

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: April 18, 2025

CAO File No. 0150-12948-0000

Council File No.

Council District: 11

To: The Mayor

From: Matthew W. Szabo, City Administrative Officer

Reference: Correspondence from the Los Angeles World Airports Board of Airport Commissioners dated March 13, 2025 and March 17, 2025; referred by the Mayor for a report on March 14, 2025

Subject: **RESOLUTION NO. 28119 AND PROPOSED SECOND AMENDMENT TO CONTRACT NO. DA-5638 BETWEEN THE LOS ANGELES WORLD AIRPORTS AND KT INDUSTRIES, INC. TO EXTEND THE TERM BY ONE YEAR FOR MEDIUM-VOLTAGE REPAIR, TRAINING, PREVENTIVE MAINTENANCE, AND SUPPORT SERVICES**

RECOMMENDATIONS

1. Approve Los Angeles World Airports (LAWA) Board Resolution No. 28119 authorizing the proposed Second Amendment to Contract No. DA-5638 between LAWA and KT Industries, Inc. to extend the contract term by one year, from May 20, 2026 through May 19, 2027, for a total term of four years, for medium-voltage repair, training, preventive maintenance, and support services;
2. Adopt the March 13, 2025 Board of Airport Commissioners findings that the proposed action is exempt from the requirements of 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; and
3. Authorize the LAWA Chief Executive Officer, or designee, to execute the proposed Second Amendment upon approval as to form by the City Attorney and approval by the Council.

SUMMARY

The Los Angeles World Airports (LAWA) Board of Airport Commissioners (Board) requests approval of its March 13, 2025 Resolution No. 280119 (Attachment 1) which authorizes the approval of the proposed Second Amendment to Contract No. DA-5638 (Amendment) between LAWA and KT Industries, Inc. (KTI). The proposed no-cost Second Amendment will extend the contract term by one year, from May 20, 2026 through May 19, 2027, for a total term of four years, for medium-voltage repair, training, preventive maintenance, and support services.

KTI will continue upgrading and installing modifications to the current medium-voltage systems at

the Tom Bradley International Terminal (TBIT) at the Los Angeles International Airport (LAX). The request to extend the term is due to the complexity and scope of the project and the likelihood that more time will be needed beyond the existing contract term. All other terms and conditions of the Contract remain unchanged.

The proposed Second Amendment is subject to approval as to form by the Office of the City Attorney. Pursuant to Charter Section 373 and Los Angeles Administrative Code 10.5, the Second Amendment is subject to Council approval due to the cumulative contract term exceeding three years. Our Office has reviewed the request and recommends approval.

BACKGROUND

The LAWA electrical infrastructure provides power to the LAX Central Terminal Area, Aircraft Operation Area, administrative buildings, tenant spaces, parking structures, and the airfield lighting circuits at Van Nuys Airport (VNY). The LAWA electrical system is comprised of low, medium, and high-voltage systems. LAWA staff is only certified to work on low-voltage systems, which includes electrical equipment up to 600 volts. Medium-voltage, involving equipment between 600 and 34,000 volts, requires specially trained personnel and safety equipment to work in this class. Maintenance to high-voltage systems, greater than 34,000 volts, is currently exclusive to the Department of Water and Power.

LAWA has over 50 units of medium-voltage equipment that need to be maintained and repaired. As part of this Contract, KTI performs preventive maintenance, inspections, repairs, replacements, new installations, breaker testing, load studies, and other electrical types of work on LAWA medium-voltage systems. In addition, KTI trains LAWA personnel to safely operate medium-voltage electrical equipment. KTI will also continue upgrading and installing modifications to the north and south electrical vault switchgears at the TBIT at LAX, which is anticipated to extend beyond the existing contract term due to the complexity of the project.

Original Agreement: On January 6, 2023, LAWA released Request for Bid (RFB) No. 121-088 to establish a contract for medium-voltage repair, training, preventive maintenance, and support services at LAX and VNY. Through the City of Los Angeles Regional Alliance Marketplace for Procurement (RampLA), a notification for this opportunity was sent to 3,058 different companies across the country. Most of those companies were either not qualified to perform this type of work or did not have a local office in the Los Angeles area. Bids were due on February 2, 2023, and two vendors attended the pre-bid meeting on January 17, 2023. Four qualified companies submitted bids. LAWA staff deemed KTI as the lowest responsive and responsible bidder. On May 4, 2023, through Resolution No. 27223, the Board approved Contract No. DA-5638 with KTI for medium-voltage repair, training, preventive maintenance, and support services. The initial Contract was for a term of three years, from May 20, 2023 through May 19, 2026, with a maximum contract authority of \$1,875,000.

