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**Title:** CONSIDER AWARD OF A CONSTRUCTION CONTRACT TO TK ELEVATOR CORPORATION FOR PROJECT NO. 1720 - MODERNIZATION OF THE COMMUNITY CENTER ELEVATOR

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**Attachments:** 1. 801 Carson Community Center Elevator Modernization Proposal 11.22.22 (003), 2. Contract TK Elevator Community Center

Date	Ver.	Action By	Action	Result
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**Report to Mayor and City Council**

Tuesday, February 21, 2023

Consent

**SUBJECT:**

**CONSIDER AWARD OF A CONSTRUCTION CONTRACT TO TK ELEVATOR CORPORATION FOR PROJECT NO. 1720 - MODERNIZATION OF THE COMMUNITY CENTER ELEVATOR**

**I. SUMMARY**

Project No. 1720 - Modernization of the Community Center Elevator is one of the 5-Year Capital Improvement Program (CIP) projects.

On April 21, 2022, Public Works Engineering through the Purchasing Department issued an Invitation for Bids (IFB) 22-15 for Project No. 1720 - Modernization of the Community Center Elevator for the modernization of the elevator which includes installation of new controllers, a new power unit, a new jack, a new car, hoist way, and valve kit. It also includes the installation of a new cab with new door equipment, car fixtures and hall fixtures.

The IFB was advertised on Planet Bids and no bids were received on the due date of May 16, 2022. Upon consulting with the City Attorney, staff was advised that informal bidding could be done, and bids could be solicited directly by reaching out to plan holders and potential bidders. City Staff reached out to all sixteen of the plan holders listed on Planet

Bids for a direct proposal, and TK Elevators finally submitted a proposal on November 7, 2022. The proposal in the amount of \$194,701.53 was reviewed and staff determined that it is a responsive and acceptable proposal and that TK Elevator is a responsible contractor (Exhibit No. 1).

Staff recommends the award of a Construction Contract with TK Elevator Corporation for a not-to-exceed amount of \$194,701.53 (Exhibit No. 2).

## **II. RECOMMENDATION**

1. AWARD a Construction Contract to TK Elevator Corporation for Project No. 1720 - Modernization of the Community Center Elevator, for a not-to-exceed amount of \$194,701.53.
  
2. AUTHORIZE the expenditure of construction contingencies in the amount of \$29,205 (15%) for any unforeseen construction work and other work that may be necessary to complete this project.
  
3. AUTHORIZE the Mayor to execute a Construction Contract with TK Elevator Corporation following approval as to form by the City Attorney.
  - 1.

## **III. ALTERNATIVES**

1. REJECT the Proposal.
2. TAKE another action the City Council deems appropriate consistent with the requirement of the law.

## **IV. BACKGROUND**

Project No. 1720 - Modernization of the Community Center Elevator, is listed in the City's Five-Year Capital Improvement Program (CIP). The Community Center elevator is critical for access to the second floor of the Community Center and addresses the mobility issues related to getting guests and patrons to the rooms and facilities upstairs. The elevator is currently functioning, but parts are getting increasingly difficult to find. The cost to keep this elevator running is increasing as it is an older model and replacement parts are no longer readily available.

The Community Center Elevator was installed in 1983 and is overdue for renovation. Due to its old age, the parts are more difficult to find in the event of breakdown because the manufacturer no longer exists. The elevator was shut down previously for an extended period in 2022 due to a circuit board malfunction. It took approximately four months for Public Works staff and Smartrise Elevators to secure the parts and perform the necessary

repairs to get the elevator up and running. If a major part malfunctions, the elevator would be out of operation for an extended time given the short availability of surplus parts, which often come from other elevators that are being dismantled in other buildings.

IFB No. 22-15 was advertised on Planet Bids, but no bids were received on the due date of May 16, 2022 despite having 23 plan holders from Planet Bids for the project. City Staff reached out to the plan holders to understand the reasons for not submitting a bid for the project. The responses were that both the insurance requirements and the warranty requirements were too restrictive and difficult to maintain. Public Works staff and the City Attorney's office worked with vendors in 2022 to revise the City's standard contract to meet the requirements for a typical elevator installation project, but the vendors and the City were not able to reach an agreement on the contract terms.

On October 18, 2022 the City invited TK Elevator Corporation for a site visit to evaluate and provide a proposal for Project No. 1720. On November 7, 2022 TK Elevator Corporation provided a proposal for the modernization of the elevator which includes the installation of new controllers, a new power unit, a new jack, a new car, hoist way, and valve kit. It also includes the installation of a new cab with new door equipment, car fixtures and hall fixtures. The proposal was received, reviewed, and staff determined that TK Elevator Corporation was knowledgeable, and a qualified firm to provide the necessary replacement of the elevator system. They would be able to provide the right team to deliver the work the City needs. TK Elevator is a global leader in mobility products and services. TK Elevator is formally known as ThyssenKrupp and has been in business in its present form since 1999. ThyssenKrupp also provided maintenance services for the City of Carson until 2017.

Staff recommends that City Council award a Construction Contract to TK Elevator Corporation for Project No. 1720 - Modernization of the Community Center Elevator, for a not-to-exceed fee of \$194,701.53.

## **V. FISCAL IMPACT**

The construction bid amount for this project is \$194,701.53. A construction contingency in the amount of \$29,205, representing 15% of the total construction bid, is recommended. The total project cost including the 15% contingency is \$223,906.53. Funds for this project were included in the FY2022/23 General fund budget.

## **VI. EXHIBITS**

1. Proposal from TK Elevator Corporation (pgs. 4-21)
2. Construction Contract with TK Elevator (pgs.22-59)

1.

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