

COUNCIL WORKSHOP ITEM

ITEM: Elevator Inspection Service Bid FY 2002/03
DATE: April. 11, 2002
PREPARED BY: Don Rosenthal, Director of Code Services
PURPOSE: Award of Bid Contract

DISCUSSION:

Attached is the annual Elevator Bid for the calendar year 2002/03 from Elevator Inspection Services in Palatine, Illinois. We had two Bidders out of thirteen bids sent out via e-mail or fax. The two bidders are Elevator Inspection Services and Thompson Elevator. The bid amount for Elevator Inspection Services is \$17,084.00, while the bid amount for Thompson Elevator is \$20,372.00. Elevator Inspection Services has been inspecting our elevators for many years and has consistently given us excellent service.

Elevator Inspection Services have increased their prices. In 1997, Elevator Inspection Services had a similar increase in price and the Village responded by raising elevator inspection fees to cover costs incurred. We requested \$12,700.00 to cover elevator inspection costs. As a result of the increase in fees charged to the Village, the amount now required is \$17,084.00. Therefore, at some future date, we will need to make a request for a budget adjustment to allow us to complete all scheduled elevator inspections. Additionally, we will request an increase in the fees charged for the elevator inspections to cover the costs incurred by the Village.

ATTACHMENT:

Bid Workshop item
Department Correspondence (1997)
Department Correspondence (1990)
Bid tabulation: Elevator Inspection Service


RECOMMENDATION:

We recommend that Elevator Inspection Services be awarded this bid as outlined in the attached bid tabulations. At some later date, we will submit a workshop item to request additional funds to complete the elevator inspections and we will also need to consider raising fees to cover the Village's costs at that time.

DEPARTMENTAL CORRESPONDENCE

DATE: September 11, 1997

TO: Kurt Bressner, Village Manager

FROM: Martin Lyons, Senior Director
Finance & Administrative Services 

RE: **Elevator Inspection Fee Change**

Per Council directive, during the 1997/98 budget review, we are changing our elevator inspection fees in order to more-closely match our inspection cost with the fees recovered. As shown on the attached sheet, our fees currently cover slightly more than our cost. This has not been due to an increase in fees, but rather, it is due to better pricing received by our Code Enforcement Department on the elevator inspection contract. If our pricing on the elevator inspection contract increases, we may again need to revise this fee. However, since we have experienced this level of contract cost in the last two years, it is reasonable to lower the cost.

The inspection fee that most-closely matches a break-even point and also limits administrative work is \$30.00 per inspection (our current fee is \$35.00 per inspection fee). Our summer bills, which should have been sent out last month, will be going out immediately at the new \$30.00 inspection fee rate. As a point of information, passenger elevators are inspected twice a year and freight elevators (and lift chairs) are inspected once a year.

ML:nd
Attachment

cc: Lynn Kolzow, Fiscal Tech. I
Carol Schimanski, Accounting Manager
Mike Little, Director, Code Enforcement

DEPARTMENTAL CORRESPONDENCE

DATE: July 13, 1990
TO: Mike Little, Director of Code Enforcement
FROM: Kathleen A. Gregory, Director of Administrative Services
RE: ELEVATOR INSPECTION FEES

Kate

As promised, I have had the opportunity to review elevator inspection fees, which are due to be billed this month.

I have proposed to Kurt Bressner that the current fee of \$25.00 be increased to \$35.00, which will cover the cost of printing, file maintenance, billing, receivables, etc. Kurt has concurred with this suggestion.

As I understand Chapter 7 of our Municipal Code, we can simply charge the \$35.00 without amending an ordinance.

If you have any questions, please do not hesitate to contact me.

\$ 35.00/per inspection

KAG:nld

cc: Kurt Bressner
Ken Rathje
Kathy Costello
Carol Schimanski
Lynn Kolzow

*passenger elevators inspected, twice a yr
Jan and July
freight elevators inspected, once a yr.*

01-000-3423-100

Annual elevator inspection fee