


Date: March 25, 2020
To: Board of Directors
From: Doug Kelsey 
Subject: **RESOLUTION NO. 20-03-15 OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET)
AUTHORIZING A CONTRACT WITH KONE, INC. (KONE) FOR
ELEVATOR AND LIFT MAINTENANCE AND REPAIR SERVICES**

1. **Purpose of Item**

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager or his designee to execute a contract (Contract) with KONE, Inc. (KONE) for elevator and lift maintenance and repair services.

2. **Type of Agenda Item**

- Initial Contract
 Contract Modification
 Other _____

3. **Type of Contract Procurement**

- Low Bid / Invitation to Bid (ITB)
 Request for Proposals (RFP) (inc. CM/GC)
 Request for Qualifications (RFQ) (Personal Services)
 Other (inc. sole source) _____

4. **Reason for Board Action**

Board authorization is required for all goods and services contracts obligating TriMet to pay in excess of \$1,000,000.

5. **Type of Action**

- Resolution
 Ordinance 1st Reading
 Ordinance 2nd Reading
 Other _____

6. **Background**

Within TriMet's 533 square mile service area there are numerous facilities, transit centers, and park and rides that contain elevators and/or lifts. With this Contract, TriMet will engage KONE to perform preventive maintenance and repair services (Services) on TriMet's elevators and lifts.

Under the Scope of Work for this Contract, KONE will provide, but not be limited to, the following Services:

- Provide a comprehensive maintenance program to maximize the performance, safety, and life span of all elevator and lift equipment;
- Provide all testing required by the State of Oregon Elevator Inspection Department, the ASME A17.1 Safety Code for Elevators, and all applicable law; including yearly no-load and five-year full-load testing of all traction elevators;
- Provide annual testing of all hydraulic elevators whose cylinders are not encased in PVC;
- Regularly and systematically examine, clean, lubricate, adjust and provide unlimited callback service, repair, and replacement of all components of the elevators;
- Regularly and systematically examine, clean, and lubricate all components of the lifts;
- Maintain three (3) complete sets of wiring diagrams showing as-built conditions with any changes or modifications to circuits resulting from control modifications, parts replacement or equipment up-grades;
- Provide TriMet with appropriate service manuals, adjusting manuals, and technical manuals for all equipment at each facility;
- Provide quarterly inspections and testing of the Firefighter's Service Phase I and Phase II and standby power operation, if installed;
- Provide annual testing of all dispatching systems to ensure all circuits and time settings are properly adjusted, and that all systems are performing as designed and installed;
- Provide labor to assist TriMet with annual smoke detector testing and scheduled generator testing; and
- Perform audits on all equipment once per year.

7. Description of Procurement Process

TriMet issued a Request for Proposals (RFP) on January 15, 2020. Seventy-five vendors were notified of the opportunity via TriMet's eProcurement System (TriP\$). Five vendors stated their intention to bid, but only Centric Elevator, KONE, Inc., and ThyssenKrupp Elevator submitted proposals.

A Source Evaluation Committee (SEC) comprised of staff from TriMet's Maintenance Operations and Engineering & Construction divisions evaluated the proposals based on the criteria set forth in the RFP. These criteria included qualifications of the proposer, staff and workforce diversity, and technical quality of the proposed work plan.

After evaluating the proposals, and given their low scores (see table below), the SEC determined that Centric Elevator and ThyssenKrupp Elevator were not competitive and their price proposals were not opened. Therefore, KONE was shortlisted to the competitive range and the SEC opened KONE's price proposal. The SEC determined that KONE would be considered for award and was asked to submit a Best and Final Offer (BAFO) to clarify areas of its proposal and to revise pricing.

KONE's overall score after BAFO is summarized in the table below:

<i>Evaluation Criteria</i>	Possible Points	Centric Elevator	ThyssenKrupp Elevator	KONE Inc.
Qualifications of Proposer, Staff and Diversity	40	29.4	30.8	35.4
Understanding of the Work	40	29.0	26.0	35.8
Sub-Total =	80	58.4	56.8	71.2
Price Proposal	20	N/A	N/A	20
Total Score =	100	58.4	56.8	91.2
Pricing (KONE only) . . .				\$1,409,087

The SEC determined that KONE demonstrated the highest level of qualifications, diversity, technical experience, and a strong understanding of the work and KONE was recommended for Contract award.

KONE's \$1,409,087 price for the Services over the five-year term was determined to be fair and reasonable in comparison to staff's independent cost estimate (ICE). This is an indefinite quantity, task order-based requirements contract; actual costs will be based on TriMet's requirements for the Services over the Contract term, in accordance with KONE's quoted price per year for the Services.

The attached Resolution authorizes TriMet to contract with KONE, Inc. for the Services in the amount of \$1,409,087 for the five-year period, but the amount of money spent over the Contract term will be based on actual agency requirements.

8. Diversity

TriMet's RFP required each proposer to include a workforce diversity summary of the firm as well as a Disadvantaged Business Enterprise (DBE) subcontracting plan. KONE's workforce is 11.6% female and 3.5% minority, and its total employee count is 86. KONE intends to self-perform all of the Services.

9. Financial/Budget Impact

The Contract amount is accounted for in Facilities Management's operating budgets for FY20 through FY25.

10. Impact if Not Approved

Should the Board choose not to approve the Contract, Facilities Management would need to perform these Services utilizing TriMet staff. However, TriMet is not staffed or equipped to perform these Services. Further, re-solicitation of the Services is not likely to obtain better results in quality of proposals, DBE participation, or price. Staff has determined KONE's proposal to be fully responsive and responsible, and its pricing to be fair and reasonable. Staff strongly recommends that the Board approve the award of this Contract to KONE, Inc.

RESOLUTION NO. 20-03-15

**RESOLUTION NO. 20-03-15 OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A
CONTRACT WITH KONE, INC. (KONE) FOR ELEVATOR AND LIFT
MAINTENANCE AND REPAIR SERVICES**

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract (Contract) with KONE, Inc. for the procurement of elevator and lift maintenance and repair services; and

WHEREAS, the total amount of the Contract exceeds \$1,000,000; and

WHEREAS, by Resolution dated October 25, 2017, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to authorize goods and services contracts obligating TriMet to pay in excess of \$1,000,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Contract shall conform with applicable law.
2. That the General Manager or his designee is authorized to execute the Contract in the amount of not more than \$1,409,087, through the March 31, 2025, Contract term.

Dated: March 25, 2020

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:

Gregory E. Skillman

Legal Department

