



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the
Board of Harbor Commissioners

DATE: JULY 27, 2011

FROM: CONSTRUCTION AND MAINTENANCE DIVISION

SUBJECT: RESOLUTION NO. _____ - AWARD OF CONTRACT NO. 39584 TO ACCO ENGINEERED SYSTEMS FOR HVAC SYSTEM REPLACEMENT AT THE TEST LAB

SUMMARY:

The Construction and Maintenance Division (C&M) requests approval of Contract No. 39584 with Acco Engineered Systems of Glendale, CA for the replacement of the Heating, Ventilation, and Air Conditioning (HVAC) system at the City of Los Angeles Harbor Department's (Harbor Department) Test Laboratory (Test Lab) in the amount of \$1,793,915, including sales tax. The current system is inadequate for optimal operations in the Test Lab. This project is part of the deferred maintenance program planned and funded in the Fiscal Year 2011-12 capital budget.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that in accordance with Los Angeles City Charter Section 1022, work under the subject contract can be performed more feasibly by independent contractors than by City employees;
2. Approve Contract No. 39584 with Acco Engineered Systems in the amount of \$1,793,915 and authorize said expenditures;
3. Authorize the Executive Director to execute and Board Secretary to attest to Contract No. 39584; and
4. Adopt Resolution No. _____ .

DISCUSSION:

Background – In the last twelve months, C&M has completed a host of capital infrastructure projects that were deferred over the years due to staffing or funding restrictions. Funding in the capital budget was set aside to address key projects including: re-roofing Liberty Hill Plaza, the Harbor Administration Building, Berth 154-155, and the Berth 225 Canopy and Reefer Wash; repairing or replacing nearly 100 backflows throughout the Port of Los Angeles; updated fire life-safety alarm and sprinkler systems at Berths 177-181 and Berth 93; and new HVAC units or systems at

DATE: JULY 27, 2011

PAGE 2 OF 4

SUBJECT: AWARD OF CONTRACT NO. 39584 TO ACCO

the Pilot Station, 239 North Avalon, and other buildings. Action on other key infrastructure projects continues today.

Test Lab HVAC – One of the largest and most extensive projects in the deferred maintenance program is the replacement of HVAC equipment in the Test Lab. The fume hoods in the Test Lab must meet current CalOSHA Title 8 standards. Due to the age of the equipment and normal wear and tear, the airflow requirements are approaching substandard operational capacity. All units are beyond economical repair. The air handling unit (AHU) has no variable frequency drive (VFD). Chillers and boilers have deteriorated. The current Building Automation System (BAS) is outdated and parts are not available to maintain the system. The Harbor Department could face safety or health violations if the current systems and equipment are left in place, and that could prevent or hamper the use of the Test Lab until major corrections are made. This contract will address the problems before those actions can occur and C&M will be able to maintain the new infrastructure.

Acco Engineered Systems will address all problems with the current system by replacing two existing chillers, three air handling units, and a boiler. They will install a new Variable Air Volume (VAV) system, replace fume hoods, and add proper venting and controls. Once in place, these new systems will allow the Test Lab to save on energy consumption by utilizing the VFD on the AHU, energy efficient chillers, and up-to-date VAV controllers.

The contractor will properly size all fume hoods to conform to Title 8 standards in order to have full compliance with safety and ventilation requirements. These fume hoods are used for a variety of tests and require major upgrades. For example, in room 212, fume hood number 8 needs to be PVC (plastic polymer) lined with sprinkler and wash down system. The upgrades will include adding new vented cabinets for flammables and installing proper stainless steel duct work, including spark resistant and triple welded PVC duct work with PVC blowers. All fume hoods in the Test Lab must be operated in a negative pressure to keep chemicals from being entrained into the areas of the fume hood. This will be accomplished through balancing the conditioned air and fume hood exhaust. A pressure sensor will be installed in each room to maintain the proper balance. Additionally, the current out dated BAS will be replaced with a Carrier system with BACnet protocol, a communications protocol for building automation and control networks.

Selection Process – C&M submitted purchase requisitions with specifications for this project. The Contracts and Purchasing Division released a Request for Bids (RFB) in March 2011. Two bids were received. Staff is recommending approval by the Board of a contract with Acco Engineered Systems, the lowest, responsive bidder for the project described above.

DATE: JULY 27, 2011

PAGE 3 OF 4

SUBJECT: AWARD OF CONTRACT NO. 39584 TO ACCO

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of Contract No. 39584 with Acco Engineered Systems for HVAC system replacement at the Harbor Department's Test Lab. As an administrative activity and replacement of a mechanical system serving an existing facility, the Director of Environmental Management has determined that the proposed action is exempt from the California Environmental Quality Act (CEQA) under Article II, Section 2 (f) and Article III Class 1(2) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

Spending under this contract will support approximately 11 direct and 11 secondary one-year equivalent jobs in the five-county region.

FINANCIAL IMPACT:

This deferred maintenance capital project will cost the Harbor Department a total of \$1,793,915 during FY 2011-12. Due to the age and unreliability of the existing infrastructure, there is no feasible alternative to replacing the obsolete and non-functioning equipment.

Maintenance costs associated with the new HVAC system at the Test Lab are estimated to be \$100,000 per year, including labor costs, parts, and testing, and will be performed by C&M staff. This is approximately 30 percent less than the current maintenance costs of \$142,000 per year.

Funding in the amount of \$1,793,915 has been budgeted in the Fiscal Year 2011-12 Capital Budget Account No. 54010, Center No. 1029, and Program No. 000 for the Test Lab HVAC project.

DATE: JULY 27, 2011

PAGE 4 OF 4

SUBJECT: AWARD OF CONTRACT NO. 39584 TO ACCO

CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the contract as to form and legality.

TRANSMITTALS:

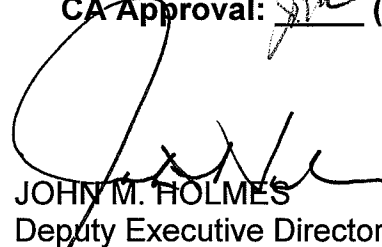
1. Recap of Bid No. F-741
2. Contract No. 39584

FIS Approval: WP (Initials)

CA Approval: JMH (Initials)



JIM MORGAN
Director of Port Construction and Maintenance



JOHN M. HOLMES
Deputy Executive Director

APPROVED:



GERALDINE KNATZ, Ph.D.
Executive Director

Author: D. Young

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File No. MGT-3-3
HAR-9-1