

PERALTA COMMUNITY COLLEGE DISTRICT
Board of Trustees Agenda Report
For the Trustee Meeting Date of September 10, 2013

ITEM TITLE:

Consider Approval to Enter into an Agreement with KONE Inc. to Provide Elevator Inspections and Maintenance Services at College of Alameda, Laney College and Merritt College.

SPECIFIC BOARD ACTION REQUESTED:

Approval is requested to enter into an Agreement with KONE Inc. to provide elevator inspections and maintenance services at College of Alameda, Laney College and Merritt College for a three (3) year period, in the amount not-to-exceed \$151,850.

ITEM SUMMARY:

Most importantly, the vendor’s services will ensure public safety, which is the District’s first priority. The District is committed to the provision of safe elevator transportation to meet safety codes and access for public use. To procure new elevator inspection and maintenance services, the Administration complied with California Public Contract Codes, Board Policy, and Administrative Procedure established a screening committee to assess potential vendor’s proposals based on the set evaluation criteria outlined in the Request for Proposal (RFP).

As required by the State of California Public Contract Code Sections 20651-20660 and Board Policy 6330 for purchasing of goods and services, the District solicited a Request for Proposal (RFP No. 13-14/03) to establish a new agreement with a selected vendor to provide District-wide elevator inspection and maintenance services. The RFP was issued by the Purchasing Department on June 12, 2013 and the schedule publication dates were June 12, 2013 and June 19, 2013 respectively. Potential vendors provided their proposals to the Purchasing Department by July 9, 2013. A mandatory pre-proposal meeting was scheduled on June 20, 2013 to review the submission requirements and to tour three (3) college’s elevators.

Consequently, a total of three (3) proposals were submitted to the District by various full service companies that provide elevator inspection and maintenance services. Proposal submissions were scored according to the following evaluative criteria: 1) References, Resources, and Key Personnel, 2) Knowledge and Experience, 3) Response Time and Maintenance Plans, 4) Proposed Costs, and 5) Small Local Business Enterprise (SLBE) / Small Local Emerging Business Enterprise (SELBE). A technical screening committee comprising of the District’s personnel was established to evaluate and score all submissions according to the scoring criteria above. As a result, KONE Inc. received the highest assessment score of 213 points.

The following are the total scores for the three (3) companies:

EVALUATORS	VENDORS		
	Thyssen Krupp	KONE Inc.	Otis
Evaluator No. 1	81	90	52
Evaluator No. 2	55	70	52
Evaluator No. 3	50	53	55
TOTAL:	186	213	159

The period of services will start September 1, 2013 to August 31, 2016. The period of performance and service is for three (3) years from the date of award with one (1) two-year renewal options subject to an annual review for performance by the Administration and brought before the Board of Trustees for approval. Additionally, vendor's performance evaluation will be conducted annually during the contract period. The company provided a billing rate worksheet and fee schedule/hourly labor rates for their services as outlined below.

The following are KONE Inc.'s billing rates for services:

Billing Rate Worksheet					
	Year 1	Year 2	Year 3	Year 4	Year 5
College of Alameda	\$888.00	\$914.64	\$942.08	\$970.34	\$999.45
Laney College	\$2,100.00	\$2,163.00	\$2,227.89	\$2,294.73	\$2,363.57
Merritt College	\$1,106.00	\$1,139.18	\$1,173.36	\$1,208.56	\$1,244.81
Monthly Total:	\$4,094.00	\$4,216.82	\$4,343.32	\$4,473.62	\$4,607.83
YEARLY TOTAL:	\$49,128.00	\$50,601.84	\$52,119.84	\$53,683.44	\$55,293.96
3 YEAR TOTAL:	\$151,849.68				

Fee Schedule/Hourly Labor Rates for services:

BILLING RATES	MECHANIC
Straight Time Full Rate	\$291.74
Overtime Full Rate	\$492.77
Overtime Premium Portion Rate	\$203.03

Currently, KONE Inc. has an active contractor's license with California Department of Consumer Affairs – Contractors State License Board. KONE Inc. is a California corporation located in San Leandro, California. The business is managed by Joe Harmeyer (District Manager) and Eric Menze (District Service Manager). The company has provided quality elevator maintenance and services at Berkeley City College, Laney College, College of Alameda and Merritt College for years and the quality of work will continue throughout this contract. Currently, they are providing services at Berkeley City College under a separate contract. The separate contract for Berkeley City College will be integrated with other colleges upon the expiration of that contract.

