



Board Report

File #: 2019-0655, **File Type:** Contract

Agenda Number: 29.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE OCTOBER 17, 2019

SUBJECT: GATEWAY BUILDING AND UNION STATION EAST COMPLEX ELEVATOR AND ESCALATOR SERVICES

ACTION: APPROVE CONTRACT MODIFICATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute Modification No. 2 to Contract No. PS14643013 with Mitsubishi Electric to provide elevator and escalator maintenance services for Gateway Building, increasing the seven (7) year base contract not-to-exceed amount by \$850,000, from \$4,467,975 to \$5,317,975, effective December 1, 2019.

ISSUE

In September 2014, during this contract's period of performance, Metro assumed all maintenance responsibilities for the Union Station East Portal, including the seven (7) elevators and three (3) escalators for a total of 10 units. These units were added to this contract under Modification No. 1, however, funds added as part of the modification are insufficient considering the required and ongoing maintenance services.

To continue providing the critical and state mandated maintenance services for the 10 elevators and escalators at Union Station East Portal, Contract Modification No. 2 is required to increase the seven (7) year base contract amount by \$850,000 from \$4,467,975 to \$5,317,975, effective December 1, 2019.

BACKGROUND

On January 23, 2014, Metro Board of Directors awarded a seven (7) year base Contract No. PS14643013 to Mitsubishi Electric to provide state mandated elevator and escalator maintenance services for the Gateway Building.

In September 2014, Metro assumed all maintenance responsibilities for the Union Station East Portal, including the seven (7) elevators and three (3) escalators for a total of 10 units. These units were added to this contract under Modification No. 1, however, funds added as part of the modification are insufficient considering the required and ongoing maintenance services.

In 2015, this contract was transferred from General Services to Operations for oversight and management. Since then, Facilities Maintenance Contracts and Administration staff have been managing this contract and providing the critical and state mandated maintenance services in a timely manner to ensure units' availability and reliability.

DISCUSSION

Under this contract, Mitsubishi Electric provides maintenance services on all 26 elevators and seven (7) escalators in the Gateway Building and Union Station East Portal to ensure compliance with state mandated maintenance requirements and service reliability.

DETERMINATION OF SAFETY IMPACT

The approval of this item will ensure service continuity for the elevators and escalators throughout the Gateway Building and Union Station East Portal in an effort to continue delivering safe, on-time, and reliable services.

FINANCIAL IMPACT

Funding of \$418,036 for FY20 is allocated under cost center 8370 - Contracts and Administration, account 50308, Service Contract Maintenance, under project 100090.

Since this is a multi-year contract, the Sr. Director, Facilities Maintenance, and the Sr. Executive Officer, Maintenance and Engineering will be accountable for budgeting the cost in future years.

Impact to Budget

The source of funds for these services are allocated through General Overhead funding which is based on Metro's federally approved indirect-cost-allocation plan which distributes costs agency-wide including eligible Bus and Rail Projects. No other funds were considered because these funds are programmed for this use.

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 Gateway Building Elevator and Escalator Maintenance Service Contract ensures all units receive the state mandated and critical maintenance services necessary to provide safe, timely, and reliable service.

ALTERNATIVES CONSIDERED

Staff considered providing this service with in-house staff. This would require the hiring and training of additional personnel, purchase of additional equipment, vehicles, and supplies to support the expanded responsibility. Staff's assessment indicates this is not a cost-effective option for Metro.

NEXT STEPS

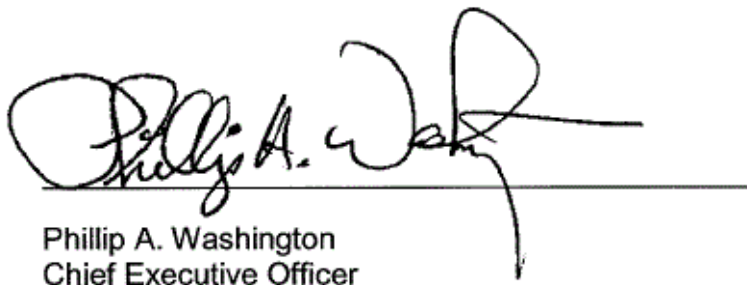
Upon approval by the Board, staff will execute Modification No. 2 to Contract No. PS14643013 with Mitsubishi Electric to provide elevator and escalator maintenance services for Gateway Building and East Portal, increasing the seven (7) year base contract not-to-exceed amount by \$850,000, from \$4,467,975 to \$5,317,975, effective December 1, 2019.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary

Prepared by: Brady Branstetter, DEO, Facilities Maintenance, (213) 922-6767
Lena Babayan, Sr. Director, Facilities Maintenance, (213) 922-6765

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 922-4424
Debra Avila, Chief, Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer