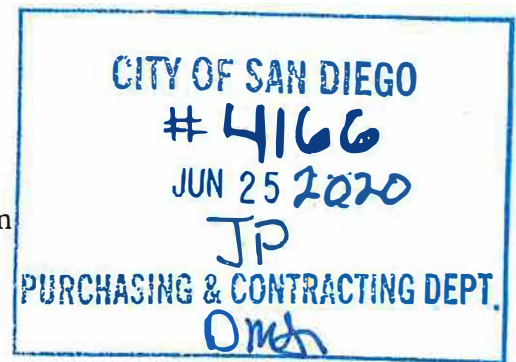


Purchasing and Contracting Department
Sole Source Request and Certification Form



To: Director of Purchasing and Contracting
Cc: Deputy Chief Operating Officer, General Services

From: Justine King

Date: June 25, 2020

In alignment with the guidance provided in the San Diego Municipal Code section 22.3016, the Purchasing Agent (Director of Purchasing and Contracting) must certify that the award of a sole source contract is necessary by memorializing in writing why strict compliance with a competitive process would be unavailing or would not produce an advantage, and why soliciting bids or proposals would therefore be undesirable, impractical, or impossible.

For consideration, this form must be completed and all required accompanying information must be submitted together, including any related contracts. Failure to do so will result in a delay of approval of the request.

Describe commodity or service(s) to be purchased. Include vendor contact information.

New Sole Source Request #4166 is to extend the duration of Term for elevator maintenance at SDCCU Stadium (Stadium) through December 31, 2020, and to reflect current company name (24Hour Elevator) as a result of a recent merger between Specialized Elevator and 24Hour Elevator.

The City-owned and operated Stadium has elevators, escalators, and wheelchair lifts throughout the stadium that require monthly maintenance, emergency/standby services, and State-mandated repairs to meet regulatory compliance. Sole source #4084 to Specialized Elevator was approved on July 31, 2019 after the merger between Ascent Elevator (City's prior service provider) and Specialized Elevator; the sole source was later extended through June 30, 2020. Specialized Elevator has recently merged with 24Hour Elevator and, moving forward, will operate under the name of 24Hour Elevator. The company (Ascent Elevator/Specialized Elevator) has provided elevator maintenance services to Stadium for over five years and has the familiarity, experience and resources to provide the permit-required preventative maintenance and emergency/standby services required at the Stadium.

With the pending sale of the Stadium to San Diego State University (SDSU), it would be impractical for the City to issue a request for proposal as the uncertain future would severely limit the pool of vendors willing to submit proposals. The pending sale to SDSU, which was expected to close escrow by June 30, 2020, may potentially take longer to finalize therefore City will need to operate the facility longer than originally anticipated. The Fourth Amendment to the accompanying temporary sole source agreement for services on Stadium elevators includes a clause that will allow City to terminate or assign the Agreement in the event that SDSU, one of its affiliates, or another third party secures ownership or management rights for SDCCU Stadium, during the term of the agreement.

Elevators are essential to the Stadium and need to be operable and properly maintained while the City remains the operator of the building. The Stadium will host at least six SDSU football games through 12/31/2020, and potentially other smaller events. Life and safety issues require that recent California state-mandated repairs to meet regulatory compliance are completed without delay.

Total costs for the term July 1, 2020 through December 31, 2020 are estimated to be \$189,447 (97,314 for services; and \$92,133 for repairs) Note: Costs associated with stand-by services will be covered by the 3rd-party event promoter, not the City.

Contact Information for 24Hour Elevator (previously Specialized Elevator):
Kim Wenzel, Office/Sales Manager: kwenzel@24hourelevator.com
Phone: (858) 202-0110

Justification

1. This product or service is available from only one supplier and meets at least one of the following criteria (please check all that are applicable):
- One-of-a-kind/Compatibility*
 - a. Required by Warranty: the product matches existing equipment, infrastructure and is required by warranty. **(A letter from the provider which supports this claim must be provided.)**
 - b. Goods and Services:
 - i. the good has no competitive product or alternative on the market.
 - ii. the service requires a special skill, ability, or expertise linked to the current project that cannot be provided by another supplier.
 - City Standards*

The product or service complies with established, existing City standards.
 - Replacement*

The product or service is the only compatible replacement component that supports a larger system. Or, the services are the only ones that can replace the existing service requirements.
- (Documentation in support of either of the above claims must be provided by the requesting department.)**
2. Do any of the following situations exist?
- Limited Competition*

Department made an attempt to find a second or multiple sources to no avail.
 - Emergency*

There is an urgent need for the item or service and time does not permit the City to solicit for competitive bids, as in the cases of emergencies as defined under SDMC section 22.3208,. (Delays in solicitation do not satisfy this criteria)

Cost/Market Analysis

Purchasing and Contracting will perform due diligence on each request. If Purchasing and Contracting can find a suitable, cost effective alternative, this request will be denied and that alternative will be pursued after your department has been contacted to discuss the revised determination.

