







REPORT TO THE BOARD OF AIRPORT COMMISSIONERS

 Approved by: Aura Moore, Chief Information Officer		Meeting Date: 12/19/2019																									
 Reviewed by: Justin Erbacci, Chief Operating Officer		CAO Review: <input type="checkbox"/> Completed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> N/A																									
 City Attorney																											
 Deborah Flint – Chief Executive Officer		<table border="1"> <thead> <tr> <th>Reviewed for</th> <th>Date</th> <th>Approval Status</th> <th>By</th> </tr> </thead> <tbody> <tr> <td>Finance</td> <td>11/8/2019</td> <td><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA</td> <td>RW</td> </tr> <tr> <td>CEQA</td> <td>10/31/2019</td> <td><input checked="" type="checkbox"/> Y <input type="checkbox"/> N</td> <td>PI</td> </tr> <tr> <td>Procurement</td> <td>11/4/2019</td> <td><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Cond</td> <td>MJ</td> </tr> <tr> <td>Guest Experience</td> <td>11/6/2019</td> <td><input checked="" type="checkbox"/> Y <input type="checkbox"/> N</td> <td>BY</td> </tr> <tr> <td>Strategic Planning</td> <td>10/31/2019</td> <td><input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA</td> <td>KV</td> </tr> </tbody> </table>		Reviewed for	Date	Approval Status	By	Finance	11/8/2019	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	RW	CEQA	10/31/2019	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	PI	Procurement	11/4/2019	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Cond	MJ	Guest Experience	11/6/2019	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	BY	Strategic Planning	10/31/2019	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	KV
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SUBJECT: Second 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 Second Amendment to Contract No. DA-4812 with SITA Information Networking Computing USA, Inc. to extend the term to June 30, 2020, and to increase the contract authority by \$626,487 for a total amount not to exceed \$20,284,742 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 that, pursuant to Charter Section 371(e)(2), competitive bidding for these professional services would not be practicable or advantageous
5. APPROVE the Second Amendment to Contract No. DA-4812 with SITA to extend the term to June 30, 2020, and to increase the contract authority by \$626,487 for a total amount not to exceed \$20,284,742 for ongoing maintenance, support and repair services for the Terminal Airport Support Systems at Los Angeles International Airport.
6. AUTHORIZE the Chief Executive Officer to execute the Second 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.

3. Current Action

The TASS maintenance contract provides maintenance, support, and repair services for the Common Use system utilized by the international carriers at Tom Bradley International Terminal (TBIT), Terminal 3 (T3) and Terminal 4 (T4) connector. The Common Use system is used to manage aircraft gates, ticket counters, and baggage handling. This contract also provides maintenance and support services for Electronic Visual Information Displays (EVIDS) at Terminals 1, 2, 3, TBIT, and the T4 connector.

In February 2019, a Request for Proposal (RFP) was issued for a new Common Use Consolidation Platform to be implemented at LAX. Staff has completed the RFP process and is negotiating an agreement with the selected vendor. The new contract with SITA will contain language terminating this agreement. Staff plans to present this new contract award recommendation to the Board in January 2020.

This six month contract extension will allow SITA to provide continuous maintenance and support services for the TASS while allowing sufficient time for City Council's approval of the new Common Use contract. This will ensure that the current TASS remain operational as the new system is being implemented.

Action Requested

Staff requests that the Board authorize the Chief Executive Officer to execute the Second Amendment to Contract No. DA-4812 with SITA for the ongoing maintenance, support and repair services of the TASS and EVIDS by extending the contract term for six months until June 30, 2020, and to increase the contract authority by \$626,487 for a total amount not to exceed \$20,284,742.

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
Total Expenditure to Date	\$ 19,006,742
Current Contract Authority	\$ 19,658,255
Remaining Contract Authority	\$ 651,513

Estimated services and expenditures under the Second Amendment:

Description	Estimated Costs *
TASS Maintenance & Support Services (6 months)	\$ 1,228,000
As-needed System Repairs, Software Updates, Spare hardware, FIDS Display configuration	\$ 50,000
Total 2nd Amendment Costs	\$ 1,278,000
Remaining Contract Authority	\$ 651,513
Additional 2nd Amendment Cost	\$ 626,487
Current Contract Authority	\$ 19,658,255
*Total Not-to-Exceed Contract Amount	\$ 20,284,742

*Note: Costs for individual line items may vary, but the total expenditures shall not exceed \$20,284,742

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 (up to December 2019)	\$1,119,188
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 business operations as this system is critical to managing aircraft gates, ticket counters, baggage handling and airline passenger processing.

APPROPRIATIONS:

Funds for this contract are available in the FY 2019-2020 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. Funding for subsequent years will be requested as part of the annual budget process.

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 is required by contract to comply with the provisions of the Living Wage Ordinance.
5. Procurement Services reviewed this action (File No. 9234) No mandatory Small Business Enterprise goal for this project has been established, as no subcontracting opportunities were identified.
6. SITA is required by contract to comply with the provisions of the Affirmative Action Program.
7. SITA has been assigned Business Tax Registration Certificate No. 0002134058-0001-6.

8. SITA is required by contract to comply with the provisions of the Child Support Obligations Ordinance.
9. SITA 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 has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. SITA has been determined by Public Works, Office of Contract Compliance, to be in full compliance with the provisions of the Equal Benefits Ordinance.
13. SITA will be required to comply with the provisions of the First Source Hiring Program for all non-trade LAX Airport jobs.
14. SITA has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.