



Detroit Water and Sewerage Department

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Legislation Details (With Text)

File #: 21-0381 **Version:** 1 **Name:**

Type: Contract **Status:** Passed
In control: Financial Services

On agenda: 2/17/2021 **Final action:** 2/17/2021

Title: The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve DWSD Contract 6003270 to utilize OMNIA cooperative contract #EV2516 with KONE Inc. for preventative maintenance, service and repairs for all DWSD elevators for a total amount not-to-exceed \$400,000 and a term of 44 months. This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Indexes: Board of Water Commissioners, Finance Committee

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
2/17/2021	1	Board of Water Commissioners	approved	Pass
2/3/2021	1	Finance Committee	recommended for approval	Pass

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **DWSD Contract 6003270 to utilize OMNIA cooperative contract #EV2516 with KONE Inc. for preventative maintenance, service and repairs for all DWSD elevators for a total amount not-to-exceed \$400,000 and a term of 44 months.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of February 17, 2021

Item No.: 21-0381

Contract No: 6003270

Contractor: KONE Inc.

Address: 11864 Belden Court, Livonia, MI 48150

Total Contract Amount: \$400,000

Contract Term: 3/1/21 - 11/30/24 (44 months)

Note: The cooperative contract includes 5 one-year renewal options (through 2029). DWSD will seek BOWC approval in the future to exercise renewal options prior to contract expiration should DWSD seek to extend the contract.

TO: The Honorable
Board of Water Commissioners
City of Detroit, Michigan

FROM: Gary Brown, Director
Water and Sewerage Department

RE: Proposed DWSD Contract No. 6003270
Preventative Maintenance, Service and Repairs for DWSD Elevators

MOTION

Upon recommendation of Mamata Burgi, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **DWSD Contract 6003270 to utilize OMNIA cooperative contract #EV2516 with KONE Inc. for preventative maintenance, service and repairs for all DWSD elevators for a total amount not-to-exceed \$400,000 and a term of 44 months.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND & JUSTIFICATION

The Facilities department is responsible for the repair and maintenance for all five (5) Detroit Water and Sewerage Department facilities. DWSD's facilities have a total of 12 Elevators for daily operations;

- 6 Passenger and 1 Auto Freight Elevator at MOB
- 5 Hydraulic Elevators at CSF

Elevators bear the responsibility of transporting, employees, visitor's, vehicles and material throughout the building. This maintenance contract will assist Facilities in getting preventative maintenance and repairs done in a timely manner when cars fail or are damaged by accidents. Monthly preventative maintenance will include but is not limited to; clean, examine, adjust, lubricate any and all parts of the elevators including, electrical and mechanical portions that assist the elevator to operate. The awarded contractor will assume all responsibility for the elevators, including any and all inspections/testing required by the State of Michigan and the City of Detroit.

This four-year contract will provide routine preventative maintenance along with as-needed parts, service and repairs.

Facilities is asking that KONE, Inc. be the awarded contractor, as they are currently the contractor conducting the rehab for the MOB Elevator Project (*DBA Contract No. 6000154*). The project currently encompasses a 1-year maintenance agreement, with each car as they are completed. For some cars, this will overlap and Facilities wants to eliminate the possibilities of having two separate contractors working on the same equipment. Additionally, Otis currently holds an Elevator contract with the City of Detroit, and has manpower issues with the added workload from DWSD.

PROCUREMENT METHOD

DWSD requisition #483935 was approved on 10/05/20. The DWSD Procurement Policy allows for participation in cooperative purchasing agreements from other public purchasing consortiums for competitively solicited contracts. OMNIA through the City of Kansas City, MO issued a Request for Proposals for elevator maintenance and services and awarded based on the highest ranked proposal. The contract term is through November 30, 2024 with the option to renew for five (5) additional one-year terms. The cooperative OMNIA Contract No. EV2516.

Prior to utilizing a cooperative contract, the DWSD Procurement Policy requires Detroit Based Businesses

(DBB) and Detroit Resident Businesses (DRB) be provided an exclusive opportunity to submit a bid that is equal to or less than the price of the cooperative purchase agreement, provided the DBB or DRB will meet or exceed all terms and conditions of the cooperative agreement. To ensure compliance, DWSD Procurement issued an Invitation to Respond (ITR) on the MITN website on November 30, 2020 and required an intent to respond due on December 7, 2020 and closed December 16, 2020. The ITR opportunity was submitted to 107 companies subscribing to the relevant NIGP code(s). The ITR as viewed by 10 companies, yielded two intents to bid and only one bid was submitted by ThyssenKrupp, whom is not a DBB or DRB and does not qualify per the policy.

Vendors	Total Bid	Equalization	
KONE, Inc. (co-op)	\$198,000	N/A	
ThyssenKrupp	\$240,976	N/A	Not a DBB or DRB

KONE's insurance is current, clearances expire January 12, 2022 and a formal contract document is not required.

SUMMARY

- A. Contract Number: 6003270
- B. Contractor: KONE Inc.
- C. Contract Term: 3/1/21 - 11/30/24
- D. Contract Amount: \$400,000
- E. Funding Source: O&M Funds
- F. GL Strings:
- 5720-20167-482421-622900-000209-10743-0000-000000 - 30% Water
- 5820-20178-492421-622900-000230-15962-0000-000000 - 70% Sewer
- G. Projected Fiscal Year (FY) Contract Expenditures:
- | | |
|---------------------|---------------------|
| FY 20-21: \$50,000 | FY 21-22: \$125,000 |
| FY 22-23: \$125,000 | FY 23-24: \$100,000 |

This contract was presented to the BOWC Finance Committee on February 3, 2021. Per DWSD procurement protocol, Post-FRC review is required in addition to BOWC approval.