



Cover Memorandum/Staff Report

File #: 19-866

Agenda Date: 9/17/2019

Item #: 6.F.

TO: Mayor and Commissioners
FROM: Suzanne Fisher, Assistant City Manager
THROUGH: Neal de Jesus, Interim City Manager
DATE: September 17, 2019

APPROVAL OF AMENDMENT NO. 1 WITH KONE, INC. FOR ELEVATOR MAINTENANCE AND REPAIR SERVICES - \$14,040

Recommended Action:

Motion to approve Amendment No. 1 with Kone, Inc for elevator maintenance and repair services for an initial five-year term for a not-to-exceed total amount of \$14,040 utilizing the U.S. Communities Governmental Purchasing Alliance Cooperative Contract EV2516, and authorize the City Manager to approve renewal options, in the amounts below, contingent upon appropriation of funds.

Background:

The City of Delray Beach (City) owns and maintains over one hundred City facilities, nine of which contain one or more elevators. Properly functioning and safe elevators are of vital importance for any property owner. Elevators that have been operating for a long time often show signs of wear that can lead to faults or even failure, as was the recent situation with the two elevators located within the Old School Square Parking Garage. The units are in a perpetual state of use and both elevators had reached their engineered lifecycle, as such, it was imperative for the City to modernize both elevators to prevent any interruptions of service to this important location.

At the recommendation of the Purchasing Department, Public Works contacted U.S. Communities, a governmental purchasing cooperative who had established a contract for elevator maintenance, modernization and repair services. Soon after, City Commission approved Resolution No. 49-19 to Kone for the modernization of both elevator systems at the Old School Square Parking Garage; contract No. EV2516.

The option to use the cooperative agreement was twofold, one the City could expedite the project in advance of the next tourist season, and two, the City could terminate an existing elevator maintenance service contract. The elevator service provider under the City's previous contract had failed to perform the maintenance work required in a diligent and satisfactory manner; a contract termination notice was recently issued by the City.

In anticipation of the contract termination, staff contacted Kone Elevator who conducted a thorough assessment of each facility then prepared a proposal for elevator maintenance services, based on

the same U.S. Communities contract.

Staff recommends approval of Amendment No. 1 for elevator maintenance services for all nine City facilities, ten elevator units in total. Staff anticipates that approximately \$18,720 will be spent annually on elevator maintenance and repair services.

Should the City exercise all renewal options provided in the agreement, five additional years, the cumulative agreement value is provided below.

Estimated Contract Value

Initial Term	Approval date - Sept 30, 2020 \$14,040	
Renewal Term 1:	Oct 1, 2020 - Sept 30, 2021	\$18,720
Renewal Term 2:	Oct 1, 2021 - Sept 30, 2022	\$18,720
Renewal Term 3:	Oct 1, 2022 - Sept 30, 2023	\$18,720
Renewal Term 4:	Oct 1, 2023 - Sept 30, 2024	\$18,720
Total		\$88,920

Amendment No.1 is in accordance with the City Code of Ordinances, Section 36, and City Policies and Procedures, Change Orders, and Amendments; Contracts must be amended in the same way they were executed.

Attachments:

1. U.S. Communities Governmental Purchasing Alliance Cooperative Contract EV2516
2. Kone Maintenance Proposal
3. Amendment 1
4. Legal Review Checklist

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

Funding is available from account number 001-41-350-519.46-20 Repair and Maintenance Service Building Maintenance.

Timing of Request:

This request is very time sensitive in order to provide the required services without interruption.