

ADMINISTRATIVE AND CATEGORICAL EXEMPTION and TRADE, TRAVEL AND TOURISM COMMITTEE REPORT relative to a proposed Third Amendment to Contract No. DA-5260 between the Los Angeles World Airports (LAWA) and Solar Turbines Inc. to increase the contract authority for the ongoing maintenance and repair of cogeneration turbines at Los Angeles International Airport; and exercising renewal options.

Recommendations for Council action:

1. ADOPT the determination by the Board of Airport Commissioners (Board) that these actions are exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2(f) and Article III, Class 1(2) of the Los Angeles City CEQA Guidelines.
2. APPROVE the Third Amendment to Contract DA-5260 with Solar Turbines, Incorporated to exercise the first one-year renewal option, add a second one-year renewal option, and increase the contract authority by \$1,000,000, for a new total not to exceed \$13,227,860, covering ongoing maintenance and repair of two cogeneration turbines and related equipment at Los Angeles International Airport.
3. CONCUR with the Board's action on October 19, 2023, by Resolution No. 27821, authorizing the Interim Chief Executive Officer, or designee, of Los Angeles World Airports to execute said Third Amendment to Contract DA-5260 with Solar Turbines, Incorporated.

Fiscal Impact Statement: The City Administrative Officer reports that the proposed Third Amendment to Contract No. DA-5260 between LAWA and Solar Turbines, Inc. will increase the maximum contract authority by \$1,000,000 from \$12,227,860 to \$13,227,860 and result in continued savings to the Department of approximately \$30,000 daily over the cost of power purchased from the Los Angeles Department of Water and Power. Funds for the proposed contract Amendment are available in the Fiscal Year 2023-2024 LAWA Operating Budget in LAX Cost Center 1150070 - Central Utility Plant, Commitment Item 520 - Contractual Services. Funding for subsequent years will be requested as part of the annual budget process. The costs incurred under the Amendment will be recovered through terminal rates and charges, landing fees, and from non-aeronautical revenues. The recommendations in this report comply with LAWA's Financial Policies. Approval of the proposed Amendment will have no impact on the City's General Fund.

Community Impact Statement: None submitted.

**TIME LIMIT FILE - MARCH 8, 2024
(LAST DAY FOR COUNCIL ACTION - MARCH 8, 2024)**

SUMMARY

At a regular meeting held on January 16, 2024, your Trade, Travel and Tourism Committee considered transmittals from the Board of Airport Commissioners dated November 1, 2023 relative to a Third Amendment to Contract No. DA-5260 with Solar Turbines Inc. to increase the contract authority for the ongoing maintenance and repair of two cogeneration turbines at Los Angeles International Airport and exercising renewal options.

After an opportunity for public comment was held, the Committee moved to approve the recommendations contained in the reports, as detailed above. This matter is now forwarded to Council for consideration.

Respectfully submitted,

TRADE, TRAVEL AND TOURISM COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARK	YES
McOSKER	YES
SOTO-MARTINEZ	YES