



RESOLUTION NO. 27048

LAX

Van Nuys

City of Los Angeles

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Board of Airport
Commissioners

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Karim Webb

Justin Erbacci
Interim Chief Executive Officer

BE IT RESOLVED that, on recommendation of Management, the Board of Airport Commissioners approved the Third Amendment to Contract DA-4812 with SITA Information Networking Computing USA, Inc. to extend the term through June 30, 2021 and increase the contract authority by \$2,143,600, for new total not to exceed \$22,428,342, covering ongoing maintenance, support and repair services for the Terminal Airport Support Systems at Los Angeles International Airport, as referenced in the Board-adopted staff report attached hereto and made part hereof; and

BE IT FURTHER RESOLVED that the Board authorized the Chief Executive Officer to execute said Third Amendment to Contract DA-4812 with SITA Information Networking Computing USA, Inc. after approval as to form by the City Attorney and approval by the Los Angeles City Council; and

BE IT FURTHER RESOLVED that this item, as a continuing administrative, maintenance and personnel-related activity, is administratively exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines; and

BE IT FURTHER RESOLVED that actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 373.

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I hereby certify that this Resolution No. 27048 is true and correct, as adopted by the Board of Airport Commissioners at its Regular Meeting held on Thursday, June 18, 2020.

Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS





Los Angeles World Airports

Item Number
12

REPORT TO THE BOARD OF AIRPORT COMMISSIONERS

Aura Moore

Approved by: Aura Moore, Chief Information Officer

Michael Christensen

Reviewed by: Michael Christensen, Deputy Executive Director –
Operation & Maintenance

D. Timothy Dazé

City Attorney

Justin Erbacci

Justin Erbacci, Interim Chief Executive Officer

Meeting Date:

6/18/2020

CAO Review:

☐ Completed
☐ Pending
☐ N/A

<u>Reviewed for</u>	<u>Date</u>	<u>Approval Status</u>	<u>By</u>
Finance	6/11/2020	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	NEO
CEQA	6/9/2020	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	VW
Procurement	6/9/2020	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> Cond	MJ
Guest Experience	6/9/2020	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	BY
Strategic Planning	6/10/2020	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	KV

SUBJECT: Third Amendment to Contract No. DA-4812 with SITA Information Networking Computing USA, Inc. for Maintenance, Support and Repair Services of Terminal Airport Support Systems

Approve the Third Amendment to Contract No. DA-4812 with SITA Information Networking Computing USA, Inc. to extend the term to June 30, 2021, and to increase the contract authority by \$2,143,600 for a total amount not to exceed \$22,428,342 for ongoing maintenance, support and repair services for the Terminal Airport Support Systems at Los Angeles International Airport.

RECOMMENDATIONS:

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. DETERMINE that this action is administratively exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.
3. FIND that the work can be performed more economically or feasibly by an independent contractor than by City employees.
4. FURTHER FIND pursuant to City Charter Section 371(e)(10) and City Administrative Code §10.15(a)(2) that the nature of many of the services to be provided under this contract include

expert, technical and/or special services of a temporary and occasional character for which a competitive bidding process is not practical or advantageous.

5. FURTHER FIND pursuant to City Charter Section 371(e)(10) and City Administrative Code §10.15(a)(10) that under the circumstances presented the products and services sought in this contract are such that the use of a new competitive bidding process at the present time would be impractical and undesirable because the existing Terminal Airport Support Systems can only be maintained and supported by SITA Information Networking Computing USA, Inc. Los Angeles World Airports has determined it is in its best interest to amend and extend the current contract to keep the existing Terminal Airport Support Systems in place through June 30, 2021.
6. FURTHER FIND the amendment of this contract satisfies the requirement of City Administrative Code §10.17 and is compatible with the City's interests.
7. APPROVE the Third Amendment to Contract No. DA-4812 with SITA to extend the term to June 30, 2021, and to increase the contract authority by \$2,143,600 for a total amount not to exceed \$22,428,342 for ongoing maintenance, support and repair services for the Terminal Airport Support Systems at Los Angeles International Airport.
8. AUTHORIZE the Chief Executive Officer to execute the Third Amendment to Contract No. DA-4812 after approval as to form by the City Attorney and approval by the Los Angeles City Council.

DISCUSSION:

1. Purpose

To provide ongoing maintenance, support, and repair services for the Terminal Airport Support Systems (TASS) installed at Tom Bradley International Terminal (TBIT), Terminal 3 (T3) and Terminal 4 (T4) connector at Los Angeles International Airport (LAX).

