



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: JUNE 8, 2011

FROM: ENGINEERING DIVISION

SUBJECT: RESOLUTION NO. _____ CONTRACT COMPLETION DESIGN-BUILDER: ADESTA LIMITED PARTNERSHIP PORT SECURITY GRANT PROGRAM – ROUND 3 PROJECT NO. 4 – POLA PASSENGER COMPLEX PERIMETER SECURITY/CONTROL PROJECT AGREEMENT NO. 2623

SUMMARY:

Through design/build Agreement No. 2623 (Agreement), for the Passenger Complex Perimeter Security/Control Project (Project No. 4), Adesta Limited Partnership (Adesta) of Torrance, California, provided the City of Los Angeles Harbor Department (Harbor Department) with a security surveillance system for the World Cruise Center. The project is complete and Adesta has signed the Affidavits of Completion on September 17, 2010 stating that no outstanding claims or unresolved issues exist.

Staff recommends the Board of Harbor Commissioners (Board) authorize the Executive Director to execute Authority for Adjustment (AFA) No. 7 for a credit of \$340,543. An AFA is a contract instrument that allows the Harbor Department to add or delete work to a contract. Any AFA that increases or decreases the contract by more or less than \$150,000 requires Board approval. AFA No. 7 will close out funds not used under the Agreement's allowance items, tasks 11 through 15. In addition, staff recommends that the Board formally accept the contract as complete in the amount of \$2,099,792. This will allow the Executive Director to release \$10,000 in remaining retention being held by the Harbor Department.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Approve and authorize the Executive Director to execute Authority for Adjustment No. 7, which decreases the contract by \$340,543; for a contract total of \$2,099,792;
2. Receive for information the AFA Summary Log (Transmittal No. 3);
3. Approve and accept the subject contract as complete; and
4. Adopt Resolution No. _____

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SUBJECT: CONTRACT COMPLETION OF PASSENGER COMPLEX PERIMETER SECURITY/CONTROL PROJECT

DISCUSSION:

Project Description – The Port of Los Angeles (Port) Passenger Complex Perimeter Security/Control Project (Project No. 4) originated as part of the post 9/11 Transportation Security Administration (TSA) Port Security Grant Program – Round 3. In 2003, under a separate Port Police contract, a security assessment of Port facilities was conducted by Science Applications International Corporation (SAIC) to define the scope of work. The recommendations included increasing surveillance capabilities for high-risk facilities.

Project No. 4 improves the security of the World Cruise Center with the installation of 42 new cameras and integration of 43 Customs and Border Protection cameras into the larger Port surveillance system. These cameras are monitored by the Port Police at both the World Cruise Center and the Threat Detection Center. The project also installed access control equipment enabling the Port Police to secure access to the northeast corner of Berth 93 for police operations.

Background – On February 7, 2008, the Board awarded Project No. 4 to Adesta Limited Partnership with a contract amount of \$2,026,203, for a contract time of 10 months (305 calendar days) and 12 months of system maintenance. This work was necessary to provide the Port Police with surveillance capabilities at the World Cruise Center. The Harbor Department received funding from the TSA under the Port Security Grant Program.

The design/build work started on April 21, 2008. On April 6, 2009, the Harbor Department granted Adesta a time extension of 147 calendar days. The time extension was essential for key items, including design changes for additional cameras and revised camera locations, integration of 43 existing Customs and Border Protection cameras, and the addition of a fiber link between the Berth 93 building and the Berth 91/92 building. Project No. 4 was partially accepted on August 31, 2009. The maintenance period started on September 1, 2009 for 365 calendar days. On September 17, 2009, Adesta submitted the Affidavits of Completion (Transmittal No. 1).

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SUBJECT: CONTRACT COMPLETION OF PASSENGER COMPLEX PERIMETER SECURITY/CONTROL PROJECT

COST/SCHEDULE SUMMARY

Original Agreement	\$ 2,026,202
AFA Nos. 1-6 (see summary log Transmittal No. 3)	\$ 414,133
AFA No. 7 (Transmittal No. 2)	<u>(\$ 340,543)</u>
Final Agreement Amount	\$ 2,099,792

The original Agreement had 10 months (305 calendar days) for design/build work plus 12 months of system maintenance.

