

TRANSMITTAL

0150-11275-0001

TO
Deborah Flint, Chief Executive Director
Department of Airports

DATE
JUN 04 2019

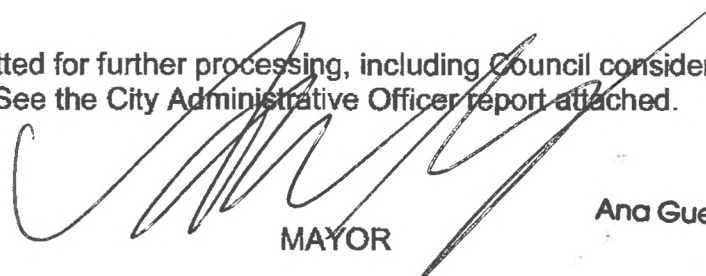
COUNCIL FILE NO.

FROM
The Mayor

COUNCIL DISTRICT
11

**Proposed Third Amendment to Contract No. 4700001225 with
Airports Council International World to Add a Provision to the
Agreement for Airports Service Quality Survey Services at
Los Angeles International Airport**

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



MAYOR

Ana Guerrero

RHL:AVM:101901351

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: May 28, 2019

CAO File No. 0150-11275-0001

Council File No.

Council District: 11

To: The Mayor

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

Reference: Communication from the Department of Airports dated May 14, 2019; referred by the Mayor for report on May 14, 2019

Subject: **PROPOSED THIRD AMENDMENT TO CONTRACT NO. 4700001225 WITH AIRPORTS COUNCIL INTERNATIONAL WORLD TO ADD A PROVISION TO THE AGREEMENT FOR AIRPORT SERVICE QUALITY SURVEY SERVICES AT LOS ANGELES INTERNATIONAL AIRPORT**

RECOMMENDATIONS

That the Mayor:

1. Approve a proposed Third Amendment to Contract No. 4700001225 with Airports Council International World to add a provision to the Agreement, without revising the contract authority total or the expiration date, for Airport Service Quality Survey Services, subject to approval by the City Attorney as to form and compliance with the City's Standard Provisions applicable to contracts including: the Affirmative Action Program, Bidders Contributions City Ethics Commission Form 55, Child Support Obligations Ordinance, Contractor Responsibility Program, First Source Hiring Program for all non-trade Airport jobs, and Living Wage Ordinance;
2. Authorize the Chief Executive Officer to execute the proposed Third Amendment; and,
3. Return the Amendment to the Department of Airports for further processing, including Council consideration.

SUMMARY

Airports Council International World (ACI), which was established in 1991 and is headquartered in Canada, "is the only global trade representative of the world's airports", according to its website. The Mission statement explains "ACI advances the collective interests of, and acts as the voice of the world's airports and the communities they serve, and promotes professional excellence in airport management and operations." One of the services ACI provides to airports management is an Airport Service Quality (ASQ) survey that measures passengers' experiences and satisfaction

on the airport, on the day of travel. Developed as a passenger, or guest, service and benchmarking program, staff at the Los Angeles World Airports (LAWA, Department) state that ASQ is an industry standardized guest survey which "... provides participating airports with data, management information and insights ...by capturing basic demographic information and guest perceptions of approximately 30 attributes."

More than 350 airports worldwide, including Los Angeles International Airport (LAX), participate in the annual ASQ survey. After the information is collected and analyzed, the results are used by LAWA to (1) determine the quality of service delivered to LAX guests, (2) identify enhancements necessary to upgrade the level of guest services at LAX and track improvements over time, and, (3) re-focus priorities to ease passengers' transit through the airport, reduce wait times for airline check-in and security inspections, improve the cleanliness of restrooms and improve Wi-Fi and Internet access, among other concerns. Having participated in the ASQ survey since 2016, the LAX data is being used to assist LAWA in adopting a customer-centric service philosophy airport-wide. Quarterly and annual survey data reports are prepared and distributed by ACI. For Department management and employees, the ASQ and other guest satisfaction surveys are tools necessary to develop components to implement LAWA's Strategic Plan, including goal No. 3 to "Deliver Facilities and Guest Experiences that are Exceptional".

The Department's original one-year contract with ACI was approved in March 2016. After two subsequent amendments were approved, the agreement between ACI and the Department, Contract No. 4700001225, allows for a maximum expenditure authority of \$870,000 and has an expiration date of March 10, 2020. Department staff reports the ASQ surveys are asked of passengers (ages 16 years and older) at all LAX terminals. Passengers complete the 'ASQ Departure' survey at the Departure gates and the 'ASQ Arrival' survey right after a security point, before exiting the airport. An average of 3,518 Departure surveys were completed quarterly in 2018, and 1,235 Arrival surveys were completed in the first quarter of 2019, according to staff.

Approval of the proposed Third Amendment will amend the ACI agreement to add a provision for use of mobile tablets to collect guest satisfaction survey data at LAX. No additional costs are associated with the proposed Amendment and all other terms remain the same.

The proposed Third Amendment was approved during a meeting on May 16, 2019 by the Board of Airports Commissioners at its May 16, 2019 meeting.

FISCAL IMPACT STATEMENT

Approval of the proposed Third Amendment to Contract No. 4700001225 with Airports Council International (ACI) World will amend the agreement to add a provision for use of mobile tablets as a method to collect guest satisfaction survey data at Los Angeles International Airport. There are no revisions to the Contract budget authority or expiration date as all other terms remain the same. There will be no impact on the City's General Fund; the project complies with the Department's adopted Financial Policies.