

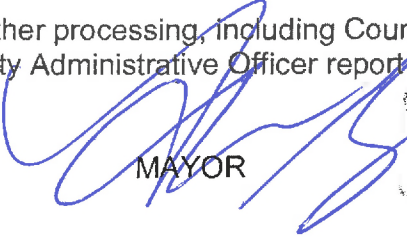
0150-09955-0001

**TRANSMITTAL**

TO Deborah Flint, Chief Executive Officer Department of Airports	DATE <b>MAY 08 2017</b>	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT 11	

**Request to Approve a Third Amendment to Contract No. DA-4910 with SITA Information Networking Computing USA, Inc. to Provide Ongoing Maintenance, Support, Repair and Installation Services for the Automated Passport Control Kiosks at Los Angeles International Airport**

Transmitted for further processing, including Council consideration.  
See the City Administrative Officer report attached.

  
MAYOR Ana Guerrero

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: May 5, 2017

CAO File No. 0150-09955-0001

Council File No.

Council District: 11

To: The Mayor

From: Richard H. Llewellyn, Jr., Interim City Administrative Officer

Reference: Transmittal from the Department of Airports dated April 17, 2017; referred by the Mayor for report on April 17, 2017

Subject: **PROPOSED THIRD AMENDMENT TO CONTRACT NO. DA-4910 WITH SITA INFORMATION NETWORKING COMPUTING USA, INC. TO EXTEND THE TERM AND INCREASE THE CONTRACT AUTHORITY FOR MAINTENANCE, SUPPORT, REPAIR AND INSTALLATION SERVICES FOR THE AUTOMATED PASSPORT CONTROL KIOSKS AT LOS ANGELES INTERNATIONAL AIRPORT**

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### RECOMMENDATIONS

That the Mayor:

1. Approve the proposed Third Amendment to Contract No. DA-4910 between the Los Angeles World Airports and SITA Information Networking Computing USA, Inc. for maintenance, support, repair and installation services for the Automated Passport Control kiosks at Los Angeles International Airport increasing the contract authority by \$7,481,354 to \$19,545,056 and extending the term to December 31, 2019, subject to City Attorney approval as to form and compliance with the City's Standard Provisions for Contracts including: Living Wage Ordinance, Affirmative Action Program, Child Support Obligations Ordinance, Contractor Responsibility Program, First Source Hiring Program for all non-trade LAX jobs, and compliance with the provisions of Bidder Contributions CEC (City Ethics Commission) Form 55 prior to execution of the Amendment;
2. Authorize the Chief Executive Officer to execute the proposed Amendment; and,
3. Return the Amendment to the Department for further processing, including Council consideration.

### SUMMARY

SITA Information Networking Computing USA, Inc. (SITA) provides global information technology and telecommunications solutions to the air transport, airport, travel, logistics, and related industries. The company offers aircraft asset management, aircraft communications, aircraft maintenance, airport services, border management solutions, communication and consulting services, desktop services, flight operations, logistics, passenger communications, and passenger and travel solutions. The company was incorporated in 1998, is based in Atlanta, Georgia, and operates as a subsidiary of Société Internationale de Télécommunications Aéronautiques.

One of the services provided by SITA is the support of Automated Passport Control (APC) kiosks utilized to streamline the processing of international passengers by capturing their travel documents, fingerprints, and customs declarations as required by the United States (U.S.) Customs and Border Protection (CBP). On May 19, 2014, Los Angeles World Airports (LAWA, Department) Board of Airport Commissioners (Board) awarded a three-year contract to SITA (DA-4910) for implementation and maintenance of 40 APC kiosks in the Tom Bradley International Terminal (TBIT) at Los Angeles International Airport (LAX) with an option to purchase 20 additional kiosks.

In May 2015, the Board amended the SITA contract to increase funding for the purchase, installation, implementation and maintenance of an additional 70 APCs at LAX (DA-4910A). The SITA contract was amended a second time in March 2016 to increase the contract authority for installation and maintenance of an additional 100 APCs (DA-4910B). A total of 172 APC kiosks have now been installed in LAX Terminals 2, 4, 7 and in TBIT. The installation of an additional 84 kiosks is now planned requiring a further increase in the APC contract authority.

The Chief Executive Officer of LAWA, therefore, requests approval to execute a Third Amendment to Contract No. DA-4910 with SITA to increase the contract authority by \$7,481,354 to a not-to-exceed amount of \$19,545,056 while extending the term to December 31, 2019.

The Department indicates that the use of the APC kiosks expedites the processing of U.S. and Canadian citizens entering the United States at LAX. The processing of visitors from countries participating in the Visa Waiver Program that file a travel authorization via the CBP Electronic Travel Authorization System is also expedited. The time saved by arriving international passengers is estimated to be as much as 12 minutes when compared to airports without the kiosks.

The Department reports that extension of the SITA APC contract term to December 31, 2019, along with the extension of the terms of separate SITA Common Use Self Service (CUSS) and Terminal Airport Support System (TASS) contracts (DA-4985 and DA-4912, respectively), will achieve a common expiration date and four percent net savings over the life of the three contracts. The CUSS and TASS contract term extensions are being submitted separately for approval by the Council.

The Board approved the proposed Third Amendment at its meeting of April 20, 2017.

### **FISCAL IMPACT STATEMENT**

The Third Amendment to Contract No. DA-4910 with SITA Information Networking Computing USA, Inc. for support of the Automated Passport Control kiosks at Los Angeles International Airport will increase the contract authority by \$7,481,354 and extend the term to December 31, 2019.

Funds for the proposed Amendment are available in the Los Angeles World Airports Operating Budget in LAX Cost Center 1170072 – IT Airport & Public Safety Systems Division Commitment Item 520 Contractual Services. Funding for subsequent fiscal years will be requested as part of the annual budget process. The cost of the amended contract will be recovered through the Federal Inspection Service Fees charged to international airlines. Approval of the proposed Amendment will have no impact on the City's General Fund.

