

RESOLUTION NO. 2006-24

AUTHORIZING CONTRACT NO. 2005-160 WITH KONE, INC. FOR REPAIR AND MAINTENANCE OF ESCALATORS AND ELEVATORS, AS REQUIRED AND AS SPECIFIED, FOR A PERIOD OF THREE YEARS WITH TWO, ONE-YEAR OPTIONS IN AN AMOUNT NOT TO EXCEED \$524,412.00 FOR THE BASE THREE YEARS (GENERAL FUND - RAIL DISTRICT DEPARTMENT BUDGET)

WHEREAS, the Authority requires repair and maintenance service, as required and as specified, for its escalators and elevators at various locations; and

WHEREAS, the bid of KONE, Inc., located at One Kone Court, Moline, IL 61265 with a local office located at 6670 W. Snowville Rd., Brecksville, OH 44141 for the repair and maintenance of the escalators and elevators at various Authority locations for a period of three years with two, one-year options was received on January 19, 2006, at unit prices resulting in an amount not to exceed five hundred twenty-four thousand four hundred twelve & 00/100 dollars (\$524,412.00) for the base three years; and

WHEREAS, the General Manager/Secretary-Treasurer deems the bid of KONE, Inc. to be the lowest responsive bid from a responsible bidder and recommends acceptance thereof by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the bid of KONE, Inc. for the repair and maintenance of the Authority's escalators and elevators for a period of three years with two one-year options be and the same is hereby accepted as the lowest responsive bid from a responsible bidder.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with KONE Inc. for repair and maintenance of the Authority's escalators and elevators at various locations, as required and as specified, for a period of three years with two one-year options.

Section 3. That said contract shall be payable from the General Fund, Rail District Department budget in an amount not to exceed five hundred twenty-four thousand four hundred twelve & 00/100 dollars (\$524,412.00) for the base three years.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon appropriation of funds for future years; compliance by the contractor to the Specifications and Addenda thereto, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2005-051; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that KONE, Inc. will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: _____, 2006

President

Attest: _____
CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2005-160 WITH KONE INC. FOR REPAIR AND MAINTENANCE OF ESCALATORS AND ELEVATORS, AS REQUIRED AND AS SPECIFIED, FOR A PERIOD OF THREE YEARS WITH TWO, ONE-YEAR OPTIONS IN AN AMOUNT NOT TO EXCEED \$524,412.00 FOR THE BASE YEARS (GENERAL FUND-RAIL DISTRICT DEPARTMENT BUDGET)	Resolution No.: 2006-24
	Date: February 16, 2006
	Initiator: Rail District Department
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 PURPOSE/SCOPE: This action will allow the Authority to enter into a contract for the repair and maintenance of the Authority's escalators and elevators at various locations throughout the Authority for a period of three years with two, one-year options.
- 2.0 DESCRIPTION/JUSTIFICATION: The Authority requires the services of a contractor to perform repair and maintenance services on its escalators and elevators to minimize service disruptions. This will be a three-year contract with two, one-year options. The Authority does not employ personnel trained to complete necessary monthly maintenance or repairs when the units breakdown.
- 3.0 PROCUREMENT BACKGROUND: The solicitation was posted on the procurement web site and advertised in the local newspaper, as required. Nine potential bidders downloaded the bid package and three qualified bidders responded by January 19, 2006 as follows:

<u>Company</u>	<u>Year One</u>	<u>Year Two</u>	<u>Year Three</u>	<u>Total</u>
KONE, Inc. 6670 W. Snowville Rd. Brecksville, OH 44141	\$168,000	\$174,720	\$181,692	\$524,412
Schindler Elevator Corp. 1100 East 55 th Street Cleveland, OH 44103	\$238,800	\$253,130	\$268,317	\$760,247
ThyssenKrupp Elevator 9200 Market Place Broadview Hts., OH 44147	\$290,280	\$304,794	\$320,034	\$915,108

The bid of KONE, Inc. has been determined by the Procurement Department to be a responsive bid from a responsible bidder. Discussions between KONE, Inc., Procurement and the Rail District Department have confirmed that the contractor fully understands and acknowledges the requirements of this contract.

A price analysis has been performed and the Procurement Department has determined the price to be fair and reasonable to the Authority.

- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to the lack of certified DBE firms.
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This procurement will be funded through the General Fund, Rail District Department budget in an amount not to exceed five hundred twenty-four thousand four hundred twelve & 00/100 dollars (\$524,412.00) for the base three years. The bid price is 10% below the previous contract price for this service.
- 7.0 ALTERNATIVES: Reject all bids. Rejection of this award would delay the required maintenance and repair service of the Authority's escalators and elevators at various locations and could affect the safety of both the public and Authority employees.
- 8.0 RECOMMENDATION: It is recommended that the bid of KONE, Inc. be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to enter into a contract.
- 9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.

CEO, General Manager/Secretary-Treasurer