KONE Inc. general services will include but not limited to the following:

- Perform inspection and maintenance of elevators and lifts per manufacturer's recommended maintenance intervals per local enforced code.
- Provide qualified, factory trained technicians to perform all maintenance and repairs.
- Include all labor, parts, supplies, oil, lubricants and any other materials required to maintain the equipment in good and safe operating conditions. This includes systematically examining, maintaining, adjusting, lubricating, and when conditions warrant through normal wear and tear, repair or replace existing parts using quality parts and components.
- Inspect all elevators and lifts on a monthly basis to make sure they are in good operating condition.
- Perform the Preventive Maintenance per the manufacturer's recommended maintenance intervals and per local enforced code.
- Conduct an annual safety inspection of all equipment covered under the agreement.
- Perform tests as required by American Society of Mechanical Engineers A-17.1 code to include hydraulic elevators, traction elevators, and lifts.

- Maintain a parts inventory and parts accessibility network to insure timely availability of replacement and materials.

Board approval is necessary because the new contractual amount of \$151,850 exceeds the formal contractual bid threshold of \$83,400. All Board approved contracts are subject to final negotiation and execution by the Chancellor. The Chancellor recommends approval.

SOURCE OF FUNDS (AND FISCAL/BUDGETARY IMPACT):

General Fund

BACKGROUND/ANALYSIS:

On February 12, 2013, the Board of Trustees approved KONE Inc. to provide elevator maintenance services from December 1, 2012 to April 30, 2013. Later, the Board of Trustees authorized the District to enter into a month-to-month contract with KONE Inc. on June 11, 2013 until a Request for Proposal (RFP) was completed and approved by the Chancellor and the governing Board of Trustees. On June 12, 2013, the District solicited a RFP to establish a new contract with a potential company to provide elevator maintenance services. As a result, KONE Inc. received the highest evaluative score of 214 points as outlined under the Item Summary.

On September 21, 2011, the Vice Chancellor for General Services met with the leadership of Ascent Elevator Services to discuss the hiring practices and the need to have a diverse workforce environment. The company enumerated some of the challenges that they have encountered in the past, but promised to begin the process of hiring minorities to their work force and students for the apprentice program. The company made good on its promise and hired a minority staff that assisted in the installation of the elevators at Laney College Forum and Building G. Ascent Elevator Services has indicated that there is mutual benefit from their decision to hire local minorities. The administrative staff will follow up with this vendor as this contract is implemented to assure the Board of minority hiring practices.

The next step was to work with Alameda County Buildings and Trades to implement the Project Labor Agreement to benefit Peralta's Construction students as apprentices with the objective of obtaining higher paying jobs in the area of elevator jobs. A side letter has been written to implement this additional measure between the District and Building and Trades. All Board approved contracts are subject to final negotiation and execution by the Chancellor. The Chancellor recommends approval.

DELIVERABLES AND SCOPE OF WORK:

KONE Inc. will maintain elevator services on all traditional college campuses listed above. It should be noted that KONE Inc., already provide elevator services at Berkeley City College under a separate contract.

ANTICIPATED COMPLETION DATE:

KONE Inc. maintenance elevator services will last until June 30, 2014.

ALTERNATIVES/OPTIONS:

There are no reasonable alternatives for this contracted period.

EVALUATION AND RECOMMENDED ACTION:

The Administration recommends Board of Trustees' approval of this contract to KONE Inc. for elevator maintenance services.

OTHER DEPARTMENTS IMPACTED BY THIS ACTION (E.G. INFORMATION TECHNOLOGY):

YES _____ **NO** **X**

COMMENTS:

If this contract is not approved and delayed elevator service may have possible impact public safety and building transportation.

WHO WILL BE PRESENTING THIS ITEM AT THE BOARD MEETING?

Vice Chancellor Ikharo

(****Board contract approval is subject to negotiation and execution by the Chancellor.)

DOCUMENT PREPARED BY:

Prepared by: Dr. Sadiq B. Ikharo
Vice Chancellor of General Services

DOCUMENT PRESENTED AND APPROVED BY:

Presented and approved by: Dr. Sadiq B. Ikharo
Vice Chancellor of General Services

FINANCE DEPARTMENT REVIEW

Finance review required Finance review *not* required

If Finance review is required, determination is: Approved Not Approved

If not approved, please give reason: _____

Signature: Ronald Gerhard
Ron Gerhard, Vice Chancellor for Finance and Administration

GENERAL COUNSEL (Legality and Format/adherence to Education Codes):

Legal review required Legal review *not* required

If Legal review is required, determination is: Approved Not Approved

Signature: Thuy Thi Nguyen
Thuy Thi Nguyen, General Counsel

CHANCELLOR'S OFFICE APPROVAL

Approved, and Place on Agenda Not Approved, but Place on Agenda

Signature: José M. Ortiz
Dr. José M. Ortiz, Chancellor

Peralta Community College District
RFP: 13-14/03 Elevator Inspection and Maintenance Program

