

004378 / FO14835 349.04



### SERVICE AGREEMENT

PURCHASER: Lincoln/Lancaster Public Building Commission  
920 O Street, Suite 203, Lincoln, NE 68508

DATED:  
March 8, 2007

I. O'KEEFE ELEVATOR COMPANY, INC. ("O'Keefe") proposes to furnish maintenance pursuant to this agreement on the following described equipment located at:  
Lincoln Lancaster County Health Department  
3140 N Street  
Lincoln, NE 68510

and further described as:

<u>Units</u>	<u>Make</u>	<u>Type</u>	<u>Operation</u>	<u>Floors</u>
One (1)	O'Keefe-ThyssenKrupp	Hydraulic Passenger	Duplex	#1-State #5408
One (1)	O'Keefe-ThyssenKrupp	Hydraulic Passenger	Duplex	#2-State #5409

(hereafter referred to as "the equipment").

#### II. PERFORMANCE BY O'KEEFE

A. Elevator Maintenance. Under this contract O'Keefe will maintain Purchaser's equipment on the following terms and conditions:

O'Keefe will use trained service people who are employed and supervised by O'Keefe and who are selected with the goal of providing skilled elevator maintenance work.

O'Keefe will provide the labor and material (subject to availability) necessary to repair, replace, or renew the following elevator equipment when ordinary wear and tear as determined by O'Keefe requires it, and unless specifically excluded elsewhere in this agreement:

- MACHINE, including worm and gear, thrust bearings and housing, drive sheave, drive sheave shaft bearing; brake including brake pulley, brake coil, brake contact, linings and component parts.
- MOTOR, MOTOR-GENERATOR, AND SCR'S including auxiliary rotation systems, (tachometer, regulators and the like) motor windings, rotating elements commutator, brushes, brush holders and bearings.
- GOVERNOR, including governor sheave and shaft assembly, bearings, contacts and jaws.
- ALL IDLER SHEAVES, including deflector or secondary, car and counterweight, compensation and related bearings; governor tension assemblies.
- CONTROLLER AND VARIOUS RELAY PANELS, including all relays, contactors, solid state components, resistors, condensers, transformers, contacts, shunts, mechanical or electrical timing devices, and integral computer components.
- SELECTORS, including selector drive and its mechanical and electrical drive components.
- HOISTWAY DOOR INTERLOCKS or locks and contacts; hoistway door hangers and tracks, bottom door guides and auxiliary door closing devices; hoistway landing and slow down limit switches.
- GUIDE SHOES, including rollers or gibs.
- BUFFERS.
- AUTOMATIC POWER OPERATED DOOR OPERATOR, door protective devices, car door hanger, track, threshold and car door contact; load weighing equipment; car frame, car safety mechanism, platform; door operator chains and belts.
- FIXTURES, car and hall button stations and position indicators, master indicator control panels, all signal fixtures including contacts, buttons, key switches and locks, indicator bulbs and sockets.

- HYDRAULIC PUMPS, VALVES, STRAINERS, AND MUFFLERS.
- CABLES, including hoist cables, wire ropes, and traveling conductor cable.
- HANDRAIL, HANDRAIL DRIVE CHAINS, handrail brush guards and handrail guide rollers, alignment devices, steps, step tread, step wheels, step chains, step axle brushings, comb and floor plates, (This paragraph applicable to escalators only.)
- UPPER DRIVE, UPPER DRIVE BEARINGS, tension sprocket bearings, upper newel bearings, lower newel bearings. (This paragraph applicable to escalators only.)

O'Keefe will, in its discretion, provide a parts cabinet. The parts cabinet, its contents, and all equipment and tools used by O'Keefe remain the property of O'Keefe.

O'Keefe will perform the periodic no-load safety test and full load test in accordance with A.N.S.I. A17.1, current edition or applicable local code requirement. It is understood by the Purchaser that such tests may result in property damage and that Purchaser assumes the risk of all such damage.

O'Keefe will perform all work during its regular working hours. In the event service of the equipment is required between O'Keefe's regular examinations, O'Keefe will send a service person. When such work requires labor or equipment which are included in this contract, O'Keefe will perform the work at no additional charge. If O'Keefe is required at the request of the Purchaser to incur overtime on labor, Purchaser shall pay the premium portion at O'Keefe's prevailing billing rate.

O'Keefe will whenever possible schedule during regular working hours pre-planned repairs involving significant interruptions of the elevator operation to suit the Purchaser's convenience.

#### B. "Special Conditions"

- 1.) Deduct ONE HUNDRED FIFTY FIVE AND 00/100 DOLLARS (\$155.00) plus applicable taxes per month through May 4, 2007 when the warranty and free maintenance on the #1 elevator expires.

