



Board Report

File #: 2020-0591, **File Type:** Contract

Agenda Number: 19.

**EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 15, 2020**

**SUBJECT: GATEWAY HEADQUARTERS BUILDING AND UNION STATION EAST PORTAL
ELEVATOR AND ESCALATOR MAINTENANCE**

ACTION: APPROVE CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. OP1680130003367 to provide inspections, comprehensive preventative maintenance and repairs of elevators, escalators, associated systems and equipment at Gateway Headquarters Building and Union Station East Portal, with Elevators Etc. LP., for a not-to-exceed amount of \$4,539,115, effective March 1, 2021 through October 31, 2023, subject to resolution of protest(s), if any.

ISSUE

The existing contract with Mitsubishi Electric USA, Inc. (MEUS) will expire on February 28, 2021. To continue providing the regulatory and critical maintenance services to the elevators and escalators at Gateway Headquarters Building and Union Station East Portal, a new contract award is required effective March 1, 2021.

BACKGROUND

On January 23, 2014, Metro Board of Directors awarded a seven-year, firm fixed unit rate contract under RFP No. PS14643013 to MEUS, for comprehensive elevator and escalator maintenance services at Gateway Headquarters Building in an amount not to exceed \$3,852,225, effective March 1, 2014.

Upon contract inception, the contractor responsibilities included providing comprehensive elevator and escalator maintenance services on 19 elevators and four (4) escalators located in the Gateway Headquarters Building. On September 1, 2014, the elevator and escalator contracted maintenance services were expanded to include seven (7) elevators and three (3) escalators located in Union Station East Portal.

DISCUSSION

Under this new contract, the contractor is required to provide inspections, comprehensive elevator and escalator maintenance, and as-needed repair services for all 26 elevators and seven (7) escalators along with their associated systems and equipment throughout Gateway Headquarters Building and Union Station East Portal.

The scope of work has significantly expanded to include once per year cleaning of elevator pit and escalator steps at Gateway Headquarters Building, and twice per year cleaning of elevator pit and hoistway glass, as well as escalator steps' cleaning for the Union Station East Portal. The traction elevator hoistway rope and escalator brake inspection frequencies have increased to once a month, exceeding the annual inspection required by the State Code.

The contract terms have been updated to include liquidated damages and improved response time to minimize equipment downtime. The contractor is required to respond to inquiries within 15 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.

A systematic preventive maintenance program, along with improved service levels and timely repair of the equipment is necessary to meet State Code regulations, comply with ADA requirements, improve units' cleanliness and provide a safe and reliable vertical transportation system for our patrons and Metro employees.

This contract term is set for a 32-month base period effective March 1, 2021 through October 31, 2023, coinciding with the expiration date of the elevator and escalator maintenance contract for the system-wide units (excluding Gateway Headquarters Building and Union Station East Portal). This will allow Metro the opportunity to consider combining the two maintenance contracts into one elevator and escalator comprehensive maintenance contract while evaluating cost effectiveness and consistency of service delivery.

The Diversity and Economic Opportunity Department (DEOD) established a 3% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. Elevators Etc. LP. made a 67.46% SBE and 32.54% DVBE participation commitment for this contract.

DETERMINATION OF SAFETY IMPACT

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

FINANCIAL IMPACT

Budget for this effort is included in the FY21 Budget in cost center 8370 - Facilities Maintenance

Contracts and Administration, account 50308, Service Contract Maintenance, under various projects. \$567,390 is available to cover March through June 2021.

Since these are multi-year contracts, the cost center manager and Sr. Executive Officer, Maintenance and Engineering will be accountable for budgeting the costs in future fiscal years.

Impact to Budget

The current source of funding for this action are State and Local sources including sales tax and fares. Allocation of these funds to this effort maximizes their intended use given approved funding guidelines and provisions.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This board action supports Strategic Goal 1) Provide high-quality mobility options that enable people to spend less time traveling, and Strategic Goal 2) Deliver outstanding trip experiences for all users of the transportation system. Specifically, the elevator and escalator maintenance contract for Gateway Building and Union Station East Portal ensures the continuity of meeting the State mandated regulations and critical maintenance needs necessary to provide safe, clean, timely, and reliable service.

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 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 approval by the Board, staff will execute Contract No. OP1680130003367 with Elevators Etc. LP., to provide inspection, comprehensive maintenance services and repairs for the elevators and escalators within Gateway Headquarters Building and Union Station East Portal effective March 1, 2021.

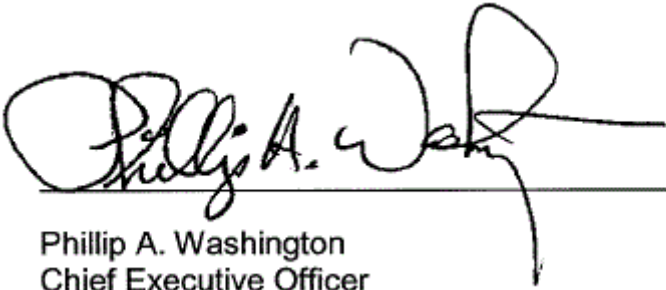
ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

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