

ORDINANCE/RESOLUTION REQUEST

All Fields must be completed

Incomplete request forms will be returned to sender which may cause a delay in processing.

Date of Request: **October 5, 2023**

Please mark one: **Bill Request** or **Resolution Request**

1. Type of Request:

- Contract/Grant Agreement** **Intergovernmental Agreement (IGA)** **Rezoning/Text Amendment**
 Dedication/Vacation **Appropriation/Supplemental** **DRMC Change**
 Other:

2. Title: Approves a professional services agreement with TK Elevators Corp (TKE) to provide civil design services at Denver International Airport (DEN).

3. Requesting Agency: Department of Aviation

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Brandon Gainey, SVP Design, Engineering & Construction	Name: Rita Aguilar, Rachel Gruber, Barry Burch
Email: Brandon.Gainey@flydenver.com	Email: Rita.Aguilar@flydenver.com , Rachel.Gruber@flydenver.com , Barry.Burch@flydenver.com

5. General description or background of proposed request: This request approves a professional services agreement with TK Elevators Corp (TKE) in the amount of \$47,500,000 for a term of five years to provide conveyance construction services at Denver International Airport (DEN). DEN requires a qualified contractor to complete the Passenger Conveyance Modernization Phase 3 project as a continuation of Phase 1 and Phase 2 to modernize DEN’s conveyance units. The modernization program addresses 66 high priority (as determined from the conveyance operational downtime data compiled by DEN’s Operations Team) elevators, escalators and moving walks at the end of their life cycle. The awarded contract will provide management, supervision, administration, labor, tools, materials and equipment. This contract is separate from DEN’s Conveyance Maintenance and Service contract that maintains the operation and preventative maintenance of existing conveyances.

There are over 330 conveyance units at DEN that are at or past their useful life expectancy. TKE will prioritize the effort, streamline the process, and start the program with the critical units first. The best solution is a process called “modernization.” This process stops short of a total replacement, which is costly and time consuming. Modernization is the process of upgrading the critical parts of the unit with modern technology, increasing performance, improving safety, and providing an up-to-date appearance. The only portion that is left are the significant structural components that can be re-used. This is the most cost-effective method of updating a conveyance unit. Crew sizes will fluctuate throughout the project, to include elevator tradesman on top of the project management teams, electricians and other crews with the general contractor.

6. City Attorney assigned to this request: John Redmond

7. City Council District: District 11

8. **For all contracts, fill out and submit accompanying Key Contract Terms worksheet**

To be completed by Mayor’s Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

Key Contract Terms

Type of Contract: Professional Services > \$500K

Vendor/Contractor Name: TK Elevators Corp

Contract control number: PLANE-202366615

Location: Denver International Airport

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many?** _____

This contract was procured through a Competitive Process. Denver’s elevator market for manufacturing, modernization, and installation of elevators and escalators is limited to four major conveyance contractors operating in Colorado: Kone, Otis, Schindler, and TKE. These four companies were solicited based on this limitation, to receive qualified proposals, , for this specialty work to include ability to complete the scope, manpower, purchasing and ability to maintain the schedule.

This Competitive Process was issued to the four companies to include Kone, Otis, Schindler, and TKE, on June 2, 2023. TKE was the sole proposer and their proposal was received on June 29, 2023, and reviewed by a diverse Evaluation Panel, then interviewed July 25, 2023. The panel’s formal recommendation was that TKE be selected for contract negotiations. TKE is the largest conveyance contractor in Colorado holding approximately 60% of the conveyance labor force in Colorado. In addition, TKE was the provider of services for both phase 1 and phase 2, which allows for a continuity of services.

Contract Term/Duration: 5 years

Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
<i>(A)</i>	<i>(B)</i>	<i>(A+B)</i>
\$47,500,000.00	N/A	\$47,500,000.00

<i>Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
Five years	N/A	Date of Execution plus Five Years (2028)

Scope of work: DEN maintains conveyance modernization construction services contracts to provide conveyance construction services for replacement of conveyances on airport property. These services may include, but are not necessarily limited to furnishment and installation of the following:

- Replacing Hydraulic Elevators with Traction Elevators
- Moving Walkways
- Escalators
- Life Safety system integration into conveyances
- Elevator Machine room equipment upgrades
- Other disciplines (only when ancillary to conveyance work)

Was this contractor selected by competitive process? Yes

Has this contractor provided these services to the City before? Yes No

TK Elevators performed phases one and two of DEN’s Conveyor Modernization.

Source of funds: Capital Improvement Plan (CIP)

Is this contract subject to: MWBE DBE SBE XO101 ACDBE N/A

MWBE commitments: MWBE goal is 10% participation; TK Elevators has committed to 10%.

Who are the subcontractors to this contract? Gilmore Construction

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