



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 7

Agenda Date: June 13, 2024

In Control: City Council A Session

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Henry B. Gonzalez Convention Center (HBGCC) Escalators & Elevators Upgrade and Replacement

SUMMARY:

This ordinance authorizes a contract with KONE Inc., for a total amount of \$10,149,690 and appropriates \$908,565 in additional funds from the Texas Public Facility Corporation. Funding is available from the Texas Public Facility Corporation and included in the FY 2024 – 2029 Capital Improvement Program.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is the offer submitted by KONE Inc., to provide the Convention and Sports Facilities Department for the modernization of ten escalators, the replacement of five escalators, and modernization of five hydraulic elevators.

The intent of this contract is to maintain the current equipment in accordance with industry standards and “industry best” practices. Replacing and modernizing the condition, appearance, and performance of the equipment in keeping with its intended design and operational standards will

ensure safe, consistent, and reliable functionality; optimum performance; maximum beneficial usage; and extended life cycles.

The City issued a Request for Offer (RFO) for “Henry B. Gonzalez Convention Center (HBGCC) Escalators & Elevators Upgrade and Replacement ” (RFO, 6100017675) on December 12, 2023, with a submission deadline of December 22, 2023. KONE Inc., is recommended for contract award based on published specifications.

This purchase is made in accordance with the National Intergovernmental Purchasing Alliance Company (OMNIA Partners) Program passed through Ordinance 2013-06-13-0414 dated 6/13/2013. These services will be provided by KONE, Inc., utilizing the National Intergovernmental Purchasing Alliance Company (OMNIA Partners) Program contract number GENRL-EV2526. The use of the cooperative contract allows the Convention and Sports Facilities Department to access brand specific devices to provide reliability and comply with the projected timeline.

The contract will begin upon the effective of the ordinance awarding the contract and will terminate upon completion of all work described herein or delivery of all goods ordered, as applicable.

ISSUE:

This ordinance appropriates \$908,565 in additional funds from the Texas Public Facility Corporation and authorizes a contract with KONE Inc., to provide the City’s Convention and Sports Facilities Department for the modernization of ten escalators, the replacement of five escalators, and modernization of five hydraulic elevators for a total contract amount of \$10,149,690.

The Small Business Economic Development Advocacy (SBEDA) Ordinance requirements were waived due to the lack of small, minority, and/or women businesses available to provide these goods and services.

The Local Preference Program does not apply to non-professional service contracts of \$500,000 or more, so no preference was applied to this contract.

The Veteran-Owned Small Business Preference Program does not apply to non-professional service contracts, so no preference was applied to this contract.

ALTERNATIVES:

Should this contract not be approved, the Convention and Sports Facilities Department would continue to use existing equipment and the department will be required to process individual procurements as needs arise. Due to the importance of this equipment, not replacing or modernizing components, presents a significant hazard to unit reliability and operation as well as

a potential safety risk.

FISCAL IMPACT:

This ordinance authorizes a contract with KONE Inc., for a total amount of \$10,149,690 and appropriates \$908,565 in additional funds from the Texas Public Facility Corporation. Funding is available from the Texas Public Facility Corporation and included in the FY 2024 – 2029 Capital Improvement Program.

RECOMMENDATION:

Staff recommends approval of an ordinance for appropriation of funds and acceptance of this contract with KONE Inc., to provide the Convention and Sports Facilities Department for the modernization of ten escalators, the replacement of five escalators, and modernization of five hydraulic elevators for a total amount of \$10,149,690.

This contract was procured by means of a Request for Offer and a Contracts Disclosure Form is not required.