



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

CONSENT
October 19, 2010

Honorable Mayor and
Members of the City Council

Title: Contract: Citywide Elevator, Escalator and Lift Repair and Maintenance Services

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) awarding a three year contract for citywide elevator, escalator and lift repair and maintenance services to Kone, Inc. in a total amount not to exceed \$352,656 for the three year period; and 2) authorizing the City Manager or the City Manager's designee to execute the contract specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).

Contacts: Tony Alexander, General Supervisor, 808-6360; Yadi Kavakebi, Facilities Superintendent, 808-8432

Presenters: Not applicable

Department: General Services

Division: Facilities and Real Property Management

Organization No: 13001521

Description/Analysis

Issue: This report recommends awarding a contract to perform required elevator, escalator and lift repair and maintenance services on a citywide basis. The formal bid process for this contract was completed on September 8, 2010, and Kone, Inc. was selected as the lowest responsive and responsible bidder.

The City has 24 sites with approximately 70 pieces of equipment that require weekly, monthly, and yearly maintenance and repairs. This equipment must also remain in compliance with State of California mandates for maintenance, safety and repairs.

Policy Considerations: The recommendations in this report are consistent with the provisions of Sacramento City Code Chapter 3.56 and Resolution No. 2010-346 prohibiting the City from entering into any contract to purchase goods or services from any business or entity headquartered in Arizona.

Committee/Commission Action: Not applicable

Environmental Considerations:

California Environmental Quality Act (CEQA): The current proposal involves awarding of a contract for repair and maintenance services. The proposal is not a 'project' in accordance with Section 15378 of the CEQA guidelines. The proposal does not have a potential for resulting in either direct or indirect physical changes in the environment. Therefore, as determined by the City's Environmental Services Planning Manager, no environmental review is necessary.

Sustainability Considerations: Not applicable

Rationale for Recommendation: The maintenance and repair of elevators, escalators, and lifts is critical to maintaining the safety, reliability, and quality of services in City buildings, as well as meeting Americans with Disabilities Act (ADA) standards. This equipment must also remain in compliance with State of California mandates for maintenance, safety, and repairs. Services to be performed under this contract include:

- Maintenance and repair of all control systems
- Maintenance and repair of heavy duty door operators and door protection devices
- Maintenance and repair of hoistway cables
- Complete preventive maintenance service repairs and functional maintenance

On August 6, 2010, the Department of General Services, in accordance with City Code Section 3.56, issued Invitation for Bid (IFB) No. B1113001521002 for citywide elevator, escalator and lift repair and maintenance services. The small business requirement was waived for this project. A total of five bids were received. It was determined that Kone, Inc. was the lowest responsive and responsible bidder.

The results of IFB No. B1113001521002 are listed in the table below.

Company Name	Contract Amount	ESBE %
Kone, Inc.	\$117,552	N/A
Otis Elevator	\$171,985	N/A
Elevator Technology	\$191,940	N/A
Thyssen Krupp	\$199,910	N/A
Schindler	\$240,502	N/A

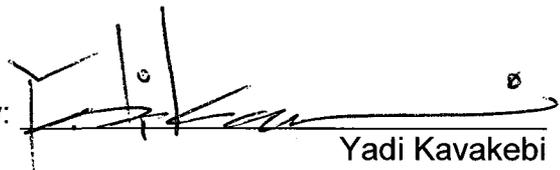
Financial Considerations: Funding for the citywide elevator, escalator and lift repair and maintenance services contract will be provided by the Department of General Services' operating budget. Sufficient funding is available in the department's FY2010/11 budget (General Fund, Fund 1001) to purchase these services through June 30, 2011. Purchases made after June 30, 2011, are subject to funding availability in the adopted budget for the applicable fiscal year.

Staff's estimate of the annual cost for these services was \$175,000. The previous contract awarded by City Council on October 28, 2008 (Resolution No. 2008-694) for these services was for an annual amount of \$174,760. A three year contract term is recommended instead of a one year contract term with two annual renewal options to obtain better pricing. Vendors are generally more willing to offer lower pricing when a long term contract is offered. The estimated annual amounts are as follows:

Vendor	Year 1	Year 2	Year 3	Contract Total
Kone, Inc	\$117,552	\$117,552	\$117,552	\$352,656

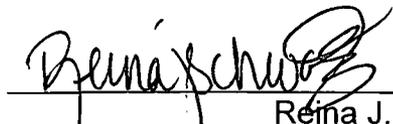
Emerging Small Business Development (ESBD): Kone, Inc. is not certified as an emerging/small business enterprise.

Respectfully Submitted by:



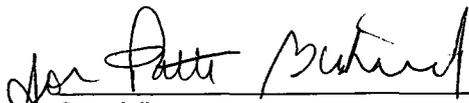
Yadi Kavakebi
Facilities Superintendent

Approved by:



Regina J. Schwartz
Director, Department of General Services

Recommendation Approved:



Gus Vina
Interim City Manager

APPROVED AS TO FORM:


CITY ATTORNEY

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RESOLUTION NO. 2010-

Adopted by the Sacramento City Council

October 19, 2010

**AWARD CONTRACT FOR CITYWIDE ELEVATOR, ESCALATOR, AND LIFT REPAIR
AND MAINTENANCE SERVICES**

BACKGROUND

- A. The maintenance and repair of elevators, escalators, and lifts is critical to maintaining the safety, reliability, and quality of services in City buildings, as well as meeting Americans with Disabilities Act (ADA) standards. This equipment must also remain in compliance with State of California mandates for maintenance, safety, and repairs.
- B. The formal bid process for citywide elevator, escalator, and lift repair and maintenance services was completed on September 8, 2010. Pursuant to City Code 3.56, Kone, Inc. was determined to be the lowest responsive and responsible bidder.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. Kone, Inc. is awarded a three-year contract for citywide elevator, escalator, and lift repair and maintenance services in a total amount not to exceed \$352,656 for the three-year period.
- Section 2. The City Manager or the City Manager's designee is authorized to execute the contract specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).