



# CITY OF SAN MATEO

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## Agenda Report

Agenda Number: 23

Section Name: {{section.name}}

Account Number: 82-4681

File ID: {{item.tracking\_number}}

**TO:** City Council  
**FROM:** Drew Corbett, City Manager  
**PREPARED BY:** Public Works Department  
**MEETING DATE:** September 19, 2022  
**SUBJECT:** Citywide Elevators and Lifts Maintenance Service – Agreement

### RECOMMENDATION:

Adopt a Resolution to approve an alternative purchasing procedure and approve a three-year agreement with TK Elevator Corporation for maintenance and repair services for City-owned elevators and lifts with the option for up to three one-year renewals for a total up to six years in an amount not to exceed \$590,004; approve a contingency reserve of \$118,000 for large, unanticipated repairs; and authorize the Public Works Director to execute the agreement and annual renewals in substantially the form presented and issue change orders within the contingency amount.

### BACKGROUND:

To ensure the safety of the public and protect workers in the elevator industry, elevators and wheelchair lifts must be inspected monthly to meet State Division of Occupational Safety and Health permit requirements and must pass annual inspections by the State of California. As a result, certified specialists must perform regular inspections, testing, and maintenance of elevators and lifts at City-owned facilities.

Pricing for the scope of work proposed is based on competitive bids obtained by Sourcewell (formerly National Joint Powers Authority). Pursuant to Municipal Code Section 3.60.070(h)(3), which authorizes the Council to approve an alternative purchasing procedure when it finds doing so is in the best interest of the City, staff recommends relying on the pricing obtained by Sourcewell because it is a government organization that has solicited, received, and reviewed competitive bids for the desired elevator maintenance and repair services through its cooperative purchasing program. In addition, nine of the thirteen City elevators are manufactured by TK Elevator Corporation, they have a positive history of maintaining these elevators, and they have extensive knowledge of City's expectations and requirements. Based on the above, staff recommends entering into an agreement to TK Elevator Corporation.

The agreement is for up to a total of six (6) years (i.e., three-year base contract and up to three annual renewals) of \$70,260 per year, which allows for an annual CPI increase of up to 4% each year, and an annual amount of \$20,650 for repairs, as summarized in the table below.

Year	Base Inspection Contract (with CPI Increase)	Annual Allowance for Minor Repairs	Total Annual Amount
Year 1	\$70,260	\$20,650	\$90,910
Year 2	\$73,080	\$20,650	\$93,730
Year 3	\$76,008	\$20,650	\$96,658

Year 4	\$79,044	\$20,650	\$99,694
Year 5	\$82,212	\$20,650	\$102,862
Year 6	\$85,500	\$20,650	\$106,150
Total 6-Year Amount	\$466,104	\$123,900	\$590,004

Staff also recommends establishing a contingency reserve in the amount of \$118,000 for large, unanticipated repairs. Staff will obtain separate quotations from TK Elevator utilizing Sourcewell pricing for any large repairs performed using the contingency reserve.

**BUDGET IMPACT:**

The cost for this service agreement will be funded through two different sources. The five downtown parking garage elevators will be funded from the Downtown Parking and Security Fund (Fund 14) and the remaining eight elevators and five wheelchair lifts will be funded from the Fleet and Building Maintenance Fund (Fund 82). Sufficient funding is available in both programs.

**ENVIRONMENTAL DETERMINATION:**

This service is categorically exempt from CEQA as an “existing facility,” because it consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use. (CEQA Guidelines Section 15301.)

**NOTICE PROVIDED**

All meeting noticing requirements were met.

**ATTACHMENTS**

Att 1 - Proposed Resolution  
Att 2 - Agreement

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