



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

DATE: MARCH 30, 2021

FROM: CONSTRUCTION AND MAINTENANCE

**SUBJECT: RESOLUTION NO. _____ - AWARD OF CONTRACT NO. 39939
TO JOHNSON CONTROLS FIRE PROTECTION LP FOR PORT-WIDE
FIRE ALARM AND FIRE SUPPRESSION SYSTEM MAINTENANCE AND
UPGRADES**

SUMMARY:

Staff requests that the Board of Harbor Commissioners (Board) approve a one-year contract with two one-year renewal options to Johnson Controls Fire Protection LP (JCFP) of Santa Fe Springs, California for port-wide fire alarm and fire suppression system maintenance and upgrades. The amount of this agreement shall not exceed \$3,130,000 annually, or a total of \$9,390,000 for the duration of the three-year agreement if all options are exercised. The Harbor Department will be financially responsible for costs incurred under the proposed contract.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Find that the Director of Environment Management has determined that the proposed action is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III Class 1(6) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with City of Los Angeles Administrative Code Division 10, Chapter 1, Article 2, Section 10.15 (a)(8), the Harbor Department may enter into the agreement with JCFP based on a cooperative arrangement with Sourcewell to utilize Contract No. 031517-SGL;
3. 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;
4. Award Contract No. 39939 with JCFP in the amount of \$3,130,000 for a period of one year, with two one-year renewal options in the same amount annually to be exercised by the Executive Director or his/her designee;
5. Authorize the Executive Director to execute and Board Secretary to attest to Contract No. 39939 for and on behalf of the Board; and
6. Adopt Resolution No. _____ .

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DISCUSSION:

Background/Context - The Harbor Department, through its Construction and Maintenance Division (C&M) is responsible for maintaining and monitoring fire alarm and fire suppression systems at locations throughout the Port of Los Angeles (Port) including but not limited to:

- a. Port of Los Angeles (POLA) Administration Building (425 S. Palos Verdes Street)
- b. Port Police Headquarters (330 Centre Street)
- c. Liberty Hill Plaza (100 W. 5th Street)
- d. Pilot Station and two staff occupied trailers (Berth 68)
- e. C&M/Contracts & Purchasing Administration Building (500 Pier A Street)
- f. C&M Yard and Shops (Berth 161)
- g. Port of Los Angeles Test Lab (514 Pier A Street)
- h. Police Facility (239 N. Avalon Blvd.)
- i. Police Dive Team Facility (954 Seaside Street)
- j. Maritime Museum (Berth 84)
- k. Former U. S. Customs Building (300 Ferry Street)
- l. World Cruise Center (Berths 91- 93)
- m. Banning's Landing (100 E. Water Street)
- n. Maritime Law Enforcement Training Center (MLETC) (300 E. Water Street)
- o. Former Naval Reserve facility (801 Reeves Avenue)
- p. Former Southwest Marine facility (Berth 240)
- q. Yang Ming terminal buildings (Berths 121-131)
- r. TraPac terminal buildings (Berths 135-147)
- s. Yusen terminal buildings (Berths 212-225)
- t. Everport terminal buildings (Berths 226-236)
- u. Eagle Marine terminal buildings (Berths 302-305)
- v. APMT terminal buildings (Berths 401-406)
- w. Warehouse 1 (2500 Signal Street)

The work performed under this contract (Transmittal No. 1) will involve maintaining, repairing, and upgrading fire-life safety equipment requiring specialized training and certification. This includes a State of California C-16 Fire Protection license, National Institute for Certification in Engineering Technologies (NICET) certification, and certification from the manufacturer for installation.

The work to be performed will involve fully certified, local union technicians performing the repair, maintenance, inspection, testing, programming, and upgrades required for the Harbor Department's systems. They will also complete upgrades of existing fire-life safety systems.

The tasks that JCFP will perform under this contract include the Los Angeles Fire Department mandated Chief's Regulation No. 4 testing of smoke detectors, pull stations, sprinkler heads, and notification devices. Most fire-life safety systems require annual testing and repair, with

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exceptions for quarterly sprinkler inspections to comply with insurance liability provisions, and semi-annual testing of halon fire extinguishers and air/gas systems to comply with National Fire Protection Association (NFPA) guidelines and City of Los Angeles Department of Building and Safety codes.

In addition, JCFP is assisting C&M in the upgrade of fire-life safety networking systems at various locations throughout the Port: the Port Pilot Station, Maritime Museum, Berth 91-93 World Cruise Center, Port Police Canine Training Site, Vopak terminal, Fenix Marine Services terminal, APM terminal, Yusen terminal, and Everport terminal and other locations requiring compliance with Los Angeles Fire Department Regulation 4 requirements and Port fire-life safety responsibilities.

