

Date: June 27, 2018

To: Board of Directors

From: Doug Kelsey

Subject: RESOLUTION 18-06-49 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING ADDITIONAL FUNDS FOR A CONTRACT WITH KONE, INC. FOR ELEVATOR MAINTENANCE & REPAIR SERVICES

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors (Board) authorize the General Manager to execute a contract modification with KONE, Inc. (KONE) for elevator maintenance and repair services.

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Reason for Board Action

Board authorization is required for goods and services contracts that will exceed \$1,000,000.

4. Type of Action

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

5. Background

In December 2014, TriMet entered into a contract with KONE for preventative elevator maintenance and repair services. KONE provides a comprehensive maintenance program to maximize the performance, safety, and life span of TriMet's elevators. Over the past two years, the annual maintenance cost has increased significantly due to TriMet's aging elevators. Additionally, TriMet has identified additional services such as zoo lights elevator monitoring and elevator oil testing that are required of the Contractor but were not contemplated in the original pricing.

6. Procurement Process

This modification does not involve a new procurement process. TriMet previously utilized a competitive Request for Proposal process to select the contractor to provide the services.

7. Diversity

The elevator maintenance work is recurring self-performed tasks with limited if any subcontracting opportunities. KONE's workforce of 14 employees is 50% women and no minorities.

8. Financial/Budget Impact

The total cost of the modification is \$717,484 for a total contract value of \$1,679,136. Funding for this contract is included in the maintenance department budget.

9. Impact if Not Approved

Elevator maintenance and repair services would cease at TriMet facilities until such time as the services could be re-procured or additional staff hired to provide them.

RESOLUTION 18-06-49

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING ADDITIONAL FUNDS FOR A CONTRACT WITH KONE, INC. FOR ELEVATOR MAINTENANCE AND REPAIR SERVICES

WHEREAS, TriMet has authority under ORS 267.200 to execute a contract modification with KONE Inc. for elevator maintenance and repair services (Contract Modification); and

WHEREAS, the total amount of the contract, once modified, shall exceed \$1,000,000; and

WHEREAS, the TriMet Board of Directors (Board), by Resolution dated October 27, 2017, adopted a Statement of Policies requiring the Board to approve goods and services contracts obligating TriMet to pay in excess of \$1,000,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Contract Modification shall be in conformance with applicable laws.
2. That the General Manager or his designee is authorized to execute the Contract Modification and increase the contract amount by \$717,484 for a total not to exceed amount of \$1,679,136.

Dated: June 27, 2018

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department