



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

**DATE: JULY 9, 2018**

**FROM: CONSTRUCTION AND MAINTENANCE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - AWARD OF CONTRACT NO. 39860 TO SCHINDLER ELEVATOR CORP. FOR PORT-WIDE ELEVATOR AND ESCALATOR MODERNIZATION**

**SUMMARY:**

Staff requests that the Board of Harbor Commissioners (Board) approve a one-year contract with two one-year renewal options, Contract No. 39860, with Schindler Elevator Corporation (Schindler) of Costa Mesa, California for the port-wide modernization of elevators and escalators for a total not-to-exceed amount of \$4,300,000 for the duration of the three-year agreement. This contract is the financial responsibility of the Harbor Department.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners:

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) 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 Schindler utilizing a current agreement for such services with the federal National Joint Powers Alliance (NJPA), now known as Sourcewell, through their Contract No. 100516-SCH, a cooperative purchase agreement;
3. Approve Contract No. 39860 with Schindler in the amount of \$2,300,000 for a period of one year, with two one-year renewal options in the amount of \$1,000,000 per year to be exercised by the Executive Director or his/her designee;
4. Authorize the Executive Director to execute and Board Secretary to attest to Contract No. 39860 for and on behalf of the Board; and
5. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background/Context – In the last seven years, the Harbor Department's Construction and Maintenance Division (C&M) has completed a wide range of capital infrastructure

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projects representing work that had been deferred due to either staffing or funding constraints. Funding in the capital budget has been set aside to address several projects, including but not limited to, the retrofit of three automatic public toilets on the Harbor Boulevard Parkway; the installation of a water leak detection system at Cabrillo Way Marina; and replacement of elevator gearboxes at the Port of Los Angeles Administration Building.

C&M maintains 30 elevator/lift mechanisms and eight escalators in various facilities throughout the Harbor District. These facilities range in age from four years to one hundred years, the oldest of the elevators being at Warehouse 1 and the former Bekins warehouse at 245 N. Fries Avenue in Wilmington. Maintenance entails periodic inspections with repairs as needed. All elevators also undergo annual inspections by the Los Angeles City Department of Building and Safety and require certification to remain in operation. Either as a result of Department of Building and Safety or Harbor Department determinations, elevators may require major upgrades or replacement. Currently, two of the seven elevators at the Berth 93 passenger terminal are in the process of being upgraded.

Three projects included in the FY 2018-2019 Capital Improvement Program (CIP) involve the modernization of additional elevators and escalators (Modernization Projects). Specifically, the projects include the modernization of two escalators at Berths 91-92 passenger terminal at the World Cruise Center, the modernization of a 1984 elevator in the C&M Administration Building at Berth 161, and the modernization of a 1994 elevator in the Construction Division's Soils Lab Building at Berth 161.

Schindler is one of the leading elevator and escalator manufacturers in the country. It is the second largest elevator manufacturer in the world and is the largest escalator manufacturer in the world. The benefit of contracting with Schindler for these projects include standardization of equipment and parts inventory. In addition, by entering into a contract with Schindler for potentially three years, C&M will have ready access to this contractor for potential future modernization or replacement projects should the need arise.

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 10.5 (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 National Joint Powers Alliance (NJPA) contract is a mechanism for the Harbor Department to utilize Schindler 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 Schindler (Transmittal No. 1).

The contract was written under NJPA. NJPA changed their name to Sourcewell effective June 6, 2018.

**ENVIRONMENTAL IMPACT:**

The proposed action is the approval of Contract No. 39860 with Schindler for the Port-wide modernization of elevators and escalators, which is an administrative activity. Therefore, the Director of Environmental Management had determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Funding for the Modernization Projects is included in the FY 2018-2019 Capital Improvement Program budget, and the total costs associated with the Modernization Projects are forecasted on the following page:

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**Anticipated Cost of Modernization Projects**

Project (Project #)	Center #	Estimated Expenditures FY 2019 (Budget)	FY 2020 (Forecast)	FY 2021 (Forecast)	Total
Berth 91-92 Escalator Modernization (2547400)	1007	\$800,000	\$ -	\$ -	\$ 800,000
Berth 161 C&M Admin Building Elevator Modernization (2542500)	1029	\$194,795	\$ -	\$ -	\$ 194,795
Berth 161 Test Lab Building Elevator Modernization (2546400)	1029	\$ 54,000	\$ -	\$ -	\$ 54,000
Contingency	1900	\$ -	\$1,625,603	\$1,625,602	\$3,251,205
<b>Total</b>		<b>\$1,048,795</b>	<b>\$1,625,603</b>	<b>1,625,602</b>	<b>\$4,300,000</b>

The Harbor Department's financial obligations beyond FY 2018-2019 are contingent upon the Board's appropriation of funds. If any subsequent fiscal year funds are not appropriated by the Board for the work required under the contract, the contract shall be terminated. However, such termination shall not relieve the parties of liability for any obligations previously incurred.

Any funds under this contract in excess of the \$1,048,795 3-project total summarized above (but within the not-to-exceed amount of \$4,300,000) shall be allocated by either the Board or Project Development Committee, as appropriate.

**CITY ATTORNEY:**

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

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TRANSMITTAL:

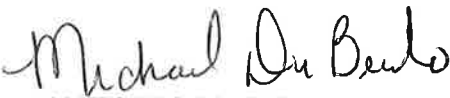
1. Contract No. 39860

FIS Approval: 

CA Approval: 



TIM CLARK  
Director of Port Construction & Maintenance

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

APPROVED:



EUGENE D. SEROKA  
Executive Director

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