The benefits of contracting with JCFP include standardization of equipment, parts inventory, maintenance, and training for a fire life safety infrastructure that is more than 90 percent comprised of equipment manufactured by SimplexGrinnell, with whom the Harbor Department has contracted with for fire protection maintenance and upgrade services in previous years. SimplexGrinnell is now a subsidiary of JCFP, the proposed contractor for fire protection maintenance and upgrade services. As is standard in the fire life safety industry, the manufacturer of the equipment requires that their certified technicians (with NICET Level II certification and manufacturer training) maintain that equipment. Utilizing SimplexGrinnell as the fire life safety systems manufacturer was also determined by Port Police Homeland Security staff to be the best choice to migrate over to mass notification fire-life safety systems throughout the Port. Past observations and experiences with some other fire-life safety vendors have resulted in a high number of failures and problems. SimplexGrinnell has demonstrated that they can provide technologically and operationally superior products and services for Harbor Department facilities and, through JCFP, staff proposes to continue this association.

Contract Process - Sourcwell is a self-supporting government organization that holds hundreds of competitively solicited cooperative contracts in various products and services ready for use. The Sourcwell contract is a mechanism for the Harbor Department to utilize JCFP at prices that match or are more competitively priced than high volume government discounts. Therefore, in accordance with the City of Los Angeles Charter and Administrative Code, the proposed action by the Board is consistent with City contracting policies and staff is recommending approval of the contract with JCFP.

The City of Los Angeles Charter Article III, Section 371(e)(8) and Los Angeles Administrative Code Division 10, Chapter 1, Article 2, Section 10.15 (a)(8) allow for "contracts for cooperative arrangement with other governmental agencies for the utilization of the purchasing contracts and professional, scientific, expert or technical services contracts for those agencies and any implementing agreements, even though the contracts and implementing agreements were not entered into through a competitive bid process."

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The Sourcewell contract is a mechanism for the Harbor Department to utilize SimplexGrinnell services through its new owner, JCFP, at prices that match or exceed high volume government discounts. If the Harbor Department had released its own bid for SimplexGrinnell services and products to support the infrastructure that has been developed over the past several years, it is possible that SimplexGrinnell, through JCFP, would have been the sole responsive bidder and charged the Harbor Department a higher price than those in the Sourcewell price lists. The cooperative arrangement allows for the best prices for an extended period of time. The proposed action to join the Sourcewell contract with JCFP, in accordance with the City of Los Angeles Charter and Administrative Code, is in the Harbor Department's best interests and consistent with City contracting policies.

In addition, the Sourcewell pricing structure is the lowest that JCFP offers. It is approximately two percent lower than the federal General Services Administration (GSA) pricing used in earlier Harbor Department contracts, and ten percent lower than local district pricing (versus national volume pricing). The Harbor Department may find a cheaper alternative to JCFP, but not without incurring millions of dollars in fire-life safety equipment modifications and changes to the already approved SimplexGrinnell equipment platform for the Port-wide mass notification system, and not without compromising safety, security and reliability. Fifteen years ago, the Harbor Department had contracts with several other fire-life safety companies, but reliability problems and other challenges negatively impacted the Port's fire-life safety systems. C&M staff determined that through utilizing SimplexGrinnell products and expertise, the Harbor Department has achieved the highest level of reliability with a technology platform that cost effectively serves all of its fire protection maintenance and upgrade needs.

ENVIRONMENTAL IMPACT:

The proposed action is the approval of a one-year contract with two one-year renewal options to JCFP for port-wide fire alarm and fire suppression system maintenance and upgrades, which is an activity involving addition of safety, security, health or environmental protection devices for use during construction of or in conjunction with existing structures, facilities or mechanical equipment. Therefore, the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of CEQA in accordance with Article III Class 1(6) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed contract would award JCFP a one-year contract, with two one-year options at an annual cost of \$3,130,000, or \$9,390,000 if both options are exercised over a three-year term. Fiscal Year (FY) 2020/21 funding in the amount of \$299,000 has been included within the adopted budget within the accounts provided in the table below.

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Future spending under the proposed contract is expected to occur as follows:

Fiscal Year	A54010 Center 0510 Program 000	A54010 Center 1900 Program 000	Total
2021	\$30,000	\$269,000	\$299,000
2022	\$1,100,000	\$2,030,000	\$3,130,000
2023	\$1,100,000	\$2,030,000	\$3,130,000
2024	\$1,008,313	\$1,822,687	\$2,831,000
Total	\$3,238,313	\$6,151,667	\$9,390,000

Between 2012 and 2019, C&M has spent between \$1,100,000 and \$2,837,000 annually on fire-life safety systems maintenance, repair, installation, testing, programming and upgrades. The most recent contract period has seen expenditures to date of \$1,569,000 with work primarily focused on maintenance throughout Harbor Department facilities. Over the course of the proposed contract, additional upgrade projects are anticipated to include mass notification networking upgrades at the Pilot Station and the aforementioned terminals, as well as a continuation of existing system maintenance.

A funding out clause is included in the contract. In order to fund the contract renewal options, future fiscal year funding will be requested as part of the annual budget process upon Board approval.

CITY ATTORNEY:

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

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TRANSMITTALS:

1. Contract No. 39939

FIS Approval: MB

CA Approval: JS



TIM CLARK
Director of Port Construction and Maintenance



ANTONIO V. GIOIELLO, P.E.
Deputy Executive Director

APPROVED:

Marla Bleavins For

EUGENE D. SEROKA
Executive Director

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