Attachment 11: Fee Schedule/Hourly Labor Rates

BILLING RATES	MECHANIC
Straight Time Full Rate	\$291.74
Overtime Full Rate	\$492.77
Overtime Premium Portion Rate	\$203.03

Bid Work Sheet

13-14/03 Elevator Inspection and Maintenance Program

At minimum, the Vendor shall perform all Inspection, Preventative Maintenance, and Tests listed in the Scope of Work Section. Provide your pricing (for each elevator) for this service. All pricing is on an annual basis. Also attach your proposed fee schedules/hourly labor rates for any work not considered part of the Scope of Work of this RFP to this sheet.

Yearly Cost per Elevator/Lift:

Line	College	Location	Type	Make	Year 1 Price	Year 2 Price	Year 3 Price	Year 4 Price	Year 5 Price
1	Alameda	Building A	Hydraulic	Armor	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
2	Alameda	Building D	Hydraulic	Armor	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
3	Alameda	Building F	Hydraulic	Armor	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
4	Alameda	Building B	Hydraulic	Otis/Dover	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
5	Alameda	Library	Hydraulic	Otis/Dover	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
6	Alameda	Gym	Hydraulic	Otis/Dover	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
Sub Total for Alameda					\$838.00	\$917.64	\$972.08	\$1070.34	\$1199.75
7	Laney	Tower #2	Traction	MKO	\$349.00	\$359.47	\$370.25	\$381.36	\$392.80
8	Laney	Tower #1	Traction	MKO	\$349.00	\$359.47	\$370.25	\$381.36	\$392.80
9	Laney	Student Center	Hydraulic	Armor/USEC	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
10	Laney	Student Center	Hydraulic	Armor/USEC	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
11	Laney	Library	Hydraulic	Armor/USEC	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
12	Laney	Theatre	Hydraulic	Armor/USEC	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
13	Laney	Building E	Hydraulic	Otis	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
14	Laney	Theatre	Handicap Lift	Access Industries	\$35.00	\$36.05	\$37.13	\$38.25	\$39.39
15	Laney	G Building	Hydraulic	EECO/EC	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
16	Laney	Forum	Hydraulic	EECO/EC	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
*17	Laney	Theater	Hydraulic		\$35.00	\$36.05	\$37.13	\$38.25	\$39.39
*18	Laney	Field House	Hydraulic		\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
*19	Laney	Press Box	Hydraulic		\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
Sub Total for Laney					\$2190.00	\$2216.00	\$2277.33	\$2394.75	\$2565.57
20	Merritt	Building L	Hydraulic	Otis/Dover	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
21	Merritt	Building R	Hydraulic	Otis/Dover	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
22	Merritt	Building A	Hydraulic	Otis/Dover/UTC	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
23	Merritt	Building D	Hydraulic	Otis/Dover/UTC	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
24	Merritt	Building F	Hydraulic	Otis/Dover/UTC	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
25	Merritt	Building P	Hydraulic	Dover	\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
26	Merritt	Building Q	Handicap Lift	National Wheel-O-Vator	\$35.00	\$36.05	\$37.13	\$38.25	\$39.39
*27	Merritt	Building R	Ball screw	National Wheel-O-Vator	\$35.00	\$36.05	\$37.13	\$38.25	\$39.39
*28	Merritt	Building R	Hydraulic		\$148.00	\$152.44	\$157.01	\$161.72	\$166.58
Sub Total for Merritt					\$1106.00	\$1139.78	\$1173.36	\$1208.56	\$1244.81
Grand Total					\$4,094.00	\$4,216.82	\$4,343.32	\$4,473.62	\$4,607.83

Vendor Name: KONE, INC Contact Person: PHILIP LI Title: SERVICE SALES MGR

Authorized Signature:  Date: JULY 8, 2013

CAPITAL PROJECTS

		coaching; rarely provides expected service and no quality service checks are evident; unaware of problems until discovery by others, then unable to provide analysis or resolution options.
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GENERAL MANAGEMENT

