



Legislation Details (With Text)

File #: 2022-448 **Version:** 1 **Name:**

Type: Resolution **Status:** Passed

File created: 9/27/2022 **In control:** Board of Directors

On agenda: 10/26/2022 **Final action:** 10/26/2022

Title: Contract No. 2100340
Elevator and Escalator Maintenance, Repair, and Services
O&M

Sponsors: Cheryl Porter

Indexes: Water Operations

Code sections:

Attachments: 1. 2100340 Procurement Report, 2. 2100340 Cost Tabulation

| Date | Ver. | Action By | Action | Result |
|------------|------|---------------------------------------|--------------------------|--------|
| 10/26/2022 | 1 | Board of Directors | Approved | Pass |
| 10/12/2022 | 1 | Operations and Resources Committee | Recommended for Approval | Pass |

Contract No. 2100340

Elevator and Escalator Maintenance, Repair, and Services

O&M

Agenda of: October 26, 2022

Item No.: **2022-448**

| | | |
|---------|----------------------------|----------------|
| Amount: | Two Year Contract | \$6,440,000.00 |
| | First Year Renewal Option | 406,850.00 |
| | Second Year Renewal Option | 419,055.00 |
| | Total Contact | \$7,265,905.00 |

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Suzanne R. Coffey, P.E.
Chief Executive Officer
Great Lakes Water Authority

DATE: September 30, 2022

RE: **Contract No. 2100340**
Elevator and Escalator Maintenance, Repair, and Services
Vendor: Kone, Inc.

MOTION

Upon recommendation of Cheryl Porter, Chief Operating Officer - Water and Field Services, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. 2100340 “Elevator and Escalator Maintenance, Repair, and Services” with Kone, Inc., in the amount of \$6,440,000.00 for a duration of two (2) years, with two (2) one (1) year renewal options at a cost not to exceed \$406,850.00 and \$419,055.00 respectively for each renewal year for a total contract amount of \$7,265,905.00;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

GLWA currently has 38 elevators and lifts at multiple sites, the majority of which are located at the Water Resource Recovery Facility (WRRF). The challenging environmental factors at these sites, in addition to the age of both the facilities and the elevator equipment, create unique challenges for operating and maintaining elevators at GLWA sites which has the potential to significantly impact operations and the health and safety of GLWA employees and visitors. The current contract for elevator maintenance is Contract No. 1703524 and expires on October 31, 2022. Per policy, the services were solicited as a request for proposal (RFP) in July, however, only one vendor (Kone) provided a complete RFP response. Investigation and discussion identified the opportunity to engage Kone through an existing cooperative agreement with OMNIA Partners as the most beneficial option. This contract incorporates the terms and conditions of OMNIA Partners (cooperative agreement). The purpose of this request is to leverage the cooperative agreement to create a contract with Kone to provide preventative maintenance, service, and repair services for all GLWA elevators, as well as provide a provisional allowance to cover modernizations and repairs not covered under standard maintenance and repair.

No. of Elevators and Lifts by Facility

| <u>Facility</u> | <u>Elevators/Lifts</u> |
|--|-------------------------------|
| Water Resource Recovery Facility (WRRF), includes 4 manlifts | 20 |
| Springwells Water Treatment Plant (SPW) | 4 |
| Oakwood Combined Sewer Overflow | 2 |
| Water Works Park (WWP) | 5 |
| Northeast Water Plant (NEP) | 3 |
| Freud Sewage Station | 1 |
| Conner Creek Sewage Station | 1 |
| Conner Creek Combined Sewer Overflow | 1 |
| Woodmere Pump Station | 1 |

