



Approved by:	<b>Marla Bleavins</b> Chief Airport Administrative Officer	<i>Marla Bleavins</i>
ITEM TYPE	<input type="checkbox"/> Award <input checked="" type="checkbox"/> Amendment <input type="checkbox"/> Appropriation <input type="checkbox"/> Policy/Program <input type="checkbox"/> Other	
SUBJECT	Request to adopt the following report and approve the First Amendment to Contract DA-5602 with Amadeus Airport IT Americas Inc., extending the term through December 31, 2028, with two one year renewal options, and increasing contract authority by \$402,781, for a new amount not-to-exceed \$777,781 for the continuation of the software license and maintenance support for the PropWorks revenue invoicing system of Los Angeles World Airports.	

Item REQUIRES City Council Approval.  
 Item is subject only to STANDARD REVIEW by the City Council.

**DISCUSSION**

**1. Background and Necessity of Requested Action**

11-01-2018	Resolution # 24852 (DA-5327)	Sole-Source Award
Approved a sole-source maintenance and support services agreement with Amadeus Airport IT Americas, Inc. in a not-to-exceed amount of \$160,395 for an 18-month period ending December 31, 2019.		
12-19-2019	Resolution #26910 (DA-5413)	Sole-Source Award
Approved a sole-source software license and maintenance support agreement with Amadeus Airport IT Americas PropWorks, Inc. in an amount not to exceed \$375,000 for a 36-month period ending December 31, 2022.		
12-15-2022	Resolution #27648 (DA-5602)	Sole-Source Award
Approved a three-year sole-source software license and maintenance support agreement with Amadeus Airport IT Americas PropWorks, Inc. in an amount not to exceed \$375,000, ending December 31, 2025.		

The proposed amendment authorizes Los Angeles World Airports (LAWA) to continue utilizing the Amadeus Airport IT Americas PropWorks software, which serves as the foundation for LAWA’s revenue invoicing and collections system. This software is critical for managing the airport’s financial operations, including customer invoicing and collections, aviation statistics, and other operational data. Fully integrated with SAP, Amadeus Airport IT

Americas PropWorks enables seamless transmission of revenue invoices to SAP's General Ledger via a Business Application Programming Interface (BAPI). It also supports the management of contractual terms and provisions within revenue agreements.

Continued use of this proprietary system ensures that LAWA's Financial Management Division can maintain control over essential financial processes, receive timely system updates and patches, and access high-level technical support when needed.

Discontinuation of this software would pose significant risks to LAWA's ability to perform vital airport functions such as revenue billing, data maintenance, statistical analysis, and operational reporting.

2. **Selection Process:**  Competitive process.  Other process.  Not applicable.

As this software is and has been fully and critically integrated with SAP and serves as the foundation for certain LAWA systems, sole awards were the only feasible way to perform functions relevant to what PropWorks serves. A future competitive process is being evaluated.

3. **Fiscal Impact:**  None.  Revenue generation.  Cost/cost recovery.  Other.

The cost for license fees will be \$109,937.94, and the cost for optional services is projected at \$292,842.50 over a three-year calendar period. The cost of this item will be recovered through landing fees and/or terminal rates and charges, as appropriate.

4. **Alternative Actions:**  Alternatives considered.  No alternatives considered.

<b>Competitive Solicitation</b>	While this alternative was considered, replacing the current Amadeus PropWorks software at this time is neither financially nor operationally feasible. PropWorks is heavily integrated with the current SAP Financial System. Staff are evaluating future alternative actions as part of the financial system's modernization effort that is underway.
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## APPROPRIATIONS

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- Appropriation required.  No appropriation required.  Funding is available.

Funding is available in the Fiscal Year 2025-2026 Los Angeles World Airports Operating Budget in Cost Center 1190010 – RAMS Section, Commitment Item 520 - Contractual Services. Funding for subsequent years will be requested as part of the annual budget process.

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## INCLUSIVITY & IMPACT

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- Goals/requirements identified.  No goals/requirements stipulated.  N/A or other.

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## PROVISIONS

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The Chief Executive Officer has approved this item.

The Board of Airport Commissioners is hereby requested to adopt staff's determination that the requested action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.

The Board is hereby further requested to authorize the Chief Executive Officer, or designee, to execute the First Amendment to Contract DA-5602 with Amadeus Airport IT Americas, 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.