



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: May 2, 2007

Approved

Date

5/5/07

SUBJECT: AMENDMENT TO EXTEND THE AGREEMENT WITH SCHINDLER ELEVATOR CORPORATION FOR ELEVATOR AND ESCALATOR MAINTENANCE SERVICES AT THE AIRPORT

RECOMMENDATION

Adoption of a resolution authorizing the Director of Finance to execute an amendment to the agreement with Schindler Elevator Corporation (San Leandro, CA) to extend the term of the agreement by two months retroactively from May 1, 2007 through June 30, 2007, increasing compensation by \$19,734 from \$381,047 to a not to exceed amount of \$400,781 for elevator and escalator maintenance services at the Norman Y. Mineta San José International Airport.

OUTCOME

This agreement extension period will provide staff with sufficient time to complete the approval process for a recommended contractor for the new agreement to become effective July 1, 2007.

BACKGROUND

On November 1, 2003 the City executed an agreement with Schindler Elevator Corporation with a term of one year, and with two additional one-year options to renew the agreement for elevator and escalator maintenance services for the International Arrival building located at the Norman Y. Mineta International Airport. On May 18, 2004 the City executed the first amendment to the agreement to include elevators and escalators in Terminals A and C for maintenance under the agreement.

On November 21, 2006 the City executed the second amendment to the agreement extending the term of the agreement to April 30, 2007. Through these various actions, the total value of the agreement reached \$381,047.

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ANALYSIS

Finance in concurrence with Airport staff, recommends a contract extension through June 30, 2007 with the same terms and conditions, no change in pricing, and an increase to the total contract amount by \$19,734. The contractor has met the requirement as stipulated by the contract and their performance has been satisfactory. The company has provided full-time elevator and escalator maintenance service at the Airport in a courteous and professional manner and has served to protect the public and City Staff as well as the facilities. Through continuing the agreement, the uninterrupted use of the elevators at the airport by the public and our staff will be ensured.

Staff is in the process of developing a recommendation for Council's consideration for contract award for these sessions by June 30, 2007.

Contracting-In

On May 2, 2007, staff submitted the Contracting-In checklist to Human Resources for review with the bargaining unit. The affected bargaining unit reviewed the previous six month extension and did not identify any contracting-in opportunity.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

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While this amendment to the agreement does not meet any of the above criteria, this memorandum is posted on the City’s website for the May 22, 2007 Council Agenda.

COORDINATION

This memorandum has been coordinated with the Aviation Department, City Manager Budget’s Office, and the City Attorney’s Office.

FISCAL ALIGNMENT

This Council item is consistent with Council approved Budget Strategy Memo General Principle #2, “We must focus on protecting our vital core City services.”

COST IMPLICATION

Not applicable.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	Total Appn.	Amount for Contract	2006-2007 Adopted Budget (Page)	Last Budget Action (Date, Ord. No.)
523	0802	NP/Equip-Airport	\$37,125,041	\$19,734	XI-3	2006/07 Operating Budget, Last Action 11/21/06 Ord. # 27922

CEQA

Not a project.


SCOTT P. JOHNSON
Director, Finance

For questions, please contact Walter C. Rossmann, Chief Purchasing Officer at (408) 535-7051.

