

**Board Report**

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**File #:** 2016-0126, **File Type:** Contract

**Agenda Number:** 33.

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**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE  
AUGUST 18, 2016**

**SUBJECT: ELEVATOR / ESCALATOR MAINTENANCE SERVICES**

**ACTION: APPROVE CONTRACT AWARD**

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. OP4939100 for **comprehensive preventative maintenance, inspections, repairs, and cleaning of elevators, escalators and their associated systems and equipment**, with Mitsubishi Electric USA, Inc. (MEUS). Services are provided throughout Metro facilities, excluding Metro Gateway Headquarters and Union Station East Portal which are covered under a separate contract. This contract not-to-exceed amount is \$75,077,960 for the five-year base period, plus \$32,592,290 for the one, two-year option term, for a combined total of \$107,670,250, effective November 1, 2016.

**ISSUE**

The existing contract with MEUS will expire October 31, 2016. To continue providing the critical services to the elevators and escalators system-wide, a new contract award is required effective November 1, 2016.

Under the new contract, the contractor will continue to provide preventative maintenance, inspections, repairs, cleaning and as-needed services for our current inventory of 171 elevators, 139 escalators and their associated systems and equipment agency-wide.

**DISCUSSION**

**BACKGROUND:** This contract requires the contractor to provide elevators and escalators maintenance, inspections, cleaning and as-needed repair services. A systematic preventive maintenance program and timely repair of the equipment is necessary to meet the State code requirements and provide a safe and reliable vertical transportation system to our patrons.

**The combined annual average availability for Metro's 171 elevators and 139 escalators is over 99%.** The information used to calculate units availability takes into consideration downtime inquiries reported to Metro's Rail Operations Control (ROC) and Facilities Maintenance Help Desk, as well as contractor's scheduled maintenance to perform repairs and cleaning services.

SCOPE OF WORK: The elevators and escalators throughout Metro transit system play a vital role in riders' access, especially mobility impaired patrons. In order to maintain service continuity, sustain high levels of equipment availability and reliability, and minimize equipment downtime and impact on riders, the contract period of performance has been increased, compared to the current contract, from five (5) years to seven (7) years, inclusive of a two-year option term.

To improve units' cleanliness, service frequencies have been increased from once a year to twice annually in order to enhance the overall appearance of the elevator pits, hoistway glass and escalator steps throughout the system.

As Metro's system continues to expand, services have been modified to include units for Metro's expanded services, new operating divisions and newly added equipment within the existing stations. This includes eight (8) elevators throughout the Foothill Extension stations, eight (8) elevators throughout the Expo II stations, three (3) elevators at Division 13, two (2) elevators at Division 24, one (1) elevator at Division 14, and three (3) elevators and two (2) escalators at MRL Universal City Station, for a combined additional total of 25 new elevators and two (2) new escalators.

Thus, the total number of elevators and escalators to be maintained under the new contract has increased from 146 elevators and 137 escalators to 171 elevators and 139 escalators. **140 elevators and 139 escalators are transit units servicing Metro patrons system-wide.** To accommodate Metro's system expansion and improved service levels, the number of MEUS dedicated FTEs / technicians has been increased from 18 to 24 to ensure providing the critical maintenance, inspections and cleaning services in a timely manner.

Under the existing contract, over \$2 million has been spent on state-of-good-repair refurbishment projects including, but not limited to, the replacement of obsolete parts, elevator step treads, corrosion damage repairs, and the cleaning of elevator hoistway glass enclosures. This important function is expected to continue into the future, and over \$5 million has been allocated for this purpose.

More demands are placed on the maintenance contractor as we strive to improve service levels. Additional as-needed services will be performed under the new contract to repair damages caused by water intrusion, vandalism and misuse of units. Example of services includes the replacement of corroded elevator floors, hoistway entrances and escalator step treads. The replacement of obsolete parts and equipment upgrades are also part of the as-needed services to ensure service reliability, state of good repair and compliance with State code requirements.

The contract scope of work includes terms and liquidated damages designed to minimize equipment downtime. The contractor is required to respond to inquiries within 30 minutes during normal hours of operations from 6:00 a.m. to 9:00 p.m., and within 60 minutes during after hours, seven (7) days a week, in order to avoid liquidated damages. Liquidated damages are also imposed for failure to repair a unit after repeated calls for the same problem and excessive equipment downtime.

## Procurement

Considering the importance of the critical services required to maintain the safety and reliability of the elevators and escalators, staff worked diligently to reach out to companies within this industry to increase competition and attract more vendors to do business with Metro.

A detailed description of the procurement process and results is contained in Attachment A, Procurement Summary. Staff is satisfied that the procurement process has developed the best results currently possible. To continue providing the critical services to inspect, maintain, and repair the elevators and escalators system-wide, a new contract award is required effective November 1, 2016.

### **DETERMINATION OF SAFETY IMPACT**

The approval of this item will provide a Metro-wide continuity of quality elevators and escalators maintenance and repair services in an effort to continue delivering safe, on-time, and reliable access to our patrons.

### **FINANCIAL IMPACT**

Funding for these services are included in the FY17 budget in the Facilities Maintenance and Strategic Transit Asset Management departments, in multiple projects within account 50308 - Service Contract Maintenance.

Since this is a multi-year contract, the cost center manager, project managers, and the Senior Executive Officer, Maintenance will ensure that the balance of required funding is budgeted in future fiscal years.

#### **Impact to Budget**

The source of funds for these services will come from Federal, State, and Local funding sources that are eligible for Bus and Rail Operating or Capital Projects. These funding sources will maximize the use of funds for these activities.

### **ALTERNATIVES CONSIDERED**

Staff considered providing this service through Metro in-house staff. This would require the hiring of State certified technical personnel, the purchase of parts, equipment, vehicles, supplies, and the acquisition of warehouse space to inventory long lead parts and supplies. Establishing an in-house maintenance capability would require years to develop and be very challenging for Metro to consistently attract, train, and retain a sufficient number of certified employees to perform the work within this highly competitive industry. Staff's assessment indicates that this is not a cost-effective option for Metro.

### **NEXT STEPS**

Upon Board approval, staff will execute Contract No. OP4939100 with Mitsubishi Electric USA, Inc. to

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provide elevator and escalator maintenance services system-wide excluding Gateway and Union Station East Portal.

**ATTACHMENTS**

Attachment A - Procurement Summary

Attachment B - DEOD Summary

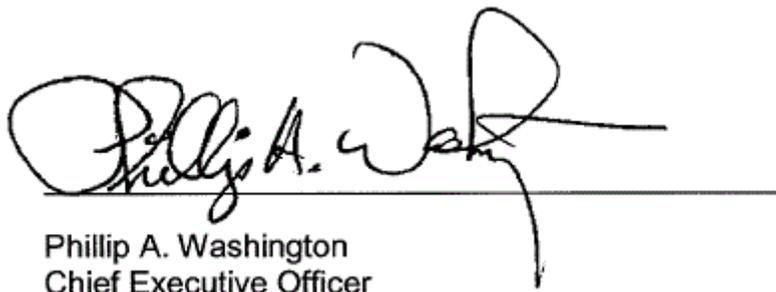
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