



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

**DATE: JULY 8, 2020**

**FROM: CONSTRUCTION AND MAINTENANCE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - AWARD OF CONTRACT NO. 39913 TO JOHNSON CONTROLS, INC. FOR AIR CONDITIONING REPLACEMENT AT THE PORT OF LOS ANGELES POLICE HEADQUARTERS**

**SUMMARY:**

Staff requests approval of Contract No. 39913, with Johnson Controls, Inc. of Cypress, California for the removal and replacement of the two air conditioning units at the Port of Los Angeles Police Headquarters (PPHQ). The Contract amount is \$843,583 and the Contract continues until this project is complete since this is a one-time purchase order. Payment of expenses incurred under the Contract is the financial responsibility of the Harbor Department.

**RECOMMENDATION:**

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

1. Find that the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III Class 2(6) of the Los Angeles City CEQA Guidelines.
2. Find that in accordance with the City of Los Angeles Administrative Code Division 10, Chapter 1, Article 2, Section 10.15 (a)(8), the Harbor Department may enter into an agreement with Johnson Controls utilizing a current agreement for such services with the General Services Administration (GSA) through their Contract No. GSA-07F-190CA, a cooperative purchase agreement;
3. Approve Contract No. 39913 with Johnson Controls, Inc. in the amount of \$843,583;
4. Authorize the Executive Director to execute and Board Secretary to attest to Contract No. 39913 for and on behalf of the Board; and
5. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background/Context – Two water-cooled air conditioning units currently serve the first and second floors of PPHQ, while an air-cooled conditioning unit serves the third floor. The two water-cooled air conditioning units are about ten years old, but are falling short

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of their expected 15-year lifespan. The HVAC units are currently operating at 50% capacity due to ongoing problems. There was an incident about eight years ago where an acidic cleanser was misapplied, damaging critical tubing. Repairs have been performed to keep the units operational but the system continues to leak and not function as designed. In addition, these types of water-cooled units require a high amount of maintenance. They need cleaning at least once per week due to sand products plugging the strainers. Replacing water-cooled units with air-cooled units will reduce the cleaning need to at least once per quarter.

A project to replace the existing units was approved by the Project Development Committee on November 7, 2018. The Harbor Department's Construction & Maintenance Division staff has been working with Johnson Controls, Inc., a heating, ventilation, and air condition (HVAC) systems specialist, to provide a long-term solution for the system. Johnson Controls, Inc. has been contracted in the past for the installation and/or replacement of heating, ventilation, and air conditioning systems in other Port of Los Angeles-owned buildings including the Banning's Landing Community Center, the Marine Law Enforcement Training Center at 300 Water Street, and the World Cruise Center's Berth 93 passenger terminal. Johnson Controls, Inc.'s expertise and familiarity with the Port's systems will provide more energy efficient units.

Selection Process – 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."

The federal GSA contract is a mechanism for the Harbor Department, to utilize Johnson Controls, Inc. at prices that match or are more competitively price than high volume government discounts. If the Harbor Department had released a bid for the services and products, it is possible that Johnson Controls, Inc. would have been the sole responsive bidder and charged the Harbor Department higher prices than on the GSA price list. The GSA contract arrangement allows for the best prices for an extended period of time. Therefore, in accordance with the City of Los Angeles Charter and Administrative Code, the proposed action by the Board is consistent with City contracting polices and staff is recommending approval of the contract with Johnson Controls, Inc. (Transmittal No. 1).

Note that the entire GSA contract has not been included as it is more 1,000 pages in length. The contract is available for review upon request.

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**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of Contract No. 39913 with Johnson Controls, Inc. of Cypress, California for the removal and replacement of the two air conditioning units located at the PPHQ, which is an activity involving the replacement or reconstruction of existing heating and air-conditioning systems. 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 2(6) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Funding in the amount of \$843,583 has been budgeted in the Fiscal Year 2020-21 Capital Improvement Program Budget Center 1181, and Program No. 000 within the following accounts:

	<b>FY 2020-21 Spending</b>
Account 54010 (Maint. Svcs. – Buildings)	\$142,194
Account 55010 (Parts & Materials)	\$701,389
<b>Total</b>	<b>\$843,583</b>

**CITY ATTORNEY:**

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

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TRANSMITTAL:

1. Contract No. 39913

FIS Approval: \_\_\_\_\_

CA Approval: \_\_\_\_\_



TIM CLARK  
Director of Port Construction & Maintenance

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

APPROVED:

EUGENE D. SEROKA  
Executive Director

Author: T. Lizada / F. Albers