACHMENT "A")	DATE: (SEE ATTACHMENT "A")
PRODUCER PRICE INDEX	INDEX: (SEE ATTACHMENT "A")	DATE: (SEE ATTACHMENT "A")

- 8.2 Partial Occupancy Adjustment: The contract price stated in article 8.1 has been established on the assumption of certain levels of usage of the elevator equipment. In the event that occupancy of the property should fall below 80% on a continuing basis causing less than normal usage of the elevator equipment, the following discounts to the contract price (as adjusted under article 8.1) will be applied:

OCCUPANCY	CREDIT
80.0% TO 100%	0%
70.0% TO 79.9%	5%
60.0% TO 69.9%	10%
50.0% TO 59.9%	15%
BELOW 50.0%	20%

After the initial review at the start of this contract, Owner and Contractor will review the occupancy of the Property every twelve (12) months, and Contractor will adjust the invoice accordingly. Any reduction applied will be reviewed and adjusted annually based on the average occupancy rate of the Property for the previous twelve (12) months. The method of establishing this average occupancy must be acceptable to both parties. At least thirty (30) days prior to each annual credit adjustment



date, Owner will submit a written statement to Contractor indicating the average occupancy rate of the Property for the period since the last credit adjustment date. The average will be calculated by averaging the month-end occupancies during the relevant time period. If Contractor does not receive this statement at least thirty (30) days prior to any credit adjustment, then no adjustment to the basic contract price, as adjusted pursuant to Section 8.1, will be applicable until the next credit adjustment date. The mandated labor hours shall reduce or increase in straight line proportion respective to the occupancy rate adjustment up to a maximum of those hours stipulated at the full rate pricing.

**9. INSURANCE**

9.1 Contractor will secure and keep in force during the life of this agreement, at his sole cost and expense, the following insurance policies (or the equivalent thereof) in companies acceptable to Owner:

A. Commercial General and Automobile Liability

Contractor will maintain, at its sole expense, Commercial General Liability, Automobile Liability and Umbrella Liability policies insuring against any liability imposed by law for damages resulting from bodily injury or property damage, including direct negligent acts or omissions, that arise from the operations of the Contractor or any employee, servant or agent of the Contractor. Commercial General Liability limits will not be less than \$1,000,000 each occurrence/\$4,000,000 Products-Completed Operations Aggregate and \$4,000,000 General Aggregate. \$1,000,000 combined single limit will be required on the Automobile Liability policy, and \$5,000,000 each occurrence limit will be required on the Umbrella Liability policy. Policies will be written on a "per occurrence" basis. Contractor will provide Certificates of Insurance to the Owner as evidence of such coverage, naming Owner as Additional Insured and providing 30 day written notice of cancellation or material change to Owner.

B. Workers Compensation Insurance

Contractor will maintain full legal compensation insurance for the protection of himself and his employees.

9.2 Nothing in this agreement will be construed to mean that Contractor assumes any liability on account of accidents to persons or property, except those directly due to liability arising from their operations including negligent acts or omissions of Contractor, his employees, subcontractors, servants or agents. Contractor will not be held responsible nor liable for any loss or damage due to any cause beyond his control, including, but not limited to, acts of government, strikes, lockouts, fire, explosion, theft, floods, riot, civil commotion, war, malicious mischief or act of God.

9.3 Before commencing work, Contractor must furnish Owner with one copy or certificate of all said policies, including an endorsement which states that such insurance will not be canceled until Owner has been given 30 days notice in writing of the intention of the insurer to cancel the policy.

**10. OWNER'S RIGHT TO INSPECT AND REQUIRE WORK**

10.1 Owner reserves the right to make such inspections and tests whenever necessary to ascertain that the requirements of this agreement are being fulfilled. Deficiencies noted will be promptly corrected



by Contractor at Contractor's expense.

- 10.2 If Contractor fails to perform the work required by the terms of this agreement in a diligent and satisfactory manner, Owner may, after 10 days written notice to Contractor, perform or cause to be performed all or any part of the work required hereunder, provided that the Owner provides thirty (30) days written notice to the Contractor of the intention to terminate if deficiencies are not corrected to the sole satisfaction of the Owner. Contractor agrees that it will reimburse Owner for any expense incurred therefore up to the amount of any sum owing Contractor, and Owner at his election may deduct the amount from any sum owing Contractor. The waiver by Owner of a breach of any provision of this agreement by Contractor will not operate or be construed as a waiver of any subsequent breach by Contractor. The Consultant may be retained by Owner to mediate any disputes.

#### **11. CONTRACTOR TO COMPLY WITH LAWS**

- 11.1 In the performance of this contract, the Contractor agrees he will abide by all existing laws, codes, rules and regulations set forth by all appropriate authorities having jurisdiction in the location where the work is to be performed.
- 11.2 Contractor will make periodic tests and maintenance inspections of all equipment as required by current applicable safety codes for elevators and escalators. Contractor will make annual no-load, slow-speed test of car and counterweight safeties, governors and buffers and 5-year, full load, full speed, test of safeties, governors and buffers, all as required by ASME A17.1 code. Written reports of said tests will be submitted to the Owner and, in the case of running safety tests, prior notification will be given so that a representative of Owner may witness the test.
- 11.3 Under this agreement, the Contractor will not be required to install new attachments as may be recommended or directed by inspecting entities, insurance companies, and federal, state or municipal governmental authorities subsequent to the date of this contract, unless compensated for such installation.