This form does not take the place of an agreement and all sole source requests for a period of one year or longer will require the **submission of an agreement**. The requesting department must submit a purchase requisition and a copy of this certification to Purchasing and Contracting for a Purchase Order to be issued.

PCO Due Diligence (PCO to initial all that apply)

- ___ Proof of warranty or maintenance requirement for standardized and replacement items confirmed.
- ___ Vendor/Supplier confirmed submission of justification letter.
- ___ Market test confirmed that there is no advantage to the City in competing this contracting opportunity to multiple vendors.
- JP Emergency verified with the department.
- JP Pricing agreement has been reviewed.
- JP Purchasing and Contracting has reviewed this request and affirms that this request for a sole source justification is appropriate.

This sole source is approved for:

- One (1) year from the signature date below. *(estimated 6-month period)*
- For the entire length of the contract, but not more than five (5) years.

The length of the contract must be consistent with the sole source approval. A sole source request must be submitted and approved by the Purchasing and Contracting Director prior to the award of each new contract and prior to each extension of an existing contract that was not contemplated in the initial contract term.

___ After reviewing the provided information and due diligence, I cannot recommend the approval of this request.

Purchasing and Contracting Director Review

I certify that strict compliance with a competitive process would be unavailing or would not produce an advantage, and that soliciting bids or proposals would be therefore undesirable, impracticable or impossible. My approval is contingent on the information provided in this form.

- In accordance with SDMC §22.3016, this request is approved.
- Based on the information provided and due diligence recommendation of staff, this request is denied.

Kristina Peralta
Kristina Peralta, Director, Purchasing and Contracting

1 July 2010
Date



5/1/2020

Dear Valued Customer:

We are excited to announce that Specialized Elevator and 24Hour Elevator have merged, effective June 1, 2020. Our combined resources allow us to better serve our customers and strengthens our position in the greater San Diego market. Our focus will remain on providing the best value to our customers and continuing to deliver the unparalleled service you have come to expect. The combining of our field resources and office staff enables us to utilize the best of both companies and ensures we deliver the most efficient response to trouble calls, state compliance reports, major repairs, modernizations, preventative maintenance services and any other requests you may have. Our primary goal is to perform all of these tasks on time and on budget, thereby maximizing the life of your current elevator system and ensuring that it performs to the best of its ability.

Our affiliation with Specialized Elevator in Los Angeles and San Francisco Elevator in Northern California provides us with a unique support system and an unparalleled alliance for an independent elevator company. While we are now a part of the largest independent elevator business in California, we will retain our local management team and continue doing business in the same fashion you have come to expect.

We will begin answering the phone and fully integrating as 24Hour Elevator on June 1, 2020. The current teams from both entities will remain at your service and be happy to answer any questions you may have. Our service routes will also begin integrating on June 1; please expect to see our mechanics in 24Hour uniforms and vehicles. Invoices and correspondence will be on 24Hour letterhead and the remittance address will change to:

24 Hour Elevator
4837 Mercury St.
San Diego, CA 92111

As always, we appreciate and value your feedback. If you have any questions, comment or concerns please do not hesitate to contact us.

Donovan McKeever, President

Sales Team

Kim Wenzel

Ryan Rzewuski

Chris Sommese

Kwenzel@specializedelevator.com

Rzewuski@specializedelevator.com

Chris@24hourelevator.com

Management Team

Ken Dixon

Bill Schassberger

Ken@24hourelevator.com

Bill.s@24hourelevator.com



4837 Mercury St. • San Diego • California • 92119 • (858) 279-8900
 California License No C11-1057426

SERVICE PROPOSAL

Date	June 7, 2020	Submitted by	Kim Wenzel
To	City of San Diego 9449 Friars Road San Diego, CA 92120	Building Location	SDCCU Stadium 9449 Friars Road San Diego, CA 92120
Contact	Janet Polite	Elevator(s)	All Units at facility
Phone	(619) 236-7017		Exception Permit #45431
Email	JPolite@sandiego.gov		

SCOPE OF WORK

LUBRICATE, SERVICE AND STANDBY PROPOSAL JULY – DECEMBER 2020

Under this Agreement, Ascent Elevator Services, Inc., the Company, will monthly examine, clean and lubricate as required in addition to other services as specified.