First Amendment: The First Amendment received Board approval on December 12, 2024 via Resolution No. 28069 to increase the contract authority by \$4 million for a new not-to-exceed contract authority of \$5,875,000. At the time of the First Amendment, LAWA had expended 88 percent of the original contract authority due to several unexpected incidents in which KTI assisted

with repairs. The incidents included a catastrophic failure of the Terminal 7 electrical busway resulting in loss of power to the terminal building, a catastrophic loss of power to the baggage handling and other mechanical systems resulting in the need to inspect, repair, and test the TBIT electrical busway, and the need to repair and modernize the main breaker at Mercury Air Cargo in relation to a loss of power to the cargo building and nearby facilities. Lastly, an arc flash explosion of the TBIT south vault power switchgear caused the need for engineering modifications and repairs in addition to upgrading all components of the north and south vault switchgears, and the cost for this project alone is estimated at \$3 million.

Current Proposed Second Amendment: The Second Amendment will extend Contract No. DA-5638 for one additional year, from May 20, 2026 through May 19, 2027, for a total contract term of four years. The proposal for additional time is due to the complexity of the TBIT electrical vault project and the anticipation that the work will need to extend beyond the current term. The project is about 20 percent finished and the anticipated completion is October, 2026. All other terms and conditions of the Contract remain unchanged.

Funding and Spending Schedule: Table 1 provides a detailed list of actual and anticipated expenditures of LAWA's contract total, by fiscal year (FY) from FY 2023-24 through FY 2026-27. A total of \$2,449,155 has been expended to date, with \$3,425,845 remaining under the current authority. The proposed Second Amendment does not change the total contract amount of \$5.8 million.

Table 1: KT Industries, Inc. Medium-Voltage Services Contract No. DA-5638; Resolution No. 28119 Total LAWA Funding Authority, Expended, and Remaining Funds			
Fiscal Year	Total Expended	Unspent Authority	Total
2023-24	\$1,095,416		\$1,095,416
2024-25	\$1,353,739	\$25,845	\$1,379,584
2025-26		\$1,700,000	\$1,700,000
2026-27		\$1,700,000	\$1,700,000
Total	\$2,449,155	\$3,425,845	\$5,875,000

Future medium-voltage services: LAWA is actively working on a new five-year RFB for \$7.5 million to continue having a contractor for medium-voltage services. It is currently pending review and is estimated to be released for bid later this year.

CITY COMPLIANCE

Small Business Enterprise (SBE), Local Business Enterprise (LBE), Local Small Business Enterprise (LSBE), and Disabled Veterans Business Enterprise (DVBE) Participation – The Department did not set participation limits for this project as subcontracting opportunities were not anticipated.

Charter Section 1022 – In their meeting on May 4, 2023, the Board determined in the Standard Provisions that the work specified in the Contract can be more feasibly or economically performed by an independent contractor than by City employees.

California Environmental Quality Act (CEQA) – The Department has determined that the proposed action is a continuing administrative, maintenance, and personnel-related activity, and is exempt from CEQA requirements pursuant to Article II, Section 2.f of the Los Angeles CEQA Guidelines. The Department has also determined that the operation, repair, maintenance, or alteration of existing facilities of publicly owned utilities, electrical power and mechanical systems serving existing facilities, including alterations to accommodate a specific use, is exempt from CEQA requirements pursuant to Article III, Class 1 (2) of the Los Angeles City CEQA Guidelines.

The proposed Second Amendment is subject to approval as to form by the Office of the City Attorney. In accordance with Charter Section 373 and Los Angeles Administrative Code Section 10.5, Council approval is required due to the cumulative contract term exceeding three years. Our Office has reviewed the request and recommends approval.

