



Legislation Text

File #: 2021-355, Version: 1

Proposed Amendment No. 1

RFB 1088 (Req. No. 1703524)

Preventative Maintenance, Service and Repair of Great Lakes Water Authority Elevators

O&M

Agenda of: September 22, 2021

Item No.: **2021-355**

| | | |
|---------|--------------------------|----------------|
| Amount: | Original Contract | \$1,316,250.87 |
| | Proposed Amendment No. 1 | 295,896.00 |
| | Total Proposed Contract | \$1,612,146.87 |

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: September 1, 2021

RE: Proposed Amendment No. 1
RFB 1088 (Req. No. 1703524)
Preventative Maintenance, Service and Repair of Great Lakes Water
Authority Elevators
Vendor: Thyssenkrupp Elevator Company (TKE)

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 Interim Chief Executive Officer (ICEO) to **enter into RFB 1088 (Req. No. 1703524) "Preventative Maintenance, Service and Repair of Great Lakes Water Authority Elevators" with Thyssenkrupp Elevator Company, with an increased cost of \$295,896.00 for a total cost not to exceed \$1,612,146.87 and an increased duration of one year for a total duration of five years; and authorizes the**

Interim CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

GLWA's contract with Thyssenkrupp Elevators Company (TKE) expires October 31, 2021. In January 2021, the Facilities team prepared a draft Monthly Elevator Maintenance Request for Bid (RFB) and issued the document to Procurement to begin the bidding process. Procurement placed the request on hold to allow the Facilities team to address technical support needs with an elevator consultant. Lerch Bates was brought on board to assist in the development of the scope of work for the Preventative Maintenance, Service and Repair Elevator bid documents.

The elevator consultant Lerch Bates was selected through a publicly solicited cooperative contract available to GLWA that began in September 2020, that was executed by GLWA June 23, 2021. This was not sufficient time to get the new draft Monthly Elevator Maintenance Request for Bid (RFB) document completed by Lerch Bates, bid, and awarded by the October 31, 2021 contract expiration.

JUSTIFICATION

Due to the current demand for repairs on our aging elevator systems, it was determined it would be prudent to request a 12-month extension of the current TKE Contract for the same monthly amount we are currently paying. This will allow GLWA time to complete the solicitation process for the new draft Monthly Elevator Maintenance RFB with input from the elevator consultant Lerch Bates.

PROJECT MANAGEMENT STATUS

| | | |
|--------------------------|-------------------------|---------------------------|
| Original Contract Time | 2 years with 2 renewals | (11/01/2017 - 10/31/2021) |
| Proposed Amendment No. 1 | 1 year | (11/01/2021 - 10/31/2022) |
| New Contract Time | 5 years | (11/01/2017 - 10/31/2022) |

PROJECT ESTIMATE

| | |
|--------------------------|----------------|
| Original Contract Price | \$1,316,250.87 |
| Proposed Amendment No. 1 | 295,896.00 |
| New Contract Total | \$1,612,146.87 |

The current maximum monthly charge allowed per the current TKE Contract is \$24,658.00/month (based on 38 operational elevators) x 12 months = \$295,896.00 for 12 months.

FINANCIAL PLAN IMPACT

Summary: The proposed contract amendment with Thyssenkrupp Elevator Company encompasses Operations & Maintenance expense only. The FY 2022 budget and five-year financial plan was

based on the analysis of maintenance service over past fiscal years. The value of the contract is within the current financial plan in total. Sufficient funds will be provided in the Operations & Maintenance (O&M) financial plan for this contract related to contractual buildings & grounds maintenance.

Funding Source: Operations & Maintenance (O&M) Budget

Cost Center(s): Facility Operations.....Centralized Services cost center 882421

Expense Type(s): Contractual Buildings & Grounds Maintenance (617200)

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

| <u>Fiscal Year</u> | <u>Amount</u> |
|-----------------------------------|-----------------------|
| FY 2018 Budget | \$500,000.00 |
| FY 2019 Budget | 500,000.00 |
| FY 2020 Budget | 500,000.00 |
| FY 2021 Budget | 500,000.00 |
| FY 2022 Budget | 500,000.00 |
| FY 2023 Financial Plan (Prorated) | <u>167,000.00</u> |
| Financial Plan Forecast | \$2,667,000.00 |
| Proposed Contract Amount | <u>\$1,612,146.87</u> |
| Variance (positive/ (negative)) | \$1,054,853.13 |

SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT

The award of this contract provides a variance of \$1,054,853.13 (\$2,667,000.00 financial plan forecast less \$1,612,146.87 proposed contract amount). Contractual services are dependent on several factors such as, delays in estimated start and end dates, environmental constraints, and other unforeseen circumstances that can cause the expenses to fluctuate from fiscal year to fiscal year. In addition to covering the monthly maintenance cost, the amount budgeted for this contract also factors in the cost of necessary repairs as they are found through the monthly maintenance program and service calls.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on September 8, 2021. The Operations and Resources Committee unanimously recommended that the GLWA Board

adopt the resolution as presented.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.