

CONTRACT AMENDMENT ANALYSIS AND STAFF RECOMMENDATION

Contracting Agency: Housing Authority of the City of Milwaukee
 Contract Number: 23-002
 Contractor: Otis Elevator Company
 Amendment Amount: \$333,333.00 not-to-exceed
 Type of Work, Services, or Material: Elevator Maintenance and Repair Services
 Housing Development and Number: various sites
 Budget/Account Number: Central Office Cost Center (COCC); see below

OTIS ELEVATOR ANNUAL MAINTENANCE AND REPAIRS	entity	account	scheduled maintenance annually	allowance for repairs annually	total annually
Arlington Court	640ac	448-443026	15,840.00	7,000.00	22,840.00
College Court	643cc	448-443026	27,840.00	9,000.00	36,840.00
Hillside Terrace	681htfam	448-443026	6,360.00	1,500.00	7,860.00
Lincoln Court	646lc	448-443026	13,920.00	3,000.00	16,920.00
Locust Court	647lc	448-443026	15,840.00	6,000.00	21,840.00
Mitchell Court	649mc	448-443026	13,920.00	1,500.00	15,420.00
Riverview	650river	448-443026	15,840.00	5,000.00	20,840.00
Parklawn Management Office	671park	448-443026	816.00	1,000.00	1,816.00
Central City Cyberschool	plcyber	448-443026	3,180.00	1,000.00	4,180.00
Community Services	650cos	448-443026	3,180.00	1,000.00	4,180.00
Hillside Family Resource Center	676	448-443026	3,180.00	1,000.00	4,180.00
Silver Spring Neighborhood Center	ssnc	448-443026	3,180.00	1,000.00	4,180.00
St. Francis Education/Training Center	executiv	448-443026	3,180.00	1,000.00	4,180.00
<u>HACM Total</u>			<u>126,276.00</u>	<u>39,000.00</u>	<u>165,276.00</u>
Becher Court	106	448-443026	6,360.00	1,500.00	7,860.00
Cherry Court	111	448-443026	13,920.00	1,000.00	14,920.00
Highland Gardens	170	448-443026	6,360.00	1,000.00	7,360.00
Holton Terrace	110	448-443026	13,920.00	1,500.00	15,420.00
Lapham Park	135	448-443026	20,880.00	2,000.00	22,880.00
Merrill Park	120	448-443026	13,920.00	1,500.00	15,420.00
Olga Village	133	448-443026	6,360.00	1,000.00	7,360.00
WG2 Beech-3.2/Chestnut-3.3 (WR IV)	134	448-443026	12,672.00	1,500.00	14,172.00
WG1 East/West Midrises	154	448-443026	12,720.00	3,000.00	15,720.00
<u>LLC Total</u>			<u>107,112.00</u>	<u>14,000.00</u>	<u>121,112.00</u>
Annual Total			<u>233,388.00</u>	<u>53,000.00</u>	<u>286,388.00</u>
Initial 3-Year Contract					x 3 859,164.00
Allowance for Upgrades as Needed					<u>140,836.00</u>
Award 3-Year Contract					1,000,000.00
Amendment 1 - Maintenance 1-Year			233,388.00	53,000.00	286,388.00
Amendment 1 - Upgrades as Needed					<u>46,945.00</u>
Amendment 1 - Total Award					<u>333,333.00</u>

PROCUREMENT REVIEW

PROCURING SECTION: Modernization & Development Services

Otis Elevator Company holds the current contract for elevator maintenance and repair services at various sites, awarded pursuant to a competitive solicitation. The original award was for \$1,000,000.00 not-to-exceed for an initial term of three (3) years, from 06/01/2023 through 05/31/2026, with the option to extend up to two (2) additional one-year terms.

Otis Elevator Company has the necessary expertise, resources, and successful past performance for the services required and has performed satisfactorily during the initial term of the contract.

The prices for scheduled maintenance services remain the same, as does the hourly rate for repairs as needed. Over the past three years, the number of repairs needed at various sites and the associated cost has increased dramatically, due in large part to older equipment that has failed and/or become obsolete. Additional contract authority is needed for continued services, both scheduled maintenance and a significantly increased allowance for repairs, for the next year.

The total estimated amount for services for the next year is \$333,333.00 not-to-exceed. The portion to be paid directly by the Housing Authority is \$165,266.00 not-to-exceed. The portion to be paid by the respective property manager for various LLC sites is \$121,112.00 not-to-exceed. Upgrades as needed is \$46,945.00 not-to-exceed.

Modernization & Development Services recommends that HACM execute an amendment to the contract, authorizing additional contract authority of \$333,333.00 not-to-exceed and extending the term one (1) year, from 06/01/2026 through 05/31/2027, leaving the option to extend one (1) more year thereafter.

Vice President of Construction _____

Date _____

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EMERGING BUSINESS ENTERPRISES

Target Contracting 20 % MBE, WBE, or any combination thereof subcontract participation

Proposed Contracting zero %

Otis Elevator Company is not a certified EBE firm. Otis Elevator Company is a union contractor with International Union of Elevator Constructors (IUEC). Otis Elevator Company has not identified a need to subcontract at this time. If Otis Elevator Company needs to subcontract any portion of the work in the future, then Otis Elevator Company will contact Purchasing/Contracts Services prior to seeking any subcontractors on its own.

Purchasing/Contracts Services recommends proceeding with award.

Procurement Director/Compliance Officer _____ Date _____

SECTION 3

Otis Elevator Co. is not a Section 3 certified business. This award falls under the new Section 3 rule. Our consultant, Motivation Inc., will be working with Otis on Section 3 participation under the new rule.

Purchasing/Contracts Services recommends proceeding with award.

Procurement Director/Compliance Officer _____ Date _____

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FINANCE AND ACCOUNTING

Finance and Accounting concurs with the recommendation of the Procuring Section to award a contract to Otis Elevator Co. as described above. Charge the account number(s) as listed above.

Grants Accountant/Budget Analyst _____ Date _____

RECOMMENDATION

RECOMMEND EXECUTION OF AMENDMENT AS DESCRIBED ABOVE.

APPROVAL RECOMMENDED

Chief Financial Officer _____ Date _____

APPROVED

Secretary-Executive Director _____ Date _____

HA-195 (09/2015)