

ADMINISTRATIVE EXEMPTION and TRADE, TRAVEL, AND TOURISM COMMITTEE REPORT relative to a Port of Los Angeles (POLA) agreement with Kongsberg Norcontrol IT AS, Marine Exchange of Southern California and Jacobsen Vessel Tracking System for the maintenance and support of the Kongsberg Vessel Tracking System.

Recommendations for Council action:

1. ADOPT the determination by the Board of Harbor Commissioners that the proposed action is administratively exempt under the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.
2. APPROVE the Port Resolution No. 18-8244 authorizing a POLA Agreement No. 18-3564 with Kongsberg Norcontrol IT AS, Marine Exchange of Southern California and Jacobsen Vessel Tracking System for the maintenance and support of the Kongsberg Vessel Tracking System which provides situational awareness of vessel movements in the San Pedro Bay port complex, for a term of five years with five one-year renewal options and for an amount not exceed \$1,184,856.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that this action will not impact the General Fund. POLA will join an existing contract with Kongsberg Norcontrol IT AS and other tenants through a proposed first amendment to provide maintenance and support services for the Kongsberg's Vessel Tracking System. Since June 2015, the Port has used the services of Kongsberg and paid them \$342,356 through separate purchase orders and affidavits for expenditures. Estimated future compensation payments will be \$692,500, in addition to a contingency amount of up to an additional \$150,000 for any unanticipated changes or expenses over the ten-year contract term. The POLA is only responsible for its share of vessel tracking system expenditure under the proposed contract.

Community Impact Statement: None submitted.

TIME LIMIT FILE - MAY 29, 2018

(LAST DAY FOR COUNCIL ACTION – MAY 29, 2018)

SUMMARY

In a report to the Mayor dated March 23, 2018, the CAO states that POLA requests authority to amend its contract with Kongsberg Norcontrol IT AS, Marine Exchange of Southern California, and Jacobsen Pilot Services, Inc., for maintenance and support services for the Kongsberg Vessel Tracking System. Kongsberg provides maritime surveillance solutions to help improve the safety, efficiency and security of POLA's operations and maritime transportation and infrastructure through computer monitoring situational awareness of vessel movements in the Port. The vehicle tracking system is a proprietary computer system that is owned, operated and maintained by Kongsberg. Kongsberg performs tracking vessels systems for companies in the San Pedro Bay Port Complex.

The Port states that the current contract with Kongsberg started in June 2015 for a term of five

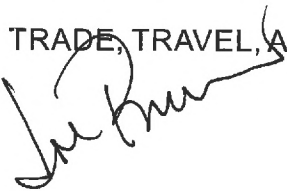
years with Marine Exchange as the only full-time customer. Although POLA and Jacobsen have used the services of Kongsberg, they had not officially entered a full-time contract with them. In the past, POLA has paid for the services with Kongsberg on an as-needed basis through separate purchase orders and affidavits for expenditures. All costs for use of the vehicle tracking services, including support and maintenance have been shared among POLA, Jacobsen, and Marine Exchange based on the equipment, hardware and software that each party has installed for its operations. POLA seeks to amend the current contract with Kongsberg and Marine Exchange to add POLA and Jacobsen as customers and a signatory to existing contract, thereby including all parties that use and maintain the VTS.

On February 15, 2018, the Board of Harbor Commissioners approved POLA's request. The CAO concurs with this action.

At its meeting held April 17, 2018, the Trade, Travel, and Tourism Committee recommended that Council approve the proposed contract, as recommended by the Board of Harbor Commissioners and the CAO.

Respectfully Submitted,

TRADE, TRAVEL, AND TOURISM COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
BUSCAINO:	YES
BONIN:	YES
KREKORIAN:	ABSENT

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-NOT OFFICIAL UNTIL COUNCIL ACTS-