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KANSAS CITY
MISSOURI

General Services Department

**Procurement Services Division
Contract Administration Office**

1st Floor, City Hall
414 East 12th Street
Kansas City, Missouri 64106

Fax: (816) 513-2812

DATE: October 9, 2018

TO: Cedric Rowan, Manager of Procurement Services
Darrell Everett, Procurement Manager

FROM: Delois Moore, Senior Procurement Officer

SUBJECT: EV2516 Recommendation of Award

BACKGROUND

The City of Kansas City, MO was asked to issue a solicitation on behalf of the U.S. Communities Cooperative Program in an effort to seek proposals from qualified companies to provide Elevator and Escalator Maintenance and Repair Services for more than 55,000 public agencies and non-profit organizations that participate in the Program. Each month more than 500 new users register to participate. The continuing rapid growth of public agency participation is fueled by the Program's proven track record of providing unparalleled value to public agencies.

This was a national solicitation in which the City was the Lead Public Agency in its role as a member of the U.S. Communities Advisory Board. This will provide the lowest government pricing for public agencies across the county to purchase the above-referenced items.

SOLICITATION PROCESS

This project followed the City's formal solicitation process and was published on RFP365 as well as posted on the City's website and Demand Star. Many notifications were made regarding this RFP, 12 firms accessed the information. Two proposals were received: Kone, Inc. and NEIS (National Elevator Inspection Services) A five-person committee comprised of City of employee from General Services and Water Services, along with representatives from Maricopa County, AZ, City of Denver, CO and City of Los Angeles, CA evaluated individually scored the proposals and together recommended award be made to Kone, Inc.

Based on the committee's recommendation, the City moved forward with contract negotiations with Kone, Inc. The City focused on meeting the local and national requirements, which in part included:

- a five-year initial term with three additional two-years renewals options
- exhibit 1- City of Kansas City Special Requirements (attached for your review)

- an MBE/WBE participation goals for this project are 10% MBE and 0% WBE

RECOMMENDATION

Based on the proposals received and the evaluation committee and U.S. Communities staff, it is recommended that the award for Elevator and Escalator Maintenance and Repair be made to:

KONE, Inc.
4225 Naperville Road
Suite 400
Lisle, IL 60532

The proposed pricing improved rates across the US of approximately 3-5% and reduced escalation from existing 4% to 3.25% during the 1st five (5) years. This would result in an estimated cost savings to the City of Kansas City, Missouri of \$450,000.00 over the period of 5 years using the previous contract as a benchmark. These rates are better than the current U.S. Communities contract with Kone, Inc. This contract will add saving, efficiency and value by providing Kone Online, Kone mobile and Automatic email notification to assist in placing and monitoring service calls to communicate with all customers. Kone Mobile app provides a notification when technicians arrive, complete work and depart your site. Each agency will be provided an Asset Management Plan that will identifies existing condition and state of equipment, recent and upcoming code changes, advancements in technology, and improvements that can be made in ride quality for their customers over a 5-year period.

Funding will come from previously appropriated funds in the FY2018-2019 Adopted Budget for such purposes. No new appropriations are required. Due to the fact this a Facility Maintenance and Repair contract, the annual spend will vary from year-to-year on City's needs and annual appropriations through the normal budget process.

SUMMARY

This contract, if approved by the City Council, will be made available to over 55,000 public agencies and non-profit organizations that utilize the U.S. Communities Program. By entering into a five-year contract with Kone, with three two-year renewal options, the contract will provide continuity for those agencies across the country that required those services. It will provide and on-going structure for the City's local companies to obtain discounted pricing when competing for public projects.

Documentation is provided in the contract file and is available for your review. Please let me know if you have any questions or need additional information



Manager of Procurement Services

10/9/18

Date

- Approved
- Disapproved