Complete this section for all services

	Score	Comment
1) RESOURCES —Manages resources effectively including, sub-consultants, schedules meetings and provides progress reports, and milestones.	4	Technical resources were excellent, although their local management was lacking.
2) QUALITY CONTROL —Provides quality control throughout the project. Follows the District's standards. Implements a quality control/assurance plan for the project.	4	Technical quality was excellent; however, contractual documentation was marginal.
3) COMMUNICATION — Communicates effectively with the Project Team, Sub-consultants, Stakeholders, District Management, and at meetings.	4	Management communication improved.
4) BUDGET —Manages budgets effectively. Brings projects in within budget. Reviews all invoices and makes sure proper scope of work is addressed on invoices, and submits invoices on time.	5	All work was completed within budget.
5) MANAGEMENT —Manages the contract and modifications. Negotiates change orders in a fair collaborative and open manner.	4	Work outside the scope of this maintenance contract was expected and did occur.
6) POLICY —Understands and conforms to the District's General Services policies, procedures, standards, manuals of instruction, and if applicable any State-Aid requirements.	4	Their management was tardy in addressing contractual and invoicing issues.
7) SCHEDULE —Develops and meets a realistic schedule for the project and scope of services.	3	Schedule suffered due to management shortcomings.
8) OPERATION —Reviews drawings/specifications and works with Project Manager to mitigate exposure to change orders. Understands the entire project scope and work to makes sure sub-consultants understand the scope.	4	No drawings were applicable.
9) PROVIDES SOLUTIONS —Proposes innovative solutions to Design & Construction Challenges.	N/A	No unique solutions were required.
10) TEAMWORK —Works effectively with project team members and stakeholders.	4	Management addressed concerns.
TOTAL FOR GENERAL MANAGEMENT	36	

ENVIRONMENTAL SERVICES

Complete this section if this contract is for environmental services.

	Score	Comment
1) QUALITY —Prepares quality environmental documents.		
2) FOLLOWS THE LAW —Understands and conforms with state and local laws regarding environmental services.		
3) COLLEGE INVOLVEMENT —Involves the Colleges with regard to environmental issues. Makes sure Colleges are informed.		

CAPITAL PROJECTS

TOTAL FOR ENVIRONMENTAL SERVICES		
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DESIGN SERVICE

Complete this section if this contract is for design services.

	<u>Score</u>	<u>Comment</u>
1) DESIGN PROCESS —Follows the District's General Services Design Process and is knowledgeable of Federal/State/Industry design standards.		
2) DESIGN GOALS —Design to the District's needs, and fulfills project mitigation commitments for any environmental, right of way, utility, etc. requirements.		
3) CONTENT SOLUTION —Design connect with the College values and the build environment. Design meets the Districts Standards.		
4) DELIVERABLES —Develops quality plans, specifications, estimates, reports, meeting minutes.		
5) INNOVATION —Delivers a product that effectively applies innovative solutions to project challenges within the project requirements (scope, schedule, and budget).		
6) OUTSIDE AGENCIES —Works effectively with State & Local Agencies.		
TOTAL FOR DESIGN SERVICES		

CONSTRUCTION ENGINEERING MANAGEMENT

Complete this section if this contract is for construction engineering management.

	<u>Score</u>	<u>Comment</u>
1) PARTNERS —Effectively partners with Contractor, District General Services, District Consultants (AOR, IOR), State (DSA), Local Agency, Utility Firms, and adjacent property owners to work solutions to Design & Construction Challenges.		
2) INSPECTION AND TESTING —Performs and documents in a timely manner quality materials testing and inspections consistent with District's General Services standards.		
3) OVERSIGHT —Ensures Contractors complies with the construction contract.		
4) WORKING ENVIRONMENT —Monitors and supports a SAFE work environment for project personnel and the public.		
5) CONTRACT ADMINISTRATION —Provides timely and accurate contract administration. Processes change orders, and payments on-time, reviews project documentation.		
6) CLOSEOUTS —Provides timely and accurate closeout process with state and local agencies.		
TOTAL FOR CONSTRUCTION ENGINEERING SERVICES		

OVERALL EVALUATION COMMENTS/FEEDBACK

Director of Capital Projects Comments/Feedback:

Kone had management problems in that their account executive did not properly address my concerns. I had various discussions with the District Manager regarding this and the account executive has since been replaced. Relations since then are excellent. -RWB, Director of Facilities and Operations

Facilities Project Manager Feedback:

How likely is it you will select this consultant for future projects?

Check One: Very Likely Likely Maybe Unlikely (Explain) Very Unlikely (Explain)

Very likely since the BCC elevators are state-of-the-art Kone elevators, best serviced by their trained technicians. -RWB

Consultant Project Manager Comments/Feedback:

N/A (no Consultant PM was utilized).

Overall Evaluation Score:

36 out of 45

APPROVAL SIGNATURES

1. Project Manager

X

Signature

R. W. Beckwith

Print Name

1/30/2013

Date

x7269

Phone

2. Director of Capital Projects

X

Signature

Print Name

Date

510 466-7213

Phone

3. Vice Chancellor of General Services

X

Signature

Dr. Sadiq B. Ikharo

Print Name

Date

510 466-7336

Phone