



MEMORANDUM

TO: Mayor and City Commissioners

FROM: Jim Schmitz, Deputy Director of Public Works
Randal Krejcarek, P.E. Director of Environmental Services

THROUGH: Terry Stewart, Interim City Manager

DATE: October 31, 2014

SUBJECT: **AGENDA ITEM 9.E. - REGULAR COMMISSION MEETING OF DECEMBER 2, 2014**
APPROVAL OF A BID AWARD TO MOWREY ELEVATOR AND TERMINATE AN
AGREEMENT WITH ORACLE ELEVATOR

BACKGROUND

Consider a recommendation to award Bid No. 2014-35, "Elevator Maintenance Services Term Contract" to **Mowrey Elevator, with an annual expenditure limit not to exceed \$65,000.** The contract has an initial term of five (5) years, and has the option of being renewed for two (2) additional terms of one (1) year each.

Oracle Elevators has the current elevator contract (Bid No. 2009-33) to maintain and repair all of the elevators within the City; Police Department, Fire Department, City hall, Parking Garages, and other City facilities. The current contract with Oracle Elevators covers seven (7) elevators and does not have a termination date. However, the contract has been in effect for five (5) years, therefore it was decided that the elevator service contract should be rebid as additional elevators needed to be added. The total number of elevators to be serviced included in Bid No. 2014-35 is now ten (10).

A sealed competitive bid process for Bid No. 2014-35 was utilized. The contract is structured such that the elevator maintenance company awarded the bid will be paid a monthly fee for maintenance and repairs to ensure that all elevators are in compliance with the State of Florida Department of Business and Professional Regulation, and an hourly fee for repairs that are not covered under the contract, such as vandalism, acts of God, etc.

Oracle Elevator has the lowest annual cost for the fixed maintenance and service of the elevators at \$12,156.00, but at an hourly rate of \$225.00 per hour. Mowrey Elevator has a slightly higher fixed annual cost of \$12,912.00, but a lower hourly rate of \$125.00 per hour. After approximately eight (8) hours of service calls, it would be less expensive to contract with Mowrey Elevator, considering the \$100 per hour savings. Historically, an average of two (2) service calls a month is called in just for the parking garage elevators.

For fiscal year 2013/2014, a total of \$41,727.01 was spent with Oracle Elevator; this figure was mostly due to failures from vandalism at the parking garage elevators, and water intrusion issues at Fire Station #1 which required replacing all of the electronics and controls.

Results were posted on September 22, 2014 by the Purchasing Department and there were not any protests filed.

The chart below provides a list of the vendors that responded to Bid No. 2014-35:

Vendor	Service Contract Maintenance and Annual Cost	Hourly Rate
Oracle Elevator	\$12,156.00	\$225.00
Mowrey Elevator	\$12,912.00	\$125.00
Action Elevator and Lifts	\$42,720.00	\$225.00

This request for consideration is in compliance with the Code of Ordinances), Chapter 36, Section 36.02 (A), "Sealed Competitive Method".

FINANCIAL DEPARTMENT REVIEW

Finance Department recommends approval.

DISCUSSION

Consider approval of Bid No. 2014-35 for yearly maintenance of the elevators to Mowrey Elevator as the most cost effective bid at an amount of \$12,912 for annual maintenance and a service rate of \$125/hour, with an annual total expenditure limit not to exceed \$65,000 per year, subject to future annual contract renewals; and a motion to approve Resolution No. 67-14 Termination of Standard Form of Agreement between the City of Delray Beach and Oracle Elevator.

FUNDING SOURCE

Funding will be provided from various departments in the 2014-2015 operating and capital budgets.

RECOMMENDATION

Through a motion, approve by a majority vote, Bid No. 2014-35 for the yearly maintenance of all City owned elevators to Mowrey Elevator Company, with bid amount of \$12,912 for annual maintenance and a service rate of \$125/hour, with an annual expenditure limit not to exceed \$65,000 per year, subject to future contract renewal, and motion to approve Resolution No. 67-14 for terminating the Standard Form of Agreement between the City of Delray Beach and Oracle Elevator.