

0150-13101-0000

TRANSMITTAL

TO Eugene D. Seroka, Executive Director Harbor Department	DATE 11/19/2025	COUNCIL FILE NO.
FROM The Mayor		COUNCIL DISTRICT 15

RESOLUTION NO. 25-10609 AND PROPOSED AGREEMENT BETWEEN THE HARBOR DEPARTMENT AND TIDALIS AMERICAS LTD. FOR SOFTWARE MAINTENANCE, SUPPORT, AND PROFESSIONAL TECHNICAL SERVICES FOR THE KLEIN BILLING AND PORT CONTROL SYSTEMS FOR A MAXIMUM CONTRACT AMOUNT OF \$3,996,128

Approved and transmitted for further processing including Council consideration.
See the City Administrative Officer report attached.



MAYOR
(Mitch Kamin for)

Attachment
MWS:PJH:JVW:JAS:FVC:10260092t

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: November 6, 2025

CAO File No. 0150-13101-0000

Council File No. --

Council District: 15

To: The Mayor

From: Matthew W. Szabo, City Administrative Officer 

Reference: Correspondence from the Harbor Department dated October 20, 2025; Resolution No. 25-10609 from the Board of Harbor Commissioners adopted at its October 16, 2025 meeting; referred by the Mayor for report October 20, 2025

Subject: **RESOLUTION NO. 25-10609 AND PROPOSED AGREEMENT WITH TIDALIS AMERICAS LTD. FOR SOFTWARE MAINTENANCE, SUPPORT, AND PROFESSIONAL TECHNICAL SERVICES FOR THE KLEIN BILLING AND PORT CONTROL SYSTEMS**

RECOMMENDATION

1. Approve Los Angeles Harbor Department (Harbor Department) Resolution No. 25-10609 authorizing approval of a proposed sole-source Agreement between the Harbor Department and Tidalis Americas Ltd. (Tidalis) to provide proprietary software maintenance, support, and professional technical services for the Harbor Department Klein Billing and PortControl Systems (Systems) for an amount not to exceed \$3,996,128 and a term of five years;
2. Adopt the October 16, 2025 Board of Harbor Commissioners finding that the proposed action is administratively exempt from the requirements of California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines; and
3. Authorize the Harbor Department Executive Director, or designee, to execute the proposed Agreement, already approved as to form by the City Attorney, and return the Resolution to the Harbor Department for further processing including, City Council consideration.

SUMMARY

The Los Angeles Board of Harbor Commissioners (Board) requests approval of the October 16, 2025 Resolution No. 25-10609 (Attachment 1) to authorize a sole-source Agreement between the Harbor Department and Tidalis Americas Ltd. (Tidalis) to provide maintenance, support, and professional services for the Klein Billing and PortControl Systems (Systems). These services are necessary to support the growing operational needs of the Harbor Department. The proposed term is for five years for an amount not to exceed \$3,996,128.

The Office of the City Attorney has reviewed and approved the proposed Agreement as to form. Pursuant to Charter Section 373 and Los Angeles Administrative Code Section 10.5, Council approval is required due to the cumulative term of the Agreement exceeding three years. This Office has reviewed the request and recommends approval.

BACKGROUND

On October 16, 2025, the Board approved Resolution No. 25-10609 requesting approval to execute a new sole-source Agreement between the Harbor Department and Tidalis for a total amount of \$3,996,128 over a five-year term to provide proprietary software maintenance, support, and professional technical services for the Harbor Department Klein Billing and PortControl Systems (Systems). The proposed scope of work is as follows:

- Software Maintenance and Support
- System Enhancements and Future Requirements
 - Billing Enhancements including property management software
 - Port Pilot Enhancements
 - Alternative Maritime Power (AMP) Enhancements
 - System Integration Enhancements
- Other As-Needed Training Services

Original Agreement to Current - The Board initially entered into Agreement No. 10-2873 (2010 Agreement) with Klein Systems Group Ltd. (Klein) in 2010, which resulted from a competitive bid process, to purchase and replace an antiquated billing system. The 2010 Agreement included updates for the Port Pilot system. The Board had already been using Klein proprietary software for its Port Pilot system since 2002, which assisted Port Pilot operations by automating processes for vessel movement orders, dispatching pilots, and tracking ship activities.

