

# Agenda Report

January 10, 2022

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Public Works  
**SUBJECT:** **CONTRACT AWARD TO PACIFIC COAST ELEVATOR CORPORATION (DBA: AMTECH ELEVATOR SERVICES) FOR ELEVATOR MAINTENANCE AND REPAIR SERVICES IN A GRAND TOTAL AMOUNT NOT-TO-EXCEED \$445,435, FOR UP TO FIVE YEARS**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that this action is exempt under 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. a) Accept the bid dated November 9, 2021, submitted by Pacific Coast Elevator Corporation dba Amtech Elevator Services (Amtech) for elevator maintenance and repair services; b) reject all other bids; and c) authorize the City Manager to enter into a contract with Amtech for an amount not-to-exceed \$267,261 (which includes a \$24,297 contingency) over a three-year period.
3. Authorize the City Manager to extend the contract for up to two additional one-year extensions, in the annual amount of \$89,087 (which includes a \$8,099 contingency period), at the discretion of the City Manager, for a maximum total contract length of five years and a grand total contract amount of \$445,435.

## **BACKGROUND:**

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) requires a vendor to provide routine elevator maintenance and as needed repairs to 35 elevators at various City facilities.

On September 30, 2021, a Notice Inviting Bids for Elevator Maintenance and Repair Services was posted on PlanetBids as well as published in the local paper on October

7, 2021. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. Staff referenced a list of local vendors in the City's business license database as well as online web searches in an attempt to reach potential local vendors that can provide commercial elevator services. Staff did not find any local vendor that can provide this service.

A total of 18 vendors downloaded the specifications of which none were local. Three bids were received by the November 9, 2021 bid opening date.

**BID RESULT:**

Per bid specifications, bidders were asked to provide three-year pricing for monthly routine elevator maintenance to all 35 elevators, including hourly labor rate for emergency service calls and flat service rate for key retrieval services.

The bid results are as follows:

Bidder		Bid Amount (\$)
1. Pacific Coast Elevator Corp. (dba Amtech)	Los Angeles, CA	\$242,964
2. Smartrise Elevator Service Inc.	Santa Fe Springs, CA	\$306,306
3. Excelsior Elevator Corp.	Santa Ana, CA	\$405,990
Procurement Manager's Estimate		<u>\$270,000</u>

The procurement manager's estimate is based on current average pricing levels for the elevator services detailed out on the bid table. Therefore, the annualized lowest bid submission received in the amount of \$80,988, with an additional 10% contingency allowance of \$8,099, should address the annual projected elevator service needs of the City.

Amtech, located in Los Angeles, CA, is a group of independent elevator companies operating in Southern California and Texas and is a wholly owned subsidiary of the largest worldwide elevator manufacturer and service providers, Otis Elevator Company. The City has done business with Amtech since Fiscal Year 2017 with aggregate expenditures of \$1,238,166 including services availed by the City beyond the scope of this bid, such as the elevator modernization at the Community Health Center back in 2019.

Since Amtech is the lowest responsive and responsible bidder, staff recommends that this vendor be awarded a three year contract term with an option for two one-year extension periods, renewable at the discretion of the City Manager.

The contract will be set out as follows:

	Year 1 to 3	Year 4 Optional 1 <sup>st</sup> Extension	Year 5 Optional 2 <sup>nd</sup> Extension
Base Bid	\$242,964	\$80,988	\$80,988
Contingency Allowance	<u>\$ 24,297</u>	<u>\$ 8,099</u>	<u>\$ 8,099</u>
	\$267,261	\$89,087	\$89,087
		<b>TOTAL</b>	<b>\$445,435</b>

The contingency allowance is to cover Consumer Price Index adjustments as well as to address any additional compliance service repairs required during state inspections and any unexpected repairs especially at older or more frequently used elevators.

**COUNCIL POLICY CONSIDERATION:**

This contract supports the City Council's goals to maintain fiscal responsibility and stability; to maintain and enhance public facilities and infrastructure; and to ensure 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 a significant effect on the environment.

**FISCAL IMPACT:**

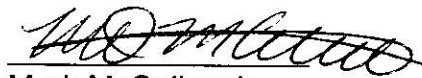
The cost of this contract is \$267,261 and the total cost of this action is \$445,435. Funding will be addressed by the utilization of existing budgeted appropriations from the Building Maintenance Fund budget account (50222051-811400). There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



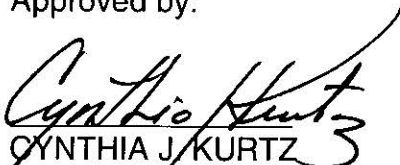
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