FISCAL IMPACT STATEMENT

Approval of the proposed Second Amendment to Contract No. DA-5638 between the Los Angeles World Airports and KT Industries, Inc. will extend the contract term by one year, from May 20, 2026 to May 19, 2027, to continue service and maintenance of medium-voltage systems at Los Angeles International Airport (LAX). There is no change to the contract authority of a not-to-exceed amount of \$5,875,000. Funds are available in the Fiscal Year 2024-25 Los Angeles World Airports Operating Budget in LAX Cost Center 1150073 – Facilities and Technical Services Unit and VNY Cost Center 1400003 – VNY Construction and Maintenance Services, Commitment Item 522 – Materials and Supplies. Funding for subsequent years will be requested as part of the annual budget process. The recommendations in this report comply with the Los Angeles World Airports' adopted Financial Policies. Approval of the proposed Second Amendment will have no impact on the City's General Fund.

Attachment 1 – March 13, 2025 BOAC Report, March 17, 2025 Resolution No. 28119, and proposed Second Amendment to Contract No. DA-5638

MWS:PJH/JVW:JPQ/JAS:10250187

March 13, 2025

The Honorable Karen Bass
Mayor, City of Los Angeles
City Hall – Room 303
Los Angeles, CA 90012

ATTN: Legislative Coordinator

LAX

Van Nuys

City of Los Angeles

Karen Bass
Mayor

Board of Airport
Commissioners

Karim Webb
President

Matthew M. Johnson
Vice President

Vanessa Aramayo
Courtney La Bau
Victor Narro
Nicholas P. Roxborough
Valeria C. Velasco

John Ackerman
Chief Executive Officer

RE: Request to adopt and approve the Second Amendment to Contract No. DA-5638 with KT Industries, Inc.

In accordance with Executive Directive No. 4, we are transmitting a copy of the specified board report for the request to adopt the following report and approve the Second Amendment to Contract No. DA-5638 with KT Industries, Inc. for medium-voltage repair, training, preventive maintenance, and support services for Los Angeles World Airports, increasing the contract term by one year for a new expiration date of May 19, 2027.

City Council approval is required pursuant to Section 373 of the Los Angeles City Charter.

Sincerely,



Becca Doten
Chief of Staff

BD:MSA:ksf





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Report to the BOARD OF AIRPORT COMMISSIONERS

Approver:

R. J. Connolly

Richard J. Connolly, Deputy Executive Director
Facilities Management Division

Reviewer:

Hector Huevo for
Hector Huevo for (Mar 3, 2025 14:53 PST)

Brian C. Ostler, City Attorney

John Ackerman

John Ackerman, Chief Executive Officer

Meeting Date

3/13/2025

Needs Council Approval: ☒ Y

Reviewed for/by	Date	Approval Status	By
Finance	2/25/2025	<input checked="" type="checkbox"/> Y <input type="checkbox"/> NA	JS
CEQA	2/11/25	<input checked="" type="checkbox"/> Y	VW
Procurement	2/20/2025	<input checked="" type="checkbox"/> Y <input type="checkbox"/> Cond	KK
Guest Experience	2/11/2025	<input checked="" type="checkbox"/> Y	TB
Strategic Planning	2/13/2025	<input checked="" type="checkbox"/> Y	BNZ

SUBJECT

Request to adopt the following report and approve the Second Amendment to Contract No. DA-5638 with KT Industries, Inc. for medium-voltage repair, training, preventive maintenance, and support services for Los Angeles World Airports, increasing the contract term by one year for a new expiration date of May 19, 2027.

DISCUSSION

1. Purpose

The proposed action will support better energy management through efficient distribution, and reducing the risk of outages, surges, and spikes that can damage equipment and disrupt operations.

2. Prior Related Actions/History of Board Actions

- **May 4, 2023 – Resolution No. 27223 (DA-5638)**

The Board of Airport Commissioners (Board) approved the award of a three-year contract to KT Industries, Inc. for medium-voltage repair, training, preventive maintenance, and support services for an amount not to exceed \$1,875,000. This contract expires on May 19, 2026.

- **December 12, 2024 – Resolution No. 28069 (DA-5638A)**

The Board approved the First Amendment to Contract DA-5638 with KTI, increasing the contract's authority by \$4 million for a revised not-to-exceed amount of \$5.8 million.

3. Background

The electrical infrastructure at Los Angeles World Airports consists of low, medium, and high-voltage systems, each requiring distinct training and certification for the staff tasked with their maintenance. The current Facilities Management Division (FMD) staff are trained and certified to work on low-voltage and medium-voltage systems, while high-voltage system work is performed by the Los Angeles Department of Water and Power.