In 2012, the Board entered into a new sole-source agreements with Klein (Agreement No. 12-3054) and, subsequently, a five-year agreement in 2015 (Agreement No. 15-3328, C.F. 15-0779) to continue software license, maintenance, enhancements, and technical support for the Port's Billing and Port Pilot systems, while adding the Property Management functionality under the 2015 Agreement.

In 2016, the agreement with Klein was amended to reflect the acquisition of Klein by Saab's parent company, Saab AB, and resulting name change to Saab (Agreement No. 16-3328-A). On March 31, 2023, Saab was acquired by Agilitas 2020 Private Equity GP Sari and changed its name to Tidalis Americas Ltd. The Board approved the First Amendment to Agreement No. 23-3764-A and consent to assignment and assumption from Saab Technologies Ltd. to Tidalis Americas Ltd. on December 7, 2023.

The proposed Agreement with Tidalis will provide software maintenance, system enhancements, and integrations to support the Harbor Department's business needs. The billing system ensures that all pilotages, dockages, demurrage fees, space assignments, and rentals are accurately

captured, applicable tariffs and contract terms are applied, and invoices are effectively generated and shared with customers.

Proposed New Agreement Funding and Spending Schedule – Table 1 below provides a detailed list of anticipated expenditures by fiscal year for the new contract period from 2025-26 through 2030-31. A total of \$236,280 is expected to be expended in 2025-26. The remaining funds, \$3,759,848, are projected to be spent through 2030-31. These funding projections and funding sources were approved as part of the Board’s actions on October 16, 2025.

Table 1: TIDALIS AGREEMENT FUNDING				
FISCAL YEAR	Capital WO 2561700	IT Division OPEX Division 50010		TOTAL
		Account 5420200	Account 542025	
2025-26	221,280	0	15,000	236,280
2026-27	418,560	326,799	33,000	778,359
2027-28	423,360	336,602	36,300	796,262
2028-29	407,360	346,701	39,930	793,991
2029-30	396,160	357,101	43,923	797,184
2030-31	202,080	367,814	24,158	594,052
Total Not-To-Exceed	\$2,068,800	\$1,735,017	\$192,311	\$3,996,128

While expenditures may differ from the estimated amounts in the accounts in any given year, the total aggregate amount will not exceed \$3,996,128.

Alternatives Considered: There are no viable alternatives to the proposed Agreement. Without the proposed Agreement, the Harbor Department would be unable to provide maintenance enhancements and support services for its billing and port control systems.

CITY COMPLIANCE

Charter Section 1022 - Pursuant to Charter Section 1022, the Board has determined that the work in the Agreement can be performed more feasibly by independent contractors than City employees because of the proprietary nature of the software and technical support required.

Sole Source Justification – The proposed Agreement is based on a sole source selection as Tidalis Americas Ltd. is the only company capable of providing the necessary maintenance and support for its proprietary software and specialized maritime solutions. Tidalis Americas Ltd. possesses the exclusive knowledge and expertise required to update the software required to support the system.

California Environmental Quality Act (CEQA) – On October 16, 2025, the Board determined that the approval of the proposed Agreement and Resolution 25-10609 is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II, Section 2(f) of the Los Angeles CEQA Guidelines.

The Office of the City Attorney has reviewed and approved the proposed sole-source Agreement as to form. In accordance with Charter Section 373 and Administrative Code Section 10.5, Council

approval is required because the term exceeds three years. Our Office has reviewed the request and recommends approval.

FISCAL IMPACT STATEMENT

There is no impact to the City's General Fund. Harbor Department revenues will be used for the payment of expenditures incurred under the proposed Agreement. Approval of Resolution No. 25-10609 (Attachment 1) will authorize a sole-source Agreement between the Harbor Department and Tidalis Americas Ltd. to provide proprietary software maintenance, support, and professional technical services for the Klein Billing and PortControl Systems (Systems) for an amount not to exceed \$3,996,128 and a term of five years. Funding totaling \$236,280 is available within the Harbor Revenue Fund, Account 542025 (IT Implementation and Consulting Services) for FY 2025-26 expenses. Funding in future fiscal years will be budgeted and included annually. The recommendations in this report and proposed actions comply with the Department's Financial Policies.

Attachment 1 – Harbor Department Correspondence dated September 23, 2025; Harbor report and proposed Resolution No. 25-10609 dated October 20, 2025

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