#### C. Exceptions

Purchaser acknowledges that with the passage of time equipment technology and designs will change. O'Keefe shall not be required to install new attachments or improve the equipment or operation from those conditions existing as of the effective date of this agreement. O'Keefe has the responsibility to make only those adjustments, repairs or replacements required under this agreement which are due to ordinary wear and tear and are disclosed to be reasonably necessary by our examination. Purchaser agrees to accept our judgement as to the means and methods to be used for any corrective work. O'Keefe shall not be required to make adjustments, repairs or replacements necessitated by any other cause including but not limited to, obsolescence; accidents, vandalism, damage caused by electrical storms, extremes of heat or cold, fire or explosion whether originating in the equipment or not, flood, theft, acts of God, negligence or misuse of the equipment. If adjustments, repairs, or replacements are required due to such causes, Purchaser agrees to pay O'Keefe as an extra to this agreement for such work and equipment.

The Purchaser acknowledges that the equipment consists of mechanical and electrical devices and, like any such devices, in normal operation and with passage of time is subject to wear and tear, deterioration and possible malfunction through use, fatigue, corrosion, dust, abuse, etc. This agreement is not intended as a guarantee against failure or malfunction at any time. Its purpose is to reduce wear and prolong the useful life of moving parts through examination and lubrication; and to call to Purchaser's attention repairs needed, in O'Keefe's opinion, to correct existing malfunctions or potential malfunctions where such can be determined by visual and ordinary examination methods offered with this type service; and to be on call to make such repairs as Purchaser may order if and when malfunction or failure should occur. No liability for the use, operation, management or control of the equipment is assumed by O'Keefe.

O'Keefe shall not be required to make additional safety tests or install new attachments on the equipment which are recommended or directed by insurance companies or by governmental authorities after the date of this agreement.

In the event that identical equipment, new or used, is not available to O'Keefe to replace Purchaser's elevator equipment covered under this agreement, for example, when an elevator part is no longer manufactured or is otherwise obsolete, O'Keefe shall not be responsible under this agreement for the labor or material to replace such elevator equipment.

O'Keefe assumes no responsibility under this agreement for the following items of elevator equipment:

- CAR ENCLOSURE, including removable panels, car gates and door panels, plenum chambers, hung ceiling, light diffusers, car lighting fluorescent tubes and ballasts, light bulbs, emergency light systems, handrails, mirrors, carpets, wood platform, sub-flooring, ventilating fans, finish tile or carpet flooring, music system, car heating and air conditioning.
- HOISTWAY ENCLOSURES, hoistway door panels, hoistway gates, hoistway door frames and sills.
- MACHINE ROOM ENCLOSURES AND LIGHTING; PIT ENCLOSURES AND LIGHTING.
- JACK UNIT cylinder and piston, buried piping and conduit; hydraulic fluids.
- FIXTURE FACEPLATES in car, hallway and lobby.
- EQUIPMENT that supplies power to the equipment, including without limitation, power switches and feeders to controllers and main line fuses; batteries and gel cells; and emergency power generating equipment, and communication equipment, including but not limited to phones, dialers, and intercoms.
- SMOKE AND FIRE SENSORS with related control equipment not specifically part of elevator controller.
- SIGNAGE whether cautionary, informational, or instructional.
- BALUSTRADES, ESCALATOR LIGHTING, WEDGE GUARDS.
- ANY OTHER ITEM OF ELEVATOR EQUIPMENT which is not expressly referred to above in Section II.A. of this agreement.

### III. PERFORMANCE BY THE PURCHASER

Purchaser shall be solely responsible for supervising the use of the equipment. Purchaser is responsible for whatever attendant personnel, signage, and other controls and cautions are required or desirable for safe operation of the equipment. Purchaser, not O'Keefe, assumes the responsibility to instruct and warn all persons including passengers, tenants, employees, and the general public in the proper use of Purchaser's equipment and the risks involved in its use.

Purchaser shall shut down the equipment immediately upon manifestation of any malfunction or irregularity in operations or appearance of the equipment and Purchaser shall keep the equipment shut down until O'Keefe has completed its work.

Purchaser shall immediately notify O'Keefe and appropriate government authorities of any accidents and give O'Keefe written notice within 24 hours.

Purchaser agrees to notify O'Keefe immediately in writing of environmental or safety hazards in the building.

Purchaser agrees to pay any tax or permit required by law.