Under the existing contract, KTI will be upgrading and installing modifications to the current medium-voltage systems at the Tom Bradley International Terminal (TBIT), both North and South electrical vaults. Given the complexity and scope of this project, the estimated completion is anticipated to extend beyond the current contract expiration date of May 19, 2026.

KTI is certified with the City of Los Angeles as both a Local Business Enterprise and Small Business Enterprise.

4. Current Action/Rationale

The additional one year is needed to cover service and maintenance of the medium-voltage systems; continued engineering modifications of the switchgear at the Tom Bradley International Terminal North and South electrical vaults; and the likelihood of the project extending beyond the existing contract term.

5. Fiscal Impact

Costs incurred under this contract will be recovered through landing fees, terminal rates and charges, and non-aeronautical revenues.

APPROPRIATIONS

Funds for this contract are available in the Fiscal Year 2024-2025 Los Angeles World Airports Operating Budget in LAX Cost Center 1150073 - Facilities & Technical Services Buildings, Field Elec. and VNY Cost Center 1400003 - VNY Construction & Maintenance Services, Commitment Item 522 - Materials and Supplies. Funding for subsequent years will be requested as part of the annual budget process.

STANDARD PROVISIONS

The Board is hereby requested to adopt staff's determination that this item, as a continuing administrative, maintenance and personnel-related activity, is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines; and that the operation, repair, maintenance or alteration of existing facilities of publicly owned utilities, electrical power and mechanical systems serving

existing facilities, including alterations to accommodate a specific use is exempt from CEQA requirements pursuant to Article III, Class 1 (2) of the Los Angeles City CEQA Guidelines.

The Board is hereby further requested to authorize the Chief Executive Officer, or designee, to execute the Second Amendment to Contract No. DA-5638 with KT Industries, Inc. subject to approval by the Los Angeles City Council and approval as to form by the City Attorney.

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.

March 17, 2025

The Honorable City Council
of the City of Los Angeles
(via email)

Subject: Second Amendment to Contract DA-5638 with KT Industries Inc.

Enclosed for your consideration is the Second Amendment to Contract DA-5638 with KT Industries Inc. that was approved by the Board of Airport Commissioners at its March 13, 2025 meeting. There is no impact to the General Fund.

LAX

Van Nuys

City of Los Angeles

Karen Bass
Mayor

Board of Airport
Commissioners

Karim Webb
President

Matthew M. Johnson
Vice President

Vanessa Aramayo
Courtney La Bau
Victor Narro
Nicholas P. Roxborough
Valeria C. Velasco

John Ackerman
Chief Executive Officer

RECOMMENDATIONS FOR CITY COUNCIL:

1. Concur with said Board's adoption of staff's determination that the item is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f and Article III, Class 1 (2) of the Los Angeles City CEQA Guidelines; and
2. Approve the Second Amendment to Contract DA-5638 with KT Industries Inc. to extend the term through May 19, 2027, covering medium-voltage repair, training, preventive maintenance, and support services for Los Angeles World Airports; and
3. Further concur with said Board's action on March 13, 2025, by Resolution 28119, authorizing the Los Angeles World Airports Chief Executive Officer, or designee, to execute said Second Amendment to Contract DA-5638 with KT Industries Inc.

This document and its attachments are advisory only and do not constitute a complete and official submittal to the City Council. The official submittal, including this document and its attachments, will be submitted electronically to the City Council and the Council File Management System pursuant to Charter Section 373 via the City Clerk's website when the file is complete.

Very truly yours,



Grace Miguel, Commission Executive Assistant II
BOARD OF AIRPORT COMMISSIONERS

Enclosures

cc: CAO (Airport Analyst), e-file
CLA (Airport Analyst), e-file



RESOLUTION NO. 28119

WHEREAS, on recommendation of Management, there were presented for approval, Second Amendment to Contract DA-5638 with KT Industries Inc. to extend the term through May 19, 2027, covering medium-voltage repair, training, preventive maintenance, and support services for Los Angeles World Airports; and

WHEREAS, the electrical infrastructure of Los Angeles World Airports (LAWA) consists of low, medium, and high-voltage systems, each requiring distinct training and certification for the staff tasked with its maintenance. The current LAWA Facilities Management Division staff are trained and certified to work on low-voltage and medium-voltage systems, while high-voltage system work is performed by the Los Angeles Department of Water and Power; and

