



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: NOVEMBER 7, 2012

FROM: CONSTRUCTION AND MAINTENANCE

SUBJECT: RESOLUTION NO. _____ - AWARD OF CONTRACT NO. 39660 TO SIMPLEX GRINNELL FOR PORT-WIDE FIRE ALARM AND FIRE SUPPRESSION SYSTEM MAINTENANCE AND UPGRADES

SUMMARY:

The Construction and Maintenance Division (C&M) requests the approval of a one-year contract with two, one-year renewal options to Simplex Grinnell of Santa Fe Springs, California, for port-wide fire alarm and fire suppression system maintenance and upgrades for an amount not to exceed \$2,000,000 for the first year and \$2,000,000 for each of the two subsequent years if the renewal options are exercised. The contract is based on a cooperative arrangement with two contracts: General Services Administration (GSA) Contract No. GS-07F-0396M and Western States Contracting Alliance (WSCA) Contract No. 1568. The fire-life safety systems installed for the City of Los Angeles Harbor Department (Harbor Department) require specialty certification for personnel to maintain, test and program the equipment that City employees do not possess.

RECOMMENDATION:

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

1. 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 Simplex Grinnell based on a cooperative arrangement with the General Services Administration to utilize Contract No. GS-07F-0396M and with the Western States Contracting Alliance to utilize Contract No. 1568;
2. 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;
3. Award Contract No. 39660 in the amount of \$2,000,000 for fire alarm and fire suppression system maintenance and upgrades throughout the Port of Los Angeles to Simplex Grinnell of Santa Fe Springs, California, for a period of one year, with two, one-year renewal options in the amount of \$2,000,000 each year to be exercised by the Executive Director or her designee, with extension of the Western States Contracting Alliance portion conditioned on extensions of the underlying Western States Contracting Alliance contract;

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4. Authorize the Executive Director to execute Contract No. 39660 in accordance with General Services Administration Contract No. GS-07F-0396M and Western States Contracting Alliance Contract No. 1568; and

5. Adopt Resolution No. _____.

DISCUSSION:

Background - The Harbor Department is responsible for maintaining and monitoring fire alarm and fire suppression systems at locations throughout the Port of Los Angeles (Port) including:

- a. Harbor Administration Building
- b. Port Police Headquarters (330 Centre Street)
- c. Liberty Hill Plaza
- d. Pilot Station and trailers
- e. C&M/Contracts & Purchasing Administration Building
- f. C&M Yard and Shops
- g. Port of Los Angeles Test Lab
- h. Police Facility (239 N. Avalon Blvd.)
- i. Police Dive Team Facility (954 Seaside Street)
- j. Angelena II Crew and Police Dive Facility (Berth 84)
- k. US Customs Service Lab (300 Ferry Street)
- l. Passenger Cruise Ship Terminal (Berths 91- 93)
- m. Banning's Landing (100 Water Street)
- n. Maritime Law Enforcement Training Center (MLETC) (300 Water Street)
- o. China Shipping buildings (Berth 100)
- p. Yang Ming buildings (Berth 121)
- q. TraPac buildings (Berth 136)
- r. Yusen Terminal buildings (Berth 212)
- s. Evergreen buildings (Berth 226)
- t. APL buildings (Berth 300)
- u. APM buildings (Berth 400)

The work performed under this contract (Transmittal 1) will involve maintaining, repairing and upgrading fire-life safety equipment requiring specialized training and certification. This includes a C-16 Fire Protection license from the State of California, National Institute for Certification in Engineering Technologies (NICET) certification, and certification from the manufacturer for installation.

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The work to be performed will involve four fully certified persons 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 Simplex Grinnell will perform under this contract include the Regulation 4 testing of smoke detectors, pull stations, sprinkler heads, and notification devices. Most fire-life safety systems require annual testing and repair, with 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.

In addition, Simplex Grinnell is assisting C&M in the upgrade of fire-life safety systems throughout the Port as part of the \$5 million per year Deferred Maintenance Program in the capital budget. A portion of those capital funds will be used to upgrade fire-life safety systems at Evergreen, APM, Yang Ming, Yusen Terminal, as well as Liberty Hill Plaza, and other locations requiring compliance with Los Angeles Fire Department Regulation 4 codes.

