



Item Number  
**7**

## Report to the BOARD OF AIRPORT COMMISSIONERS

Approver:

*R. J. Connolly*

Richard J. Connolly, Deputy Executive Director  
Facilities Management Division

Reviewer:

*Brian C. Ostler*

Brian C. Ostler, City Attorney

*John Ackerman*

John Ackerman, Chief Executive Officer

### Meeting Date

5/15/2025

Needs Council Approval: ☒ Y

Reviewed for/by	Date	Approval Status	By
Finance	3/28/2025	<input checked="" type="checkbox"/> Y <input type="checkbox"/> NA	JS
CEQA	3/21/2025	<input checked="" type="checkbox"/> Y	BNZ
Procurement	4/14/2025	<input checked="" type="checkbox"/> Y <input type="checkbox"/> Cond	KK
Guest Experience	3/19/2025	<input checked="" type="checkbox"/> Y	TB
Strategic Planning	3/11/2025	<input checked="" type="checkbox"/> Y	BNZ

## SUBJECT

Request to adopt the following report and for approval of a three-year contract with Johnson Controls, Inc., by joining Sourcewell Contract No. 080824-JHN, covering maintenance services of various systems used to maintain facilities and related products and supplies at Los Angeles International Airport (LAX) and Van Nuys Airport, for a total amount not to exceed \$6,063,724.

## DISCUSSION

### 1. Purpose

The proposed contract with Johnson Controls, Inc. (Johnson Controls) will support facility, maintenance, repair, installation and service and operations of the Facility Monitoring and Control System (FMCS), including associated File Network Automated Engines (NAE); the Building Automation System (BAS); heating, ventilating and air conditioning (HVAC) and chiller maintenance.

### 2. Prior Related Actions/History of Board Actions

- April 14, 2022 – Resolution No. 27480 (DA-5542)**

The Board of Airport Commissioners approved joining Region 10 Education Service Center Contract No. R10-1102A and awarded a three-year contract to Johnson Controls to provide Facility, Maintenance, Repair, Installation and Service, and Operations of the FMCS, associated NAE, BAS, HVAC, and Chiller Maintenance, with related products

and supplies at LAX and VNY, for an amount not to exceed \$5.4 million. This contract will expire on May 17, 2025.

### **3. Background**

Los Angeles World Airports' (LAWA's) Facilities Management Division oversees the Facility Monitoring and Control System (FMCS) and related systems mentioned above at LAX and the Van Nuys Airport. The FMCS is essential for managing the heating and cooling systems at the Central Utility Plant (CUP) and within LAX terminals, while also ensuring cyber security for the CUP's servers by installing necessary security patches.

Maintenance of over 1,500 HVAC assets at LAX and Van Nuys Airport is crucial, as many systems operate 24 hours a day, seven days a week. Readily available BAS for HVAC maintenance, service, and parts is essential to prevent disruptions in air conditioning within the Central Terminal Area, including vital computer rooms. As LAWA continues to update and renovate facilities such as Terminals 4 and 6, and the Midfield Satellite Concourse-South, consistent HVAC maintenance and servicing are necessary to sustain optimal performance and extend the lifespan of these assets.

### **4. Selection Process**

Sourcewell is a service cooperative created by the State of Minnesota legislature as a local unit of government. Sourcewell issued a Request for Proposals for HVAC Systems with Related Products and Services in June 2024 and received thirty proposals. Sourcewell awarded contracts to the seven highest rated proposers, of which Johnson Controls was the highest rated proposer.

Since Johnson Controls, Inc. is the original manufacturer of the chillers, they have certified technicians to work on this equipment in accordance with airport and manufacturer standards and chiller specifications. With proper chiller maintenance, the Facilities Management Division can effectively locate defects and repair non-functioning devices.

### **5. Fiscal Impact**

Costs for this contract will be recovered through landing fees, terminal rates and charges, and non-aeronautical revenues.

### **6. Alternatives Considered**

- ***Issue Competitive Solicitation***

Staff considered issuing a competitive solicitation to procure a contract. However, Sourcewell established Contract No. 080824-JHN through a competitive process that fully meets LAWA's need for HVAC and chiller maintenance and repairs. Staff determined that awarding a contract for these services to Johnson Controls could be expedited and leveraged by joining Sourcewell's contract.

## **APPROPRIATIONS**

Funds for this contract are available in the Fiscal Year 2024-2025 Los Angeles World Airports Operating Budget in LAX Cost Center 1150070 – Central Utility Plant and 2001627 – VNY LND

Flyaway Operations, Commitment Item 522 – Material and Supplies. Funding for subsequent years will be requested as part of the annual budget process.

## **STANDARD PROVISIONS**

The Board is hereby requested to adopt staff's determination that this item, as a continuing administrative, maintenance and personnel-related activity, is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.

The Board is hereby further requested to find that this action is exempt from the competitive bid process requirements per Los Angeles City Charter Section 371(e)(8) and Administrative Code Section 10.15(a)(8) in that this is a contract for a cooperative arrangement with another government agency for utilization of a purchasing contract of that agency.

The Board is hereby further requested to authorize the Chief Executive Officer, or designee, to execute said contract with Johnson Controls, Inc., subject to approval as to form by the City Attorney and approval by the Los Angeles City Council.

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.