LAX

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John Ackerman
Chief Executive Officer

WHEREAS, under its Contract DA-5638, KT Industries Inc. (KTI) will be upgrading and installing modifications to the current medium-voltage systems at the Tom Bradley International Terminal (TBIT), both North and South electrical vaults. Given the complexity and scope of said project, the estimated completion is anticipated to extend beyond the KTI contract's expiration date of May 19, 2026; and

WHEREAS, the additional one year is needed to cover service and maintenance of the medium-voltage systems, continued engineering modifications of the switchgear at the TBIT North and South electrical vaults, and the likelihood of the project extending beyond the existing contract term. It will support better energy management through efficient distribution, and reduce the risk of outages, surges, and spikes that can damage equipment and disrupt operations; and

WHEREAS, funds for the contract are available in the Fiscal Year 2024-2025 LAWA Operating Budget in LAX Cost Center 1150073 – Facilities & Technical Services Buildings, Field Elec. and VNY Cost Center 1400003 – VNY Construction & Maintenance Services, Commitment Item 522 – Materials and Supplies. Funding for subsequent years will be requested as part of the annual budget process; and

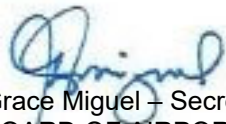
WHEREAS, actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 373;

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners adopted the Staff Report; further adopted staff's determination that this item, as a continuing administrative, maintenance and personnel-related activity, is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines, and that operation, repair, maintenance or alteration of existing facilities of publicly owned utilities, electrical power and mechanical systems serving existing facilities, including alterations to accommodate a specific use, is exempt from CEQA requirements pursuant to Article III, Class 1 (2) of the Los Angeles City CEQA Guidelines; approved the Second Amendment to Contract DA-5638 with KT Industries Inc. to extend the term through May 19, 2027, covering medium-voltage repair, training, preventive maintenance, and support services for Los Angeles World Airports; and authorized the Chief Executive Officer, or designee, to execute said Second Amendment to Contract DA-5638 with KT Industries Inc. subject to approval by the Los Angeles City Council and approval as to form by the City Attorney.



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I hereby certify that this Resolution No. 28119 is true and correct, as adopted by the Board of Airport Commissioners at its Special Meeting held on Thursday, March 13, 2025.

A handwritten signature in blue ink, appearing to read "Grace Miguel", is positioned above the printed name.

Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS

**SECOND AMENDMENT TO CONTRACT DA-5638 BETWEEN THE
CITY OF LOS ANGELES AND KT INDUSTRIES FOR MEDIUM VOLTAGE REPAIR,
TRAINING AND PREVENTATIVE MAINTENANCE AND SUPPORT SERVICES AT
LOS ANGELES INTERNATIONAL AND VAN NUYS AIRPORTS**

This **SECOND AMENDMENT TO CONTRACT** ("Second Amendment") is made and entered into as of _____, 2025 by and between the **CITY OF LOS ANGELES**, a municipal corporation and charter city (hereinafter referred to as "City" or "Los Angeles World Airports"), acting by order of and through the Board of Airport Commissioners of the Department of Airports, and **KT INDUSTRIES, INC.**, a California corporation with its principal place of business in Los Angeles, California (hereinafter referred to as "Contractor").

RECITALS

WHEREAS, on May 20, 2023, City and Contractor entered into Contract DA-5638 ("Contract") pursuant to which Contractor provides to Los Angeles World Airports ("LAWA") medium voltage repair, training and preventative maintenance and support at Los Angeles International Airport and Van Nuys Airport. The original agreement was for an amount not to exceed One Million, Eight Hundred Seventy-Five Thousand Dollars (\$1,875,000) and for a term not to exceed three years; and

WHEREAS, on January 23, 2025, City and Contractor entered a First Amendment pursuant to which the Not To Exceed Amount was increased to Five Million, Eight Hundred Seventy-Five Thousand Dollars (\$5,875,000); and

WHEREAS, the Parties now desire to enter into a Second Amendment to amend Contract DA-5638 to: (a) extend the duration of the Contract one year so that the new expiration date will be May 19, 2027; and (b) add a new Section 35 regarding Civil Rights and Title VI Assurances along with a new Exhibit D.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Contract as follows:

AMENDMENT

1. EXTENSION OF DURATION OF CONTRACT.

Section 3.1 is amended to delete the reference to "three years" and to replace same with "four years" so that Section 3.1 will read in part: "...the term of this Contract....shall expire no later than four (4) years later...."

