

Agenda Report

January 23, 2017

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: CONTRACT WITH WESTERN ELEVATOR, INC. FOR ELEVATOR

MAINTENANCE AND REPAIR SERVICES FOR A NOT-TO-EXCEED

AMOUNT OF \$259,140

RECOMMENDATION:

It is recommended that the City Council:

- 1. Find that this action is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15061 (b) (3), the General Rule that CEQA only applies to projects that may have an effect on the environment; and
- 2. Accept the bid dated December 6, 2016 submitted by Western Elevator, Inc. in response to specifications for elevator maintenance and repair; reject all other bids received; and, authorize the City Manager to enter into a not-to-exceed three year contract for \$259,140, inclusive of CPI increase and two one year options, in an amount not-to-exceed \$86,830 annually; subject to the approval of the City Manager. If the options are exercised, the total contract value is \$431,900.

BACKGROUND:

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) requires a contractor to provide routine elevator maintenance and emergency repair services to 37 elevators in various City facilities.

On November 17, 2016, a Notice Inviting Bids for elevator maintenance and repair was published in the *Pasadena Journal* and posted on the City's website, which generated notices to 542 vendors. Thirteen vendors downloaded the bid documents and none were local. A mandatory pre-bid conference and job walk took place on Tuesday, November 22, 2016 during which prospective bidders were able to inspect the elevators included in the bid specifications. In the bid packet, bidders were asked to provide one year's worth of pricing for monthly routine maintenance to all 37 elevators, as well as

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hourly rates for emergency call outs during regular business hours, nights, weekends, and holidays.

The bid results are as follows:

Bidder	Amount (\$)
1. Western Elevator, Inc., Monrovia, CA	\$ 78,526
2. Excelsior Elevator, Santa Ana, CA	\$119,562

Two vendors submitted bids by the bid closing date, December 6, 2016. Bid proposals were reviewed by BSFMD staff, and Western Elevator, Inc. of Monrovia, California was found to be the lowest responsive and responsible bidder. The City has been doing business with Western Elevator, Inc. since 2003 through annual purchase orders and has spent approximately \$372,000.

The Department of Public Works recommends that Western Elevator, Inc. be awarded a contract for a three-year period to provide routine elevator maintenance and as-needed emergency repairs. The contract may be extended up to two additional one-year periods, with the approval of the City Manager and without further City Council approval, provided that the contract pricing terms remain the same. The proposed contract with Western Elevator, Inc. fully complies with the Competitive Bidding and Living Wage Ordinances. In addition, Western Elevator, Inc. fully complies with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 15, 2014. The contractor has indicated that the award of this contract will result in no new hires to its present workforce.

The amount paid to the contractor in any one-year term of the proposed contract shall not exceed \$86,380. The grand total amount paid to the contractor in the approved three years of this contract shall not exceed \$259,140 without prior approval of City Council and written amendment of the contract.

The contract will be set as follows:

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Base Bid	\$78,526	\$78,526	\$78,526	\$78,526	\$78,526	
Contingency Allowance	\$7,854	\$7,854	\$7,854	\$7,854	\$7,854	
Contract "Not to Exceed" Amount	\$86,380	\$86,380	\$86,380	\$86,380	\$86,380	\$431,900

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The contingency allowance is for use in the event of emergency repairs, as well as Consumer Price Index (CPI) adjustments. At the conclusion of the first contract year and prior to the commencement of the second year and any subsequent contract extension period(s), the contractor may request unit price increases; however under no circumstances shall such increases exceed the percentage increase in the Los Angeles-Orange-Riverside Consumer Price Index for the latest available preceding 12 month period. The request is due two months before the end of a contract period. Upon the City's approval, any increases will be effective at the beginning of the next contract period.

COUNCIL POLICY CONSIDERATION:

Approval of this contract award addresses City Council's goals of maintaining fiscal responsibility and stability and ensuring public safety.

ENVIRONMENTAL IMPACT:

This action is exempt from CEQA pursuant to State CEQA Guidelines Section 15061 (b) (3), the General Rule that CEQA only applies to projects that may have an effect on the environment.

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FISCAL IMPACT:

The total cost of this action is \$259,140. If the options are exercised, the total cost of this action will be \$431,900. Funding for this fiscal year will be addressed by utilization of existing budgeted appropriations in the Building Maintenance Fund in operating budget account 50222055-811400.

Respectfully submitted,

ARA MALOYAN, P.E. Director of Public Works

Prepared by:

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Approved by:

STEVE MERMELL City Manager