

ADMINISTRATIVE EXEMPTION and COMMUNICATION FROM CHAIR, TRADE, COMMERCE, AND TOURISM COMMITTEE relative to proposed agreement with Microsoft Corporation to provide product support and consulting services for the Los Angeles Harbor Department.

Recommendations for Council action:

1. ADOPT the determination by the Los Angeles Harbor Department that the proposed action is exempt under the California Environmental Quality Act (CEQA) as provided in Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.
2. APPROVE Agreement No. 13-2903-A with Microsoft Corporation to provide product support and consulting services for the Los Angeles Harbor Department.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approval of this request will result in an additional expenditure of \$1,000,000 for a total amount not to exceed \$1,497,969. The proposed term for the first amendment is for three years, which would extend the agreement to a total of six years. Approval of the proposed amendment complies with the Harbor Department's adopted Financial Policies. Approval of the proposed resolution will not impact the City's General Fund.

Community Impact Statement: None submitted.

TIME LIMIT FILE - JANUARY 6, 2014

(LAST DAY FOR COUNCIL ACTION - DECEMBER 18, 2013)

SUMMARY

At a regular meeting held on December 10, 2013, your Trade, Commerce and Tourism Committee Chair considered a Harbor Department transmittal relative to first amendment to sole-source Agreement No. 10-2903 with Microsoft Corporation to continue to provide product support and consulting services for all Microsoft products used by the Harbor Department. The CAO reports that the original three-year agreement expired in October 2013, and is currently on a month-to-month basis until the first amendment is approved. The proposed term for the first amendment is for three years, which would extend the agreement to a total of six years, until October 26, 2016. The proposed expenditure will increase by \$1,000,000 to a total amount not to exceed \$1,497,969 for the proposed six-year agreement period. In accordance with Charter Section 373, and the Los Angeles Administrative Code Section 10.5, Council approval is required for long term contracts that exceed three years. The City Attorney has approved the proposed Amendment as to form.

An opportunity for public comment was held. After a brief discussion, the Committee Chair moved to approve the recommendations contained in the transmittal. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

COUNCILMEMBER TOM LABONGE, CHAIR
TRADE, COMMERCE, AND TOURISM COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
LABONGE:	YES
BUSCAINO:	ABSENT
BONIN:	ABSENT

-NOT OFFICIAL UNTIL COUNCIL ACTS-