

**MILWAUKEE COUNTY
INTER-OFFICE COMMUNICATION**

Date: **December 12, 2023 (Revised)**

To: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

From: Stuart Carron, Director, Facilities Management Division, Department of Administrative Services

Subject: From the Director, Facilities Management Division, Department of Administrative Services, Requesting Authorization to Execute a Service Contract Exceeding \$300,000 for Countywide Elevator Maintenance Services.

File Type: Action Report

REQUEST

The Director of Facilities Management respectfully requests authorization to execute a multi-year Service Contract with KONE, Inc. for Countywide Elevator Maintenance Services.

POLICY

Milwaukee County Code of Ordinances Chapter 32 defines the procedure for acquisition of goods and services by competitive bidding.

Per Wisconsin Statutes, 2013 Act 14 and 2015 Act 55, full County Board review is required for Service Contracts exceeding \$300,000, and for any multi-year budget contract.

BACKGROUND

Currently, Milwaukee County's Elevator Maintenance services are provided by a variety of contracted services. Due to the fragmented nature of facilities services across County departments, the Facilities Management Division sought to leverage our buying power and expertise to conduct a centralized Request for Proposals for maintenance services based on best practices. This RFP had a goal of identifying service providers capable of providing world-class service at the most competitive prices and at the highest consistent quality to the County.

The County departments participating in this RFP and proposed contract include:

- DAS – Facilities Management Division (FMD)
- MCDOT - Airport
- MCDOT - Fleet
- Parks Dept
- Community Reintegration Center (CRC)

The scope of the proposed services for these areas includes annual preventive maintenance, inspections and certifications, warranty service and service calls covering a total of 118 elevator and escalator units. Milwaukee County intends to award a four (4) year contract to the winning Offeror, with two (2) optional two (2) year renewals at the County's option based upon quality of service delivered.

EVALUATION OF PROPOSALS

The Milwaukee County's Department of Administrative Services FMD, through an Evaluation Committee comprised of subject matter experts from multiple Elevator Maintenance services user Departments, reviewed and evaluated all proposal submissions received for this solicitation.

The Evaluation Committee used the following evaluation factors:

1. Summary and experience (20 points)
2. Staff and field personnel (20 points)
3. Service Approach (20 points)
4. Fees and hourly rates (40 points)

Minimum requirements were evaluated on a pass/fail basis. A total of 4 Offerors responded to the RFP. Three Offerors passed preliminary evaluation, and one was eliminated at this stage, prior to scoring.

The evaluation committee individually evaluated the technical proposals and met on 9/15/2023 to select a firm or determine if interviews were needed. The review team determined that interviews were unnecessary, and they determined that the firm KONE Inc. was the most qualified to do this work. The Evaluation Committee has determined that KONE's proposal represents the best value to Milwaukee County and wishes to award the Countywide Elevator Maintenance Services Contract to KONE.

ALIGNMENT TO STRATEGIC PLAN

Procurement of these services on a county-wide basis supports the County Strategic Focus to 'Bridge the Gap' by breaking down silos across County government to maximize access to and quality of services offered. While previously elevator maintenance services were independently contracted by various county departments, a centralized procurement and contract management approach will provide consistent

levels of services and best practices across departments, as well as financial benefits to the county overall.

FISCAL EFFECT

The costs of the new proposed Service Contract are shown below.

DEPARTMENT	2024 (YEAR-1) COST	SUBSEQUENT YEARS (2024-2031) COST*
DAS-FACILITIES	\$434,292	\$4,571,102
MCDOT-AIRPORT & FLEET	\$198,000	\$2,084,032
PARKS	\$9,240	\$63,152
CRC	\$21,708	\$228,486
Various scope changes/allowances	\$33,162	\$349,044
TOTALS	\$696,402	\$7,329,918

*estimated total costs; includes all possible extension years

Each department has sufficient funds in their approved 2024 operating budget to cover the proposed cost of Elevator Maintenance services. In fact, it is anticipated that the contract will produce operating cost savings relative to budget in year-1 (2024) due to the benefits of leveraged procurement. Portions of the contractor proposals represent savings relative to current various contracts.

TERMS

The base term of the new 4-year contract is anticipated to begin in January 2024 and end December 2027. The contract shall provide for an additional two (2) two-year extensions at the County's option. This report intends to address the full 8-year potential term of the contract and has provided financial information accordingly.

Over the 8-year term of the contract, the total contract value is projected to be **\$8,026,320.**

VIRTUAL MEETING INVITES

Stuart Carron, Director, Facilities Management Division, Department of Administrative Services

Aaron Hertzberg, Director, Department of Administrative Services

REPAIRED BY

Stuart Carron, Director, Facilities Management Division, Department of Administrative Services

APPROVED BY

Aaron Hertzberg

Aaron Hertzberg, Director, Department of Administrative Services

ATTACHMENTS

Resolution
Fiscal Note

Cc: David Crowley, Milwaukee County Executive
Sup. Liz Sumner, Chair, Finance Committee
Sup. Sheldon A. Wasserman, Chair, Parks, Energy and Environment Committee
Mary Jo Myers, Chief of Staff, Office of the County Executive
Kelly Bablitch, Chief of Staff, County Board
Aaron Hertzberg, Director, Department of Administrative Services
Steven Cady, Research and Policy Director, Office of the Comptroller
Janelle M. Jensen, Manager, Legislative Services, Office of the County Clerk