2. Prior Related Actions

- **May 7, 2013 - Board Resolution No. 25113 (DA-4812)**
The Board of Airport Commissioners (Board) awarded a five-year sole-source contract to SITA Information Networking Computing USA, Inc. (SITA) to provide maintenance, support, and repair services for TASS at Los Angeles International Airport in an amount not to exceed \$16,238,192.
- **June 13, 2017- Board Resolution No. 26218 (DA-4812A)**
The Board approved the First Amendment to Contract No. DA-4812 with SITA to extend the term through December 31, 2019 and to increase the contract authority by \$3,420,063 for a total amount not to exceed \$19,658,255. This contract expires on December 31, 2019.
- **December 19, 2019 – Board Resolution No. 26926 (DA-4812B)**
The Board approved the Second Amendment to Contract No. DA-4812 with SITA to extend the term through June 30, 2020, and to increase the contract authority by \$626,487

for a total amount not to exceed \$20,284,742 covering ongoing maintenance, support and repair services for the Terminal Airport Support Systems at Los Angeles International Airport;

3. Current Action

The LAWA Board of Airport Commissioners recently approved a contract with SITA to implement an upgraded Common Use System and consolidate the four disparate common use platforms at LAX into one. The LAX Common Use system includes: Electronic Visual Information Displays (EVIDS), Airline Passenger Processing System (CUPPS), Baggage Reconciliation System (BRS), Resource Management System (RMS), and Self-Service Kiosks (CUSS). The Common Use Consolidation contract (DA-5446) will commence July 1, 2020. The existing 5-year maintenance contract expires June 30, 2020.

An extended operations and maintenance support contract is needed to continue operations and support of the existing systems, while the first year upgrades and consolidation are completed. The recently approved Common Use consolidation agreement did not include provisions for maintaining the existing systems.

Action Requested

Staff requests that the Board authorize the Chief Executive Officer to execute the third amendment to Contract No. DA-4812 with SITA for the ongoing maintenance, support and repair services of the TASS by extending the contract term for one year until June 30, 2021, and to increase the contract authority by \$2,143,600 for a total amount not to exceed \$22,428,342.

Below is a summary of the current expenditures.

Description	Total Expenditures
Year 1 to 6 - Base Maintenance & Support	\$17,175,632
Year 1 to 6 - Consumable & Hardware	\$452,449
Year 1 to 6 - Special Project & Services	\$1,378,661
Year 6 to 7 - Maintenance and Support Services	\$1,116,200
Total Expenditure to Date	\$20,122,942
Current Contract Authority	\$20,284,742
Remaining Contract Authority	\$161,800

Estimated services and expenditures under the Third Amendment:

Description	Estimated Costs *
TASS Maintenance & Support Services (12 months)	\$2,232,400
As-needed System Repairs, Software Updates, Spare hardware, FIDS Display configuration	\$73,000
Total One Yr Extension Costs	\$2,305,400
Remaining Contract Authority	\$161,800
Additional Contract Authority Needed	\$2,143,600
Current Contract Authority	\$20,284,742
*Total New Not-to-Exceed Contract Amount	\$22,428,342

*Note: Costs for individual line items may vary, but the total expenditures shall not exceed \$22,428,342.

Fiscal Impact

- Costs of this contract will be recovered from airlines utilizing the common use system.
- Expenditures for the past fiscal years are as follows:

Fiscal Year	Expenditures
2019 – 2020	\$2,232,400
2018 – 2019	\$2,354,675
2017 – 2018	\$2,407,037
2016 – 2017	\$3,221,159

4. Alternatives Considered

- ***Take No Action***

Without this contract, TASS will not be properly supported and maintained and will have a negative impact on LAWA's airline operations as this system is critical to managing aircraft gates, ticket counters, baggage handling and airline passenger processing.

APPROPRIATIONS:

Funds for this contract have been requested in the FY 2020-2021 Los Angeles World Airports Operating Budget in LAX Cost Center 1170010 - IT Airport Operations, Commitment Item 520 - Contractual Services and Commitment Item 522 – Materials and Supplies or it may be provided through other Board approved WBS Elements as required.

STANDARD PROVISIONS:

1. This item, as a continuing administrative, maintenance and personnel-related activity, is administratively exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.
2. This proposed document(s) is/are subject to approval as to form by the City Attorney.

3. Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 373.
4. SITA Information Networking Computing USA, Inc. will comply with the provisions of the Living Wage Ordinance.
5. Procurement Services has reviewed this action (File No. 6057). No mandatory Small Business Enterprise goal for this project has been established, as no subcontracting opportunities were identified.
6. SITA Information Networking Computing USA, Inc. will comply with the provisions of the Affirmative Action Program.
7. SITA Information Networking Computing USA, Inc. has been assigned Business Tax Registration Certificate No. 0002134058- 0001 -6.
8. SITA Information Networking Computing USA, Inc. will comply with the provisions of the Child Support Obligations Ordinance.
9. SITA Information Networking Computing USA, Inc. has approved insurance documents, in the terms and amounts required, on file with the Los Angeles World Airports.
10. Pursuant to Charter Section 1022, staff determined the work specified on the proposed contract can be performed more feasibly or economically by an Independent Contractor than by City employees.
11. SITA Information Networking Computing USA, Inc. has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. SITA Information Networking Computing USA, Inc. must be determined by Public Works, Office of Contract Compliance, to be in full compliance with the provisions of the Equal Benefits Ordinance prior to execution of contract.
13. SITA Information Networking Computing USA, Inc. will be required to comply with the provisions of the First Source Hiring Program for all non -trade LAX Airport jobs.
14. SITA Information Networking Computing USA, Inc. has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.
15. SITA Information Networking Computing USA, Inc. will be required to comply with the provisions of the Iran Contracting Act of 2010 Affidavit.