



Agenda Report

21-1069

Agenda Date: 2/23/2021

REPORT TO COUNCIL

SUBJECT

Action on an Agreement with KONE, Inc. for Citywide Elevator Maintenance and Repair Services

COUNCIL PILLAR

Deliver and enhance high quality efficient services and infrastructure.

BACKGROUND

The Department of Public Works' Facilities Division oversees maintenance and repair services for elevators at various City locations such as the Tasman Garage, Santa Clara Senior Center, Santa Clara Police Department, Santa Clara Convention Center Garage, and City Hall. The elevators are critical to continuing operations in these City buildings and require periodic inspection and maintenance throughout the year. The City uses a contractor for preventative maintenance services, annual testing services, and as-needed repair services to ensure they continue to function properly.

DISCUSSION

In 2020, staff issued an RFP for Citywide Elevator Repair and Maintenance Services on the City's e-procurement system, BidSync. The City received two proposals in response to the RFP from KONE, Inc. and ThyssenKrupp Elevator. Proposals were evaluated by a four-member evaluation team with representation from the Library, Parks & Recreation, Police, and Public Works departments. Each proposal was evaluated based on experience, technical expertise and cost. A Best and Final Offer (BAFO) was issued to both companies to clarify and memorialize any remaining issues, and to obtain final pricing.

Staff recommends awarding an agreement to KONE, Inc. as the best value proposal demonstrating extensive experience, technical expertise and superior service level offerings. The initial term of the proposed agreement is five years and the City may exercise options to extend the agreement after the initial term at its sole discretion. A pricing summary for the initial term of the agreement is provided as Attachment 1. Kone will be required to pay prevailing wages under this Agreement.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

Maximum compensation of the agreement is \$495,161, which includes preventative maintenance, as-needed repairs, and contingency. These costs are covered by the maintenance budgets for various buildings.

COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>>.

RECOMMENDATION

1. Authorize the City Manager to execute an agreement with KONE, Inc. for citywide elevator maintenance and repair services, for a total amount not-to-exceed \$413,161, subject to the appropriation of funds;
2. Authorize the City Manager to issue change orders and amendments not-to-exceed \$82,000 for minor changes to the scope of services or to cover unanticipated repair services, price adjustments, and potentially adding additional elevator locations, subject to the appropriation of funds; and
3. Authorize the City Manager to execute one-year options to extend the term of the agreement, not to exceed five years, at the City's sole discretion, after the initial term and subject to the appropriation of funds.

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Pricing Summary
2. Agreement with KONE, Inc.