Total

38

JUSTIFICATION

GLWA’s aging elevator inventory continues to present significant maintenance issues (e.g., elevators out of service for months because parts are unavailable, can’t be manufactured and/or are unable to be reproduced). The contract is required to ensure the elevators and lifts in GLWA facilities are compliant with state and local elevator code ordinances, meet health and safety standards, and to provide the necessary preventative maintenance, service, and repairs to meet GLWA operational needs. GLWA Contract No. 2100340 will provide preventative maintenance, service, and repair services for all GLWA elevators and lifts. The work performed by Kone under the specifications of Contract No. 2100340 shall consist of furnishing all material, labor, tools, supplies, and other expenses necessary to provide full service, preventative maintenance, covered repairs, inspections, adjustments, tests, and replacement of parts specified for all equipment covered. The estimated cost for this is \$1,615,905.00 over the life of the contract. In addition, to the preventative maintenance, service, and repair services, an audit of GLWA elevators at all facilities performed by our elevator consultant (Lerch-Bates) identified modernization and repair requirements that are not considered a part of routine maintenance. The repairs and modernizations identified during this audit are necessary to ensure elevators continue to be operational and are compliant with the state and local elevator code ordinances. Included in this contract is a provisional allowance of \$5,650,000.00 based on estimates from Lerch-Bates to cover modernizations and repairs. Kone will perform the modernizations and repairs over the term of the contract (4 years).

FINANCIAL PLAN IMPACT

Summary: The proposed contract with Kone, Inc. encompasses Improvement & Extension (I&E) and Operations & Maintenance (O&M) expenses. The FY 2023 budget and five-year financial plan was based on the previous contract period. The value of the contract exceeds the current financial plan in total. Potential positive variances of other contractual services as well as the use of this service may vary by year. Sufficient funds will be provided in the Operations & Maintenance (O&M) and Improvement & Extension (I&E) financial plan for this contract related to contractual professional services.

Funding Source: Operations & Maintenance (O&M) Budget
Improvement & Extension (I&E) Budget

Cost Center(s): Water Works Park.....Water Operations cost center 882131
Springwells Water Plant.....Water Operations cost center 882141
Northeast Water Plant.....Water Operations cost center 882151
Facility Operations.....Centralized Services cost center 882421
Wastewater Operations.....Wastewater Operations cost center 892221

Conner Creek CSO.....Wastewater Operations cost center 892276
 Oakwood CSO.....Wastewater Operations cost center 892278
 Conner Pumping Station.....Wastewater Operations cost center 892345
 Freud Pumping Station.....Wastewater Operations cost center 892349
 Woodmere Pumping Station.Wastewater Operations cost center 892352

Expense Type(s): Contractual Buildings & Grounds Maintenance (617200)
 Repairs & Maintenance - Facilities (622400)
 Capital Outlay over \$5k (O&M-Noncapitalized) (901060)
 Capital Outlay over \$5k (I&E Capitalized) (901100)

Estimated Cost by Year and Related Estimating Variance: See table below.

| <u>Fiscal Year</u> | <u>O&M Budget</u> | <u>I&E Budget</u> | <u>Total</u> |
|-----------------------------------|-----------------------|-----------------------|-------------------|
| FY 2023 Budget (Prorated) | \$ 270,000.00 | \$ 0.00 | \$ 270,000.00 |
| FY 2024 Financial Plan | 750,000.00 | 500,000.00 | 1,250,000.00 |
| FY 2025 Financial Plan | 750,000.00 | 500,000.00 | 1,250,000.00 |
| FY 2026 Financial Plan | 750,000.00 | 500,000.00 | 1,250,000.00 |
| FY 2027 Financial Plan (Prorated) | <u>250,000.00</u> | <u>165,000.00</u> | <u>415,000.00</u> |
| Financial Plan Forecast | \$2,770,000.00 | \$1,665,000.00 | \$4,435,000.00 |
| Proposed Contract Amount | \$3,593,405.00 | \$3,672,500.00 | \$7,265,905.00 |
| Variance (positive/(negative)) | (\$ 823,405.00) | (\$2,007,500.00) | (\$2,830,905.00) |

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on October 12, 2022. The Operations and Resources Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

SHARED SERVICES IMPACT

Items related to Woodmere Pumping Station will be charged via the DWSD Cost Sharing Agreement and/or OPS-008.