

Motion No. M2024-49

System-wide Elevator and Escalator Maintenance Services Contracts

| Meeting: | Date: | Type of action: | Staff contact: |
|---|------------|--------------------|---|
| Rider Experience and Operations Committee | 07/18/2024 | Recommend to Board | Russ Arnold, Deputy CEO, Chief Service Delivery Officer |
| Board | 07/25/2024 | Final action | John Carini, Deputy Director, Vertical Transportation Carlos Trujillo, Vertical Transportation Manager |

Proposed action

Authorizes the chief executive officer to execute individual five-year contracts with Schindler Elevator Corporation and Mid-American Elevator to provide system-wide elevator and escalator maintenance and repair services with individual contract amounts that may exceed \$50,000,000 each provided that the aggregate total of the two contracts does not exceed \$73,610,000, plus applicable taxes.

Key features summary

- Under these contracts, Schindler Elevator Corporation and Mid-American Elevator will provide systemic service, preventative and corrective maintenance, and repair for all awarded elevators, escalators, and material lifts throughout the Sound Transit system.
- Upon approval, locations will be allocated between both vendors. Initially, Schindler will be assigned vertical transportation (VT) assets along the 1 Line, the Operations and Maintenance Facility (OMF), Maintenance of Way, Tacoma OMF, and the Sounder/ST Express Stations and their associated garages. Mid-American will be assigned the 2 Line stations and their associated garages as well as OMF East. Staff may transfer assignments between the two vendors over the life of the contract.
- The contracts include elevators, escalators, and material lifts at Link light rail, Sounder and ST Express facilities operated by Sound Transit. It also includes Sound Transit maintenance facilities and Sound Transit managed office spaces.
- Previously, Sound Transit vertical transportation (“VT”) assets were under one of three service agreements, all of which expire September 30, 2024. These contracts eliminate that administrative burden and include all Sound Transit VT assets under the two contracts authorized by this motion.
- The contracts include the ability to add VT equipment at future Sound Transit expansion sites as they are transitioned to Operations for the duration of the contracts.
- The contracts allow for the purchase, installation, and maintenance of non-proprietary live monitoring devices for all VT assets.
- The intent of the contracts is to provide reliable, safe operation, and maximize equipment availability to passengers.
- The elevators and escalators to be maintained are operated on a full time (twenty-four hours a day, seven days a week) basis. The contracts include an amount for unforeseen maintenance and repairs as authorized by Sound Transit staff.
- The amount requested is sufficient for the duration of the five-year contracts, including future expansion sites and budget for both contract awards has been projected in the ST long term financial plan.
- Applicable taxes are currently estimated to be \$8,318,384.

Background

The Sound Transit Facilities and Systems Maintenance (FSM) Division is responsible for the management of all Sound Transit facilities. That Division strives to ensure that all facilities are properly maintained, clean and safe for customers, employees, and the general public. Elevator maintenance and monitoring is one of the critical responsibilities of the VT team under the FSM Division to ensure, among other things, ADA accessibility and a positive passenger experience at Sound Transit facilities.

There are currently 223 vertical conveyances in the system that require maintenance, including: Link light rail (101 Escalators, 64 Elevators), ST Express and Sounder stations and garages (38 Elevators), and non-revenue elevators (20). During the term of these contracts, staff expect the number of VT assets to grow to 310 through future expansions.

Procurement information

Prior to issuing the solicitation for these services, Sound Transit considered the project scope, the determining factors for contract award, and the need for proposal discussions and revisions. It was then determined that a Request for Proposals procurement method was the most advantageous and would allow for multiple vendors to be awarded.

Sound Transit advertised Request for Proposals No. RP 0228-23 on March 12, 2024. Three firms submitted proposals, which were evaluated based on the advertised evaluation criteria including project approach, capacity and project organization, price, firm experience and history, knowledge and experience of key individuals, and commitment to and compliance with equal employment opportunity law.

Sound Transit recommends the multiple awards of this contract based upon the determination that proposals from Schindler Elevator Corporation and Mid-American Elevator best meet the evaluation criteria, offer the best value, and the contract awards are in the best interest of Sound Transit. These are two separate and unrelated firms. This dual award provides redundancy and diffuses risk to Sound Transit.