#### **12. EMPLOYEES OF CONTRACTOR TO BE SATISFACTORY**

- 12.1 Contractor agrees that all work will be performed by and under the supervision of skilled, experienced, elevator service and repair persons directly employed and supervised by Contractor. Any and all employees performing work under this contract must be satisfactory to Owner.

#### **13. PERFORMANCE REQUIREMENTS**

- 13.1 Contractor agrees to maintain the following minimum performance requirements defined below with specific standards as shown in ATTACHMENT "A" for each building:
- A. Floor-to-floor time: Measured from the time the doors start to close, including a typical one-floor run, until the elevator is approximately level with the next floor (up or down), and the doors fully open.

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- B. Door opening time: Measured from the start of car door opening until doors are within 1" of fully opened position.
  - C. Stalled door closing force: Measured with the power doors in a stalled position approximately halfway closed.
  - D. Stopping accuracy: Measured under any and all load conditions.
  - E. The variance from rated speed, regardless of load, will not exceed +/- 5% for gearless or geared elevators.
- 13.2 In accomplishing the above requirements, Contractor will maintain a comfortable ride with smooth acceleration, deceleration and a soft stop. Vibration and noise level will be minimized. Door operation will be quiet and positive with smooth checking at the extremes of travel.

**14. SPECIAL CONDITIONS**

- 14.1 Neither this contract nor any interest therein nor claim thereunder will be assigned or transferred by the Contractor except as expressly authorized in writing by the Owner. No contract will be made by the Contractor with any other party for furnishing any of the work or services herein contracted for without the prior written approval of the Owner.
- 14.2 Contractor will assist with periodic inspection and testing of the firefighters' service and standby emergency power operation. Tests will be scheduled by the Owner. Owner will pay for premium portion of work requested outside of normal work hours. A written record of such monthly tests must be kept on site as per Code requirements.
- 14.3 If an elevator is shut down for more than 72 continuous hours (except for prescheduled repairs), the maintenance billing for that elevator will be suspended until the unit is restored to service.
- 14.4 The Owner reserves the right to require the Contractor to provide a monthly summary of all callbacks for review with the Owner. The intent of this monthly summary is to minimize callbacks by keeping the Contractor and Owner aware of callback trends in the event callbacks become a problem in the judgment of the Owner.

**15. PREVIOUS REPRESENTATIONS**

- 15.1 All previous communications or agreements, written or verbal, are hereby terminated and this writing constitutes the whole agreement between the parties hereto.

**16. EXTENT OF LAW**

- 16.1 This agreement will be interpreted in accordance with the laws of the State of Georgia.

**17. TIME**

- 17.1 Time is of the essence in the performance of the terms of this agreement.

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**18. EXECUTION**

IN WITNESS WHEREOF, the parties have executed this agreement on the date noted below.

CONTRACTOR: FUJITEC AMERICA, INC.	OWNER:
BY: 	BY: 
SIGNATURE	SIGNATURE
TITLE:	TITLE:
DATE:	DATE:

**FUJITEC AMERICA, INC.**  
**5965 Peachtree Corners East**  
**Suite C-3**  
**Norcross, GA 30071**



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ATTACHMENT "A"

Building:
Address:

EQUIPMENT DUTY (Ref. Section 1)				
QUANTITY	TYPE	CAPACITY	SPEED	STOPS
2 (PE1 & PE2)	GEARED	3000	350	24
1 (SE3)	GEARED	4000	350	24

MINIMUM MANPOWER COMMITMENT (Ref. 3.6)	
Mechanic Hours per Month: 8	Helper Hours per Month: As needed

PRICE ADJUSTMENT FACTORS (Ref. 8.1)		
LABOR RATE INCL. FRINGE BENEFITS APPLICABLE	RATE: \$ 87.58	DATE: 1-1-2014
PRODUCER PRICE INDEX	INDEX: 213.6	DATE: DEC-2013

PERFORMANCE REQUIREMENTS (Ref. 13.1)				
Elevator #	Floor to Floor Time	Door Open Time	Door Force	Stopping Accuracy
PE1 & PE2	12.0	2.0	< 30 LBF	+/- 3/8"
SE3	12.9	2.5	< 30 LBF	+/- 3/8"
CONTRACT PRICE (Ref. 8.1)		\$ 1,485.00 per Month excluding Tax		

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BILLING RATES AS OF FEB-2014

NAME OF BIDDING COMPANY: FUJITEC AMERICA, INC.

	REGULAR TIME	DOUBLE TIME
MECHANIC	\$193.64	\$299.08
HELPER	\$169.10	\$255.51
TEAM	\$362.74	\$554.59