Contract Process - The GSA has a contract with Simplex Grinnell that addresses all fire-life safety materials and equipment required by the Harbor Department (Transmittal 2). GSA Contract No. GS-07F-0396M includes all fire-life safety related equipment and materials and expires on June 30, 2017. The Harbor Department will enter into a cooperative arrangement commencing December 1, 2012, and ending three years later (should the Harbor Department exercise both one-year renewal options).

WSCA Contract No. 1568 includes all fire-life safety related services and expires on October 31, 2013 (Transmittal 3). The Harbor Department will enter into a cooperative arrangement commencing December 1, 2012, and ending three years later (should the Harbor Department exercise both one-year renewal options and the WSCA contract is extended for additional terms). WSCA is a cooperative group-contracting consortium for state government departments, institutions, agencies and political subdivisions for 15 mostly western states including California. WSCA Contract No. 1568 is a State of Nevada contract.

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 GSA and WSCA contracts are mechanisms for the Harbor Department to utilize Simplex Grinnell at prices that match federal and regional government discounts. If the Harbor Department had released a bid for the services and products, it is possible that Simplex Grinnell would have been the sole responsive bidder and charged the Harbor Department a higher price than the GSA price lists. The cooperative arrangement allows for the best prices for an extended period of time. Therefore, in accordance with the aforementioned charter and code, the proposed action by the Board of Harbor Commissioners is consistent with City contracting policies.

ENVIRONMENTAL IMPACT:

The proposed action is award of a contract to Simplex Grinnell for maintenance and upgrades to fire alarm and suppression systems throughout the Port. As an activity involving restoration or rehabilitation of deteriorated or damaged equipment to meet current standards of public safety, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article III Class 1 (4) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

Spending under the proposed contract will have 12 direct one-year equivalent employment impact in the five-county region.

FINANCIAL IMPACT:

C&M spent approximately \$1,800,000 in Fiscal Year 2010-11 and \$1,300,000 in Fiscal Year 2011-12 on fire-life safety systems maintenance, repair, installation, testing, programming and upgrades. The most recent year included upgrades at the Berth 177-181 Pasha Terminal and the Berth 93 Cruise Ship Terminal. Over the course of this contract, additional upgrade projects are scheduled at Evergreen, APM, Yang Ming, Yusen Terminal, among others, and new facilities will require support and maintenance including the MLETC at 300 Water Street and the new Port Police Headquarters.

In Fiscal Year 2012-13, a total of \$2,000,000 was budgeted as follows. Funding in the amount of \$600,000 is available in the C&M operating budget in Account 54010 (Maintenance Services - Buildings), Center No. 0510 and Program No. 000. Funding in the amount of \$472,500 is available in the Harbor Department Capital budget in Account 54010, Center No. 1002 and Program No. 000 (Work Order 25147). Funding in the amount of \$800,000 is available in the Harbor Department Capital budget in Account 54010, Center No. 1140 and Program No. 000 (Work Order 25155). Funding in

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the amount of \$127,500 is available in the Harbor Department Capital budget in Account 54010, Center No. 1900 and Program No. 000. 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 proposed contract as to form and legality.

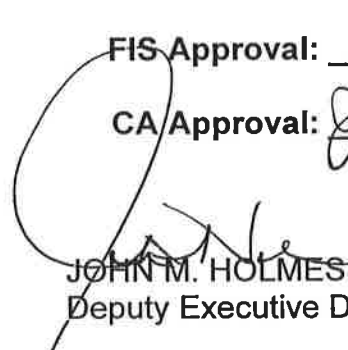
TRANSMITTALS:

1. Contract No. 39660
2. GSA Contract No. GS-07F-0396M
3. WSCA Contract No. 1568

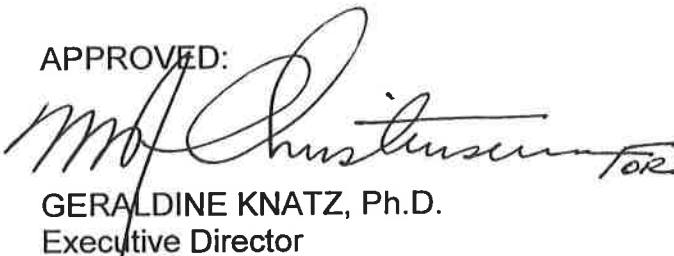
FIS Approval: VP (initials)

CA Approval: JM (initials)


JIM MORGAN
Director of Port Construction and Maintenance


JOHN M. HOLMES
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APPROVED:


GERALDINE KNATZ, Ph.D.
Executive Director

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HAR-9-1