Fiscal information

This action for \$81,928,384 including estimated applicable taxes, will be funded from the Operations Department's annual operating budget. Within the Services category, the Elevator Services budget is \$15,562,000, of which \$3,025,000 including estimated sales tax is estimated to be spent from this action in the remainder of 2024 and is currently within the agency's budget authority. After approval of this action, sufficient budget remains to cover remaining annual expenditures; funding for the additional years of the contract will be included in future annual budget requests.

This action does not have an impact on the affordability of the agency's Financial Plan, as the services are already incorporated in the annual operating plan.

Operations

(in thousands)

| Budget Cost Category | 2024 Annual Operating Budget ¹ | YTD Actuals ² | Contract Spend Forecast Remainder of | YTD Plus Action (Current Year Only) | Remaining Annual Operating Budget |
|--------------------------------------|---|--------------------------|--------------------------------------|-------------------------------------|-----------------------------------|
| Salaries and Benefits | \$53,540 | \$19,473 | \$0 | \$19,473 | \$34,066 |
| Services | 74,563 | 21,157 | 3,025 | 24,182 | 50,380 |
| Materials and Supplies | 25,052 | 10,159 | - | 10,159 | 14,892 |
| Utilities | 14,730 | 4,508 | - | 4,508 | 10,222 |
| Insurance | - | - | - | - | - |
| Taxes | 2,400 | 1,344 | - | 1,344 | 1,057 |
| Purchased Transportation Services | 289,021 | 117,123 | - | 117,123 | 171,898 |
| Miscellaneous | 952 | 180 | - | 180 | 772 |
| Leases and Rentals | 1,295 | 547 | - | 547 | 748 |
| Total Annual Operating Budget | \$461,552 | \$174,492 | \$3,025 | \$177,517 | \$284,036 |
| Services Category Detail | | | | | |
| Elevator Services | 15,562 | 6,390 | 3,025 | 9,415 | 6,147 |

| Contract Spending Plan | Contract Spend to Date ³ | Contract Spend Forecast Remainder of | Future Spending | Total |
|--|-------------------------------------|--------------------------------------|-----------------|---------------------------------|
| Schindler Elevator & Mid-American Elevator | \$0 | \$3,025 | \$78,903 | \$81,928 |
| Contract Detail | | | | |
| | | Board Approved Contract Value | Proposed Action | Proposed Revised Contract Value |
| Schindler Elevator & Mid-American Elevator | | \$0 | \$61,710 | \$61,710 |
| Contingency | | | 11,900 | 11,900 |
| Contract Total | | \$0 | \$73,610 | \$73,610 |
| Estimated Taxes | | | 8,318 | 8,318 |
| Total (with estimated taxes) | | \$0 | \$81,928 | \$81,928 |
| Percent Contingency | | 0% | 19% | 19% |

Notes:

¹2024 Annual Operating Budget is located on page 59 of the Adopted Budget book.

²YTD Actuals as of May, 2025

³Spending to Date as of May, 2025.

Disadvantaged and Small Business Participation

Sound Transit promotes and encourages small business participation, which also includes disadvantaged business enterprises (DBEs). Small business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of small businesses/DBEs available to perform such subcontracting work.

Sound Transit determined that there were few small business and DBE subcontracting opportunities based upon the work described in this contract, so small business/DBE goals were not established.

Time constraints

Current contracts have been extended through September 30, 2024, to ensure there is no disruption in maintenance coverage for the elevators and escalators. Delaying this requested action further may risk a lapse in current contracts and leave VT assets without a service provider.

Environmental review – EG 6/24/24

Legal review – DLM 7/12/2024



Motion No. M2024-49

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute individual five-year contracts with Schindler Elevator Corporation and Mid-American Elevator to provide system-wide elevator and escalator maintenance and repair services with individual contract amounts that may exceed \$50,000,000 each provided that the aggregate total of the two contracts does not exceed \$73,610,000, plus applicable taxes.

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Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute individual five-year contracts with Schindler Elevator Corporation and Mid-American Elevator to provide system-wide elevator and escalator maintenance and repair services with individual contract amounts that may exceed \$50,000,000 each provided that the aggregate total of the two contracts does not exceed \$73,610,000, plus applicable taxes.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 25, 2024.



Dow Constantine
Board Chair

Attest:



Kathryn Flores
Board Administrator