

CONTRACT AMENDMENT ANALYSIS AND STAFF RECOMMENDATION

Contracting Agency: Housing Authority of the City of Milwaukee
Contract Number: 18-022
Contractor: Otis Elevator Company
Amendment Amount: \$308,400.00 not-to-exceed
Type of Work, Services, or Material: Elevator Maintenance and Repair Services
Housing Development and Number: various sites
Budget/Account Number: see below

		scheduled maintenance 2021-2022	allowance for repairs 2021-2022	total 2021-2022
Arlington Court	640-443026	14,436.00	8,000.00	22,436.00
Becher Court	641-443026	N/A	N/A	N/A
College Court	643-443026	25,272.00	6,000.00	31,272.00
Hillside Terrace	681-443026	5,796.00	1,000.00	6,796.00
Holton Terrace	645-443026	N/A	N/A	N/A
Lincoln Court	646-443026	12,636.00	3,000.00	15,636.00
Locust Court	647-443026	14,436.00	8,000.00	22,436.00
Merrill Park	648-443026	N/A	N/A	N/A
Mitchell Court	649-443026	12,636.00	3,000.00	15,636.00
Riverview	650-443026	14,436.00	8,000.00	22,436.00
CCC	686-443026	2,898.00	500.00	3,398.00
COS	614-443026	2,898.00	500.00	3,398.00
HFRC	676-443026	2,898.00	500.00	3,398.00
SSNC	629-443026	2,898.00	500.00	3,398.00
PL mgmt. office	671-443026	738.00	250.00	988.00
Milw Techforce Ctr	350-443026	2,898.00	500.00	3,398.00
		114,876.00	39,750.00	154,626.00
2018-2021 Repair Overage (various sites)			90,000.00	90,000.00
HACM Subtotal		114,876.00	129,750.00	244,626.00
Cherry Court		12,636.00	2,000.00	14,636.00
Highland Gardens		5,796.00	1,000.00	6,796.00
Olga Village		5,796.00	1,000.00	6,796.00
Lapham Park		18,954.00	3,000.00	21,954.00
Westlawn Gardens		11,592.00	2,000.00	13,592.00
Total		169,650.00	138,750.00	308,400.00

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 \$711,414.00 not-to-exceed for an initial term of three (3) years, from 06/01/2018 through 05/31/2021, 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. Indeed, the cost of actual repairs surpassed the original allowance for repairs over the first three years. Additional contract authority is needed to cover the overage from the first three years as well as for continued services, both scheduled maintenance and a significantly increased allowance for repairs, for the next year.

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PROCURING SECTION: Modernization & Development Services

(continued)

The total estimated amount for the overage from the first three years and for services for the next year is \$308,400.00 not-to-exceed. The portion to be paid directly by the Housing Authority is \$244,626.00 not-to-exceed. The portion to be paid by the respective property manager for various LLC sites is \$63,774.00 not-to-exceed. Services are not required for Becher Court, Holton Terrace, and Merrill Park for the next year, as these sites are covered by separate modernization/maintenance/repair contracts associated with RAD conversion.

Modernization & Development Services recommends that HACM execute an amendment to the contract, authorizing additional contract authority of \$308,400.00 not-to-exceed and extending the term one (1) year, from 06/01/2021 through 05/31/2022, leaving the option to extend one (1) more year thereafter.

Vice President of Construction _____

Date _____

EMERGING BUSINESS ENTERPRISES

Target Contracting 20 % MBE and/or WBE
Proposed Contracting zero % MBE and/or WBE

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.

Section 3 Coordinator _____

Date _____

SECTION 3

Target Contracting (when triggered) 10 % Target Employment (when triggered) 30% of new hires
Proposed Contracting zero % Proposed Employment no need to hire

Otis Elevator Company is not a Section 3 certified firm. 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. Otis Elevator Company has not identified a need to hire at this time. If Otis Elevator Company needs to hire in the future, then Otis Elevator Company will contact Purchasing/Contracts Services prior to seeking any candidates on its own. Purchasing/Contracts Services recommends proceeding with the change order.

Section 3 Coordinator _____

Date _____

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Housing Development and Number:	various sites
Budget/Account Number:	see above

FINANCE AND ACCOUNTING

Finance and Accounting concurs with the recommendation of the Modernization & Development Services Section to execute an amendment to the contract 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)