2. TITLE VI ASSURANCES AS A NEW SECTION 35.

This Contract is amended to add a new section 35 entitled “Civil Rights-General; Civil Rights, Title VI Assurances” to read as follows:

Section 35.0. CIVIL RIGHTS – GENERAL: CIVIL RIGHTS – TITLE VI ASSURANCES.

49 CFR § 21.7 (a)(1); 49 CFR Part 21 Appendix C (b); and as amended or interpreted from time to time.

35.1 Civil Rights – General – 49 USC § 47123, derived from the Airport and Airway Improvement Act of 1982, Section 520. In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

35.1.1 The above provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract. If the Contractor transfers its obligation to another, the transferee is obligated in the same manner as the Contractor. The above provision obligates the Contractor for the period during which the property is owned, used or possessed by the Contractor and the airport remains obligated to the Federal Aviation Administration.

35.1.2 Civil Rights – Title VI Assurances – 49 USC § 47123, FAA Order 1400.11, and U.S. Department of Transportation Order DOT 1050.2, Standard Title VI Assurances and Nondiscrimination Provisions, effective April 24, 2013. Contractor further agrees to comply with all applicable US DOT Standard Title VI/Non-Discrimination, set forth in Exhibit D, attached hereto and made a material term of this Contract, as such requirements may be amended or interpreted by the FAA or the United States Department of Transportation from time to time; specifically, the following clauses as provided in Exhibit D:

- a. Title VI List of Pertinent Nondiscrimination Acts and Authorities
- b. Compliance with Nondiscrimination Requirements

35.1.3 Audit of Subcontracts. LAWA may conduct a review of the Contractor’s compliance with this section. Contractor must cooperate with LAWA throughout the review process by supplying all requested information and documentation to LAWA, making Contractor staff and officials available for meetings as requested, and correcting any areas of non-compliance as determined by LAWA.

35.1.4 Contractor agrees that it shall insert the provisions found in Subsections 35.1.1 and

35.1.2, inclusive of Exhibit D in whole, in any solicitation, subcontract, sublease, assignment, license, transfer, or permit, or other instrument, by which said Contractor grants a right or privilege to any person, firm, or corporation under this Contract.

3. FULL FORCE AND EFFECT.

In the event of a conflict between the Second Amendment, on the one hand, and the Contract, on the other hand, the Second Amendment shall control. All other terms and conditions of the Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Second Amendment to be executed, by their respective authorized signatories, all as of the day and year first hereinabove written.

APPROVED AS TO FORM:
HYDEE FELDSTEIN SOTO,
City Attorney

CITY OF LOS ANGELES

By signing below, the signatory attests that he/she has no personal, financial, beneficial, or familial interest in this Contract.

Date: _____

Date: _____

By: _____
Deputy City Attorney

By: _____
JOHN ACKERMAN
Chief Executive Officer

REVIEWED:

By: _____
Chief Financial Officer
Deputy Executive Director
Department of Airports

KT INDUSTRIES, INC.

By: Leonor Vaca
Signature

By: Susana Pardo
Signature

Leonor Vaca
Print Name

Susana Pardo
Print Name

CEO
Print Title

VP/CFO
Print Title

CIVIL RIGHTS – TITLE VI ASSURANCES

Civil Rights – Title VI Assurances. In accordance with, and as amended or interpreted from time to time, 49 USC § 47123, FAA Order 1400.11, and U.S. Department of Transportation Order DOT 1050.2, Standard Title VI Assurances and Nondiscrimination Provisions, effective April 24, 2013.

- I. Title VI List of Pertinent Nondiscrimination Acts and Authorities. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:
- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
 - 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
 - The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
 - Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
 - The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
 - Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
 - The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
 - Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, *et seq.*) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
 - The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
 - Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination

against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

II. Compliance with Nondiscrimination Requirements. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”), agrees as follows:

1. **Compliance with Regulations:** The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor’s obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by LAWA or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a

contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to LAWA or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, LAWA will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
 - a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. Incorporation of Provisions: The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as LAWA or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request LAWA to enter into any litigation to protect the interests of LAWA. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.