



CITY OF LONG BEACH

C-10

DEPARTMENT OF FINANCIAL MANAGEMENT

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November 17, 2009

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications PA-02109 and award a contract to Excelsior Elevator, Inc., Reliable Elevator, Inc., and Schindler Elevator, Inc., in the amount of \$150,000 for the period of one year, with the option to renew for one additional year, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is being requested to enter into annual contracts to provide consolidated, preventive maintenance, repair, inspection, and emergency response services for City elevators at various locations citywide. The City of Long Beach owns and operates over 56 elevators manufactured by several different companies. These elevators, which vary in condition, are located in over 24 City facilities throughout the City.

The contracts were previously awarded to Excelsior Elevator, Inc. and Schindler Elevator, Inc. in the annual amount of \$170,000. The Department of Financial Management, Purchasing Division, in conjunction with the Department of Public Works, determined that it would be in the best interest of the City to award to the three companies as recommended, as this approach achieves maximum cost savings and maintains appropriate service levels. The annual maintenance portion of this proposed contract is a fixed cost of \$95,000. The additional \$55,000 being requested is based on historical expenditures, to allow for replacement parts and service not covered under the maintenance contract.

The City chose to employ a formal bid process to identify the lowest responsible bidder for the requested contract. All bidders were required to participate in a mandatory job-walk and to examine and become fully informed of the conditions of each elevator related to the scope of services. Monthly preventive maintenance, inspections and testing must be performed according to each manufacturer's standards. The specifications allow the City to award by item groups for adequate coverage at the best price (i.e., to award to more than one bidder).

The bid was advertised on July 17, 2009, and 12 potential bidders specializing in elevator maintenance were notified; one is a Woman-owned Business Enterprise (WBE), two are Minority-owned Business Enterprises (MBEs), four are Small Business Enterprises (SBEs) and two are Long Beach businesses. The bid document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at

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www.longbeach.gov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update on Open Bid Opportunities, which is sent to 30 women's, minority and local business groups. Six bids were received and a public bid opening occurred on August 13, 2009. Excelsior Elevator, Inc, of Santa Ana, CA (a WBE, MBE and an SBE), Reliable Elevator, Inc, of Downey, CA (an SBE), and Schindler Elevator, Inc., of Costa Mesa, CA (not a WBE, MBE, or SBE) are the lowest responsible bidders.

This matter was reviewed by Deputy City Attorney Amy R. Burton on October 12, 2009 and Budget and Performance Management Bureau Manager David Wodynski on October 21, 2009.

TIMING CONSIDERATIONS

City Council action to adopt Specifications PA-02109 and award the contract is requested on November 17, 2009 to ensure that the contracts are in place expeditiously. An interim contract was implemented to maintain service continuity and will expire November 27, 2009.

FISCAL IMPACT

The cost of these contracts, in the estimated amount of \$150,000, is included in the adopted budgets of various departments and funds.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO



MICHAEL CONWAY
DIRECTOR OF PUBLIC WORKS DEPARTMENT

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APPROVED:



PATRICK H. WEST
CITY MANAGER