This contract does not include any repairs, replacement parts, troubleshooting or adjustments to the elevator system outside of regular service. This is a Lubricate and Service agreement only. Parts and repairs are specifically excluded and will require additional written approvals by customer prior to work being performed.

We shall not be required to make repairs or renewals necessitated because of negligence or misuse of the equipment, vandalism, building compression, power line fluctuations, damage by weather or adverse environmental conditions, work performed by others, or any other cause beyond our control.

This proposal does not include safety tests beyond those already provided with monthly maintenance and minor repair services, the installation of new attachments or devices on the equipment, replacements with components of a different design, or upgrade/modernization of equipment.

Requested extension of PO#4000073699 ending 6/31/20.

Service (See spreadsheet for unit breakdown)

<u>Price Per Month</u>	<u>Total # Months</u>	<u>Total \$ Request</u>
\$16,219.00	6	\$97,314

Standby – We will only charge time used.

<u>Price Per Hour</u>	<u>Estimated hours</u>	<u>Total \$ Request</u>
Single Man \$499.00	80	\$39,920.00

Minor repairs, parts, troubleshooting – We will only charge time/parts used (see billing rate sheet for labor pricing reference)

<u>Monthly Estimate</u>	<u>Total # Months</u>	<u>Total \$ Request</u>
\$15,355.00	6	\$92,133.00

Note: All work to be provided during the normal field working hours of Ascent Elevator Services except for standby, as requested.

PRICE	\$ See above Spreadsheets
<i>ESTIMATE</i>	
PAYMENT TERMS	NET 30

Exhibit A - Billing Rates (2020 Labor Rates)

Single Man Billing Rates

Straight Time	\$285.00 per hour
Overtime (1.7)	\$449.00 per hour
Double Time	\$499.00 per hour

Time Differential Rate (FMTD)

Overtime (1.7)	\$225.00 per hour
Double Time	\$259.00 per hour

Team Billing Rates

Straight Time	\$499.00 per hour
Double Time	\$890.00 per hour
Time Differential Double Time - Crew	\$420.00 per hour

Regular Operating Hours

Straight time hours are Monday-Friday 7:30 a.m. to 4:30 p.m.

Overtime

Saturdays and Overtime Weekdays (1.7)
Sundays and all Holidays are Double Time
All Team overtime is Double Time Rate

*Rates subject to change annually



24 Hour Elevator / Specialized Elevator Services
 4837 Mercury St.
 San Diego, Ca. 92111

LINE ITEM BILLING BREAKDOWN

Bill To: SDCCU Stadium
 9449 Friars Rd.
 San Diego, CA 92120

Account: San Diego Stadium
 9449 Friars Rd.
 San Diego, CA 92120

Account # ASD-140125

Date		Terms	Net 30 Days	Route	SD	Job #	2580
Inv #		PO#	4000056702	Territory	Kim	Type	Maintenance

ITEM	Description	Taxable	Measure	Price	Amount
	ELEVATOR MAINTENANCE FOR THE MONTH OF _____	No	Each		
	AS PER CONTRACT.				
LINE#	PERMIT# UNIT DETAILS				
1	45421 ELEV 4		1	\$589.96	\$589.96
2	45422 ELEV 3		1	\$589.96	\$589.96
3	45423 ELEV 2		1	\$589.96	\$589.96
4	45424 ELEV 1		1	\$589.96	\$589.96
5	49380 KITCHEN		1	\$295.52	\$295.52
6	108349 ELEV 5		1	\$589.96	\$589.96
7	108350 ELEV 6		1	\$589.96	\$589.96
8	45425 ESC LOGE J		1	\$1,032.70	\$1,032.70
9	45426 ESC LOGE G		1	\$1,032.70	\$1,032.70
10	45427 ESC LOGE D		1	\$1,032.70	\$1,032.70
11	45428 ESC LOGE B		1	\$1,032.70	\$1,032.70
12	45429 ESC VIEW J		1	\$1,328.24	\$1,328.24
13	45430 ESC VIEW G		1	\$1,328.24	\$1,328.24
	45431 OOS			\$0.00	\$0.00
14	45432 ESC VIEW B		1	\$1,328.24	\$1,328.24
15	108190 ESC CLUB J		1	\$1,032.70	\$1,032.70
16	108209 ESC CLUB B		1	\$1,032.70	\$1,032.70
17	119569 W/C SEC 2		1	\$145.04	\$145.04
18	119570 W/C SEC 10		1	\$145.04	\$145.04
19	119571 W/C SEC 24		1	\$145.04	\$145.04
20	119572 W/C SEC 40		1	\$145.04	\$145.04
21	119890 W/C SEC 38		1	\$145.04	\$145.04
22	119754 ADA ELEV E		1	\$295.52	\$295.52
23	119755 ADA ELEV E2		1	\$295.52	\$295.52
24	119756 ADA ELEV E1		1	\$295.52	\$295.52
25	119574 ADA ELEV W2		1	\$295.52	\$295.52
26	119575 ADA ELEV W1		1	\$295.52	\$295.52
27	CREW TIME FOR REPAIRS		0	\$723.00	\$0.00
28	STANDBY SERVICE		0	\$504.00	\$0.00
				Taxable	\$0.00
				Non-Taxable	\$16,219.00
				Sub-Total	\$16,219.00
				Sales Tax	\$0.00
				TOTAL	\$16,219.00

