

STAFF REPORT

Date: April 26, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Award of contract FM905E City Hall Elevator Maintenance 2023-2026 & ASME Code Upgrades with Otis Elevator Company, for maintenance of all five elevators, for a three-year period, with two one-year options to extend with written notice, and to perform a one-time modification of service elevator (#5), pursuant to A17.3 Elevator Code Enforcement updates, in an amount not to exceed \$495,500. (Facility Maintenance General Fund and Capital Maintenance Projects Fund)

From: Vickie Gonzales, Management Assistant, Maintenance and Operations

Department: Maintenance and Operations

Summary:

Elevator maintenance is critical to extending the life of the equipment and keeping passengers safe. Federal, state and local laws define maintenance requirements for each type of equipment as well as the annual inspecting and testing requirements. This contract ensures the City of Reno remains in compliance with all applicable codes. The current contract for the City Hall Elevator maintenance will expire on April 30, 2023.

This contract includes preventative and routine maintenance including material, labor, supervision, tools, supplies and all other expenses necessary to provide service, preventative maintenance, inspections, adjustments, testing and repairs on five pieces of lift equipment located at City Hall. This contract also includes the modification of the service elevator (#5) to meet new ASME A17.3 codes implemented in August 2022. Due to the age of the elevator, modifications are needed to bring this elevator into compliance. To retain the impeccable efficiency & reliability of this Otis manufactured elevator the recommendation is made by the contractor to use new Otis parts only, and not use remanufactured parts, or compatible parts from another manufacturer.

Staff recommends award of contract FM905E City Hall Elevator Maintenance 2023-2026 & ASME Code Upgrades with Otis Elevator Company for a three-year period, with two one-year options to extend with written notice, and the one-time ASME Code Upgrades in an amount not

to exceed \$495,500.

Alignment with Strategic Plan:

Infrastructure, Climate Change, and Environmental Sustainability

Previous Council Action:

Koch was awarded a contract E100074A for modification to elevators 1-4 at City Hall in an amount not to exceed \$1,323,040.97. This contract included two-years of maintenance from the release date of the project, for all five of the City Hall elevators, to cover the warranty period of the modification, which will expire on April 30, 2023.

Discussion:

Bids were solicited, and publicly advertised in the Reno Gazette-Journal pursuant to Nevada Revised Statute (NRS) 338.147 including acknowledgment and stipulation of bidder regarding penalties for noncompliance with Nevada Prevailing Wage requirements. One responsive bid was received and opened on March 14, 2023. Otis Elevator Company has the appropriate license to perform the work.

Contract terms are for three-years with two one-year options to extend with written notice. The option to extend the contract term is based on performance.

Staff is recommending the award of the contract to Otis Elevator Company, a licensed contractor in Nevada, for an amount not to exceed \$495,500, which is comprised of \$99,000 base bid, \$346,500 ASME Code Upgrade modifications, plus \$50,000 contingencies. Contingency funds are needed for unforeseen items including; but not limited to, the replacement of major equipment and control systems, vandalism repair, and emergency response during non-working hours. Examples that required the use of contingency funds in the past are hoist cable replacement because of water damage-\$50,000, interior cab vandalism-\$25,000 per incident, and in the case of motor failure, the cost can be up to \$75,000.

The recommended bid award amounts are summarized in Table 1 below:

City Hall Elevator Maintenance 2023-2026 & ASME Code Upgrades	Base bid (3-Years at \$33,000 per year)	ASME Code Upgrades (modifications)	Contingencies	Total
<i>Otis Elevator Company</i>	\$99,000	\$346,500	\$50,000	\$495,500

Financial Implications:

Funds for elevator maintenance services are currently allocated in the Facility Maintenance budget in the General Fund. The ASME Code Upgrade modifications will be funded in the Facility Maintenance Capital Maintenance Projects Fund.

Legal Implications:

This contract was competitively bid, pursuant to NRS 338.147, and award of bid is pursuant to City & State law. Otis Elevator Company has the proper license to perform the work.

Recommendation:

Staff recommends award of contract to Otis Elevator Company for the FM905E City Hall Elevator Maintenance 2023-2026 & ASME A17 Code Upgrades.

Proposed Motion:

I move to approve staff recommendations.

Attachments:

FM905E City Hall Elevator Maint. 2023-2026 & ASME code upgrades contract