Purchaser understands that nothing in this agreement shall be construed to mean that O'Keefe assumes any liability for injury or damages to persons or property except those directly caused by the acts or omissions of O'Keefe, and that Purchaser's own liability, if any, for such injuries or damages is not affected by this agreement. O'Keefe shall not be liable for any damages caused by misuse of the equipment, fire or explosion whether originating in the equipment or not, electrical storms, extremes of heat and cold, flood, theft, acts of God, vandalism, strikes, lockouts, or other labor disputes of any kind, material shortages, acts of civil or military authorities, riot or insurrection, or any cause beyond O'Keefe's control. In the event of delay due to any such cause O'Keefe's performance will be postponed for the time period reasonably necessary to compensate for the delay. In no event shall O'Keefe be responsible for consequential damages.

Purchaser agrees to notify O'Keefe in writing of any change in ownership, lessor, lessee, or management of the subject premises where the equipment is located at least 30 days prior to such changes. Failure to so notify shall not negate Purchaser's obligation under this agreement. No assignment of this agreement shall be effective without the written consent by O'Keefe.

Purchaser agrees that failure to make payments due under this contract within 60 days from the due date shall suspend O'Keefe's obligations under this agreement without further notice to Purchaser, and is cause for O'Keefe to terminate the contract upon written notice to the Purchaser. Interest is payable at the maximum rate permitted by law on amounts unpaid over 60 days, from the due date, and all costs of collection, if necessary, including attorney's fees, shall be paid by Purchaser.

Purchaser agrees to pay for any work, including labor and materials, requested by Purchaser which are not included in this contract, with such work to be billed at O'Keefe's regular billing rates.

In accordance with local requirements, if any, Purchaser shall activate the Fire Service Key Switch for the equipment and keep documentation in accordance with such local requirements.

IV. CONTRACT PRICE

The price for this contract shall be THREE HUNDRED TEN AND 00/100 DOLLARS  
(\$ 310.00) Dollars per month, payable monthly in advance upon presentation of the invoice.

MAINTENANCE SERVICE SHALL COMMENCE on the 14th day of March, 2007  
(the "Commencement Date" and shall continue for a period of one (1) year and upon expiration for periods of one (1) year thereafter until terminated. Either party may terminate this agreement at the end of any five year term by giving the other party written notice at least ninety (90) days prior to the end of such term.

THE CONTRACT PRICE shall be adjusted annually on the anniversary date of the contract in the manner provided below as soon as practicable after O'Keefe has received the index of Producer Price Index for Metals and Metal Products, published by the U.S. Department of Labor, Bureau of Labor Statistics, for the month within which falls the anniversary date of the commencement of the services.

Each adjustment shall be made as follows:

- 0% of the contract price shall be increased or decreased by the percentage of increase or decrease shown by the most current index of Producer Price Index for Metals and Metal Products as compared with the index for December 2006 which was 186.9 ( 1/86.9 =100%.)
- 100% of the contract price shall be increased or decreased by the percentage of increase or decrease in the straight time hourly labor cost for the month within which falls the anniversary date of the commencement of the service as compared with such straight time hourly labor cost on March 1, 2007.

As used in this provision, the phrase, "straight time hourly labor cost" means the sum of the straight time hourly labor rate and the average hourly cost of Fringe Benefits paid by us to elevator examiners in the locality where the equipment is to be maintained.

The words "Fringe Benefits" mean employee benefits granted in lieu of or in addition to hourly rate increases and include, but are not limited to Pension, Vacations, Paid Holidays, Group Life, Sickness and Accident and Hospitalization Insurance. The straight time hourly labor cost applicable to this contract is \$ 52.167 of which \$ 19.292 constitutes the cost of Fringe Benefits.

The price shall be subject to adjustment in the manner set forth on the price adjustment page of this contract.

V. ADDITIONAL PROVISIONS

This agreement shall be binding on the parties hereto, their heirs, representatives, successors, and assigns, and all persons claiming through them.

This document shall become a valid contract after it is signed by the Purchaser and O'Keefe by an authorized officer. This agreement constitutes the entire agreement and supersedes any prior agreement or representations, whether oral or written, express or implied. This agreement may not be amended except by a writing signed by the parties; provided, however, that only authorized officers of O'Keefe shall have the authority to agree to any such amendment.

Any notices to either party pursuant to this agreement shall be sent to the addresses listed below.

OFFERED Public Building Commission  
Legal Name of Purchaser  
920 'O' St, Suite 203 Lincoln NE 68508  
Address  
 BY: Danny Robbins - one year agreement  
 TITLE: Chairperson DATE: 04-10-07

ACCEPTED: O'KEEFE ELEVATOR COMPANY, INC.  
 BY: Dennis B. Nichols  
 TITLE: President DATE: 4-18-07