FOURTH AMENDMENT TO SERVICES AGREEMENT FOR CITY'S STADIUM ELEVATORS

This Fourth Amendment to the Services Agreement for temporary Monthly Elevator Maintenance, Emergency Services, and Standby Services for the City's Stadium at 9449 Friars Road, San Diego (Fourth Amendment) is made and entered into by and between the City of San Diego (City) and 24 Hour Elevator, Inc. (Contractor), also referred to individually as "Party" and collectively as the "Parties."

RECITALS

1. City consented to Contractor's request for assignment of all service contracts between City and Specialized Elevator Services, Inc. (Specialized) to 24 Hour Elevator, Inc (24 Hour Elevator) on July 7, 2020, and approved 24 Hour Elevator Sole Source #4166 to replace Specialized Sole Source #4084, which replaced Ascent Sole Source #4033.

2. City approved Sole Source #4166 for temporary Monthly Maintenance, Emergency Services, and Standby Services for City's Stadium Elevators, resulting in an agreement between the City and Contractor (Agreement). The Agreement is comprised of the Services Agreement between the City and Contractor which includes Scope of Work with Attachments, Wage Requirements, and City's General Contract Terms and Provisions, First Amendment to the Agreement, Second Amendment to the Agreement, and Third Amendment to the Agreement.

3. The Agreement may be amended by written agreement executed by duly authorized representatives of both Parties.

4. The Parties wish to amend the Agreement to extend the Term of the Agreement and increase the Amount of Compensation. The Amendment is comprised of Contractor's Service Proposal, 2020 Hourly Billing Rates, and Line Item Billing Breakdown, for the period July 1, 2020 to December 31, 2020 (Attachment 1).

TERMS

1. Section 2.1 of the Agreement is revised in its entirety to read as follows:

Term. This Agreement shall be for a period of twenty-seven (27) months beginning October 1, 2018 through December 31, 2020. Unless otherwise terminated, this Agreement shall be effective until completion of the Scope of Services or December 31, 2020, whichever is earliest. The term of this agreement shall not exceed five years unless approved by the City Council by ordinance. At any time during the Term, City may terminate or assign this Agreement in the event that San Diego State University (SDSU), or one of its affiliates, or another third party, secures ownership or management rights for SDCCU Stadium.

2. Section 3.1 of the Agreement is revised in its entirety to read as follows:

Amount of Compensation. City shall pay Contractor for performance of all Services rendered in accordance with this Agreement in an amount not to exceed **\$1,189,447.00**.

3. This Fourth Amendment will be effective when signed by both parties and approved by the City Attorney in accordance with Charter section 40.

4. All provisions of the Agreement, First Amendment to the Agreement, Second Amendment to the Agreement, and Third Amendment to the Agreement not addressed in this Fourth Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, this Fourth Amendment is executed by City and Contractor acting by and through their authorized officers.

24 Hour Elevator, Inc.

By: 

Name: Kenneth Dixon

Title: General Manager

Date: 7/7/2020

City of San Diego

By: 

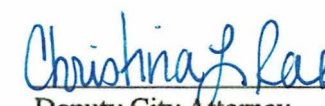
Name: CHRISTIANA GAUGER

Title: INTERIM DIRECTOR

Date: 7/9/2020

Approved as to form this 14th day of July, 2020

MARA W. ELLIOTT, City Attorney

By: 
Deputy City Attorney

Christina L. Rae
Print Name