

## AGENDA



Thursday, May 14, 2009

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 25

**Subject:** Authorize award and execution of a 12-month requirements service contract with KONE, INC., Austin, TX for elevator maintenance, repair, and inspection services at various Austin Energy locations in an estimated amount not to exceed \$71,219, with four 12-month extension options in an estimated amount not to exceed \$71,219 per extension option, for a total estimated contract amount not to exceed \$356,095.

**Amount and Source of Funding:** Funding in the amount of \$29,674 is available in the Fiscal Year 2008-2009 Operating Budget of Austin Energy. Funding for the remaining seven months of the original contract period and extension options is contingent upon available funding in future budgets.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Karen Williams, Buyer II/322-6467

**Purchasing Language:** Lowest bid of two bids received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

**Boards and Commission Action:** Recommended by the Electric Utility Commission.

This contract is for preventative elevator maintenance, repairs, and inspections. The contractor will provide all services, labor, material, supplies, and replacement parts necessary to service, maintain, repair, and inspect the elevators at various Austin Energy (AE) locations. This service will cover the following equipment: 14-passenger elevators, 2-freight elevators, and 1-chair lift at eight different AE locations including St. Elmo, ECC; Kramer Lane buildings C, D, and E, Holly Street Power Plant, Decker Creek Power Station, Town Lake Center, and the District Cooling Plant No. 2.

The Contractor will perform monthly, semiannual, and annual maintenance services, and inspections to insure that all elevators are operating efficiently for City employees and the public.

MBE/WBE solicited: 1/0

MBE/WBE bid: 0/0

**PRICE ANALYSIS**

- a. Adequate competition.
- b. Nineteen notices were sent, including one MBE. There are no known WBEs available for this service. Two bids were received, with no response from the MBE.
- c. The pricing offered represents a 2% increase to the last contract award in December 2003.

**APPROVAL JUSTIFICATION**

- a. Lowest bid received. Kone, Inc. is not the current provider of these services.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.