

A blue-tinted map of North America with a grid overlay. A black dot marks the location of Denver, Colorado, with the word "DENVER" written in blue capital letters to its right.

● DENVER

# CONVEYANCE EQUIPMENT MAINTENANCE, REPAIR, AND OPERATION SERVICES – THYSSENKRUPP ELEVATOR – #201415671

Aaron Barraza  
June 2014



DENVER INTERNATIONAL AIRPORT  
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# Contract Description

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- Conveyance maintenance, repair and operation services
  - Provides the labor, material and supplies for complete preventive maintenance, service, repair, inspection and testing of all DIA's conveyances
- Performance-based contract emphasizing:
  - Increased staffing
  - Fewer bill-backs
  - Financial incentives and penalties tied to performance
- Selected Firm: ThyssenKrupp Elevators

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# Selection Process

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- Selection based on Competitive RFP Process
  - Three proposals received (one incumbent, two challengers)
- Selection Panel Composition
  - Maintenance, operations, finance, airline representative
- Selection Criteria
  - Pricing, staffing, compliance plan, operations and transition, experience, customer service, training and safety
- ThyssenKrupp will replace incumbent vendor
  - ThyssenKrupp's headquarters is in Germany but provides labor and management positions for over 133 Denver area employees<sub>3</sub>

## Goals

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- Contract Scope of Services approved prior to Executive Order 101, therefore not under the definition of Division of Small Business Opportunity CEI (Construction Empowerment Initiative) Ordinance
- ThyssenKrupp was highly encouraged at pre-bid conference, interviews and negotiations to incorporate M/WBE
- Contractor utilizes MBEs for parts, services and supplies
- 2.15% allocated among the M/WBE firms

# Contract Terms and Amount

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- Term
  - Three years with three one-year extensions
  - Sep 1, 2014 to Aug 31, 2020
- Maximum Liability
  - \$31,640,400
- Amendments require Manager of Aviation's written consent
- Contract designed to be "full service"

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## Additional Information

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- The expiring contract had three one-year extensions the City elected not to exercise
  - ThyssenKrupp replaces KONE, the 19-year incumbent
- This performance-based contract, the second, incorporates many lessons-learned from 2011-2014
  - Additional staffing
  - Full-service
  - Greater means to enforce incentives and penalties

## Requesting City Council Approval

- Enables the airport to invest in conveyance maintenance services to repair and restore the aging infrastructure
- Allows the airport to benchmark the industry with innovative contract techniques and service standards
- Enables the airport to hold contractors accountable according to their performance
- Allows the airport uninterrupted conveyance service at a reasonable price and excellent service

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