



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Public Works



Date: October 15, 2014
Board Meeting Date: November 18, 2014
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: James C. Porter, Director of Public Works

Subject: Elevator Maintenance Agreement with ThyssenKrupp Elevator Corporation

RECOMMENDATION:

Adopt a Resolution authorizing an Agreement with ThyssenKrupp Elevator Corporation for elevator maintenance and repair services at various County facilities (non-health and hospital), for a term of December 1, 2014 through November 30, 2017 for a maximum aggregate amount of \$518,184.

BACKGROUND:

The current elevator maintenance vendor, Kone, Inc., has been providing elevator maintenance and repair services to the County, continuously, for over five years. Their contract expires November 30, 2014.

DISCUSSION:

The Department of Public Works' Facilities, Maintenance and Operations Section is responsible for contracting with an elevator maintenance service provider to maintain thirty-one (31) elevators and two (2) escalators throughout the County. Administrative Memo B-1, Section III states that the results of another public agency's competitive process may be used. In this case, Alameda County completed a formal acquisition process for their elevator service contracts in December 2013. Staff invited the four finalists in Alameda County's process to bid on a similar scope of work for San Mateo County's inventory of elevators.

The Department received two bids. ThyssenKrupp provided the lowest bid, approximately 60% below the only other bid received.

The monthly maintenance fee bid is approximately 18% higher than the current rate, but is fixed over the three-year term of contract. Considering the other two bids received by Alameda County were substantially higher than the two bidders who bid on our contract, staff does not believe that a better bid would likely be received in the current economic

climate. Therefore, staff recommends that your Board waive the Request for Proposals process and execute an agreement with ThyssenKrupp for elevator maintenance services.

Based on the likelihood of new County buildings coming on line during the term of this contract, staff is recommending that the Director of Public Works be given the authority to modify the agreement as necessary including increasing the maximum aggregate amount by approximately \$30,000 to \$548,184.

County Counsel has reviewed and approved the Agreement and Resolution as to form.

Approval of this action will contribute to the Shared Vision 2025 outcome of a Livable Community by maintaining elevators for the benefit of the public and employees using County facilities.

FISCAL IMPACT:

The term of this Agreement is December 1, 2014 through November 30, 2017. The not to exceed amount for this agreement is \$518,184. This amount includes a contingency of \$30,000 over the term of the contract for adding additional elevators as necessary and emergency and non-routine repairs, such as retrieving keys dropped by customers into the elevator shaft, damage caused by customers and/or deliveries, vandalism, and unanticipated changes in service levels. These items are not included in the bid price. Prior authorization from the Department is required for the expenditure of any contingency funds.

Funding to support this agreement has been included in the Facilities budget and will be financed through Facility Service charges.