As part of the changes to the Agreement, No Cost Change Order No. 1 granted a 147 calendar day time extension for additional work requested by the Harbor Department which included:

- Integration of existing Customs Border Protection cameras
- Installation of fiber link between Berth 91/92 and Berth 93 buildings
- Provision repairs to the wireless link between the Promenade and Harbor Administration Building
- Purchase of additional maintenance equipment
- Installation of an access control gate at the World Cruise Center northeast corner
- Close out of funds not used from allowance tasks 11 through 15

MBE/WBE/OBE/SBE PROGRAM

Adesta originally proposed a subcontractor business enterprise outreach of 0% Minority Business Enterprises (MBE), 0% Women Business Enterprise (WBE), and 29% Other Business Enterprise (OBE) for an overall contract outreach of 29%. The contract closes with subcontractor work consisting of 0% MBE, 0% WBE, and 18% OBE for a final outreach effort of 18%. The reduced OBE outreach percentage is a result of changes to the design team and scope of work:

- 1) Adesta's design OBE sub-consultant (Ross & Baruzzini), originally identified for this project, closed their office resulting in Adesta completing their work.
- 2) As a cost saving effort, the original scope of work was revised to minimize the installation of additional poles in the parking lot of the World Cruise Center. This resulted in elimination of a substantial amount of electrical design and construction work.

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In an effort to achieve the proposed OBE outreach percentage, Adesta included OBE's on AFA Nos. 1 through 6.

The Harbor Department's Small Business Enterprise (SBE) program was established by the Department after Adesta selected team members for this project. They subsequently set a goal of 10% SBE outreach. Unfortunately, no SBE opportunities were identified and the project closes with 0% SBE outreach.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of contract completion for design/build work related to the Port Security Grant Program. As an administrative action, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of AFA No. 7 is requested to reduce the contract by the amount of \$340,543 for the unused balance of Task Item Nos. 11 through 15.

The ongoing annual operations and maintenance costs associated with this project is estimated to be \$420,000 beginning fiscal year 2011/12 and will be requested to be budgeted as part of the annual budget adoption process, upon Board approval.

No additional funding is being requested through this Board action, but results in a credit of \$340,543 in Account No. 54510, Work Order No. 24691, Center No. 1179 and Program No. 640.

This project was partially funded with \$979,628 from the Department of Homeland Security's TSA Port Security Grant Program Round 3 Project No. 4 funds. The remaining funds of \$1,120,164 (\$2,099,792 less \$979,628) were the responsibility of the Harbor Department.

ECONOMIC BENEFITS:

Approval of AFA No. 7 will have no employment impact in the five-county region. There will be no additional job impact under the Agreement since the project is complete.

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SUBJECT: CONTRACT COMPLETION OF PASSENGER COMPLEX PERIMETER SECURITY/CONTROL PROJECT

CITY ATTORNEY:

The Office of the City Attorney has reviewed this Board Report and the proposed actions raise no legal issues at this time.

TRANSMITTALS:


1. Affidavits of Completion
2. Authority for Adjustment No. 7
3. AFA Summary Log

FIS Approval: ef (initials)

CA Approval: MC (initials)

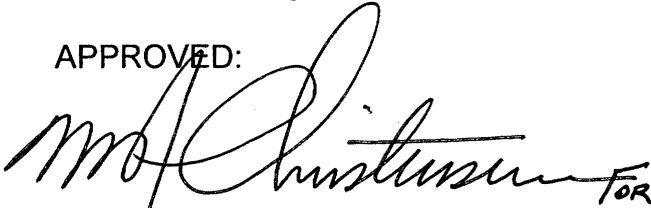


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APPROVED:

 FOR

GERALDINE KNATZ, Ph.D.
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