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December 7, 2023

Honorable Members of the City Council of the City of Los Angeles

CD No. 15

Attention: Mr. Andrew Suh, City Clerk's Office

Subject: RESOLUTION NO. 23-10237 – APPROVE FIRST AMENDMENT TO AGREEMENT 20-3776 BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND INTERNATIONAL BUSINESS MACHINES CORPORATION FOR THE CYBER RESILIENCE CENTER PROJECT

Pursuant to Section 373 of the City Charter, enclosed for your approval is Resolution No. 23-10237 authorizing approval of the First Amendment to Agreement No. 20-3776 with International Business Machines Corporation for the Cyber Resilience Center project. The proposed First Amendment is to continue enhancements and operation of the CRC, a first-of-its-kind solution that reduces the risk of a port-wide cyber incident that could disrupt the flow of cargo at the Port of Los Angeles by serving as an early warning system for its ecosystem with improved quality, quantity, and speed of cyber information sharing. The Port of Los Angeles ecosystem are stakeholders that consist of terminal operators, shipping lines, railroad companies, trucking companies, chassis providers, cross-sector companies, marine exchange, the Port's Cyber Security Operations Center, and relevant cyber-physical intelligence sources. By sharing relevant Port of Los Angeles cyber information across the ecosystem, the CRC results in greater collective knowledge and stronger Port community cyber resiliency. The proposed First Amendment will extend the term of Agreement No. 20-3776 by two additional years, for a total of five years, and increase the not-to-exceed compensation by an additional \$5,000,000, for a total not-to-exceed compensation amount of \$11,800,000. The proposed First Amendment is for hardware, software and services required to continue to enhance, operate, maintain, and support the turn-key CRC solution. The recommendation to select IBM for Agreement No. 20-3776 was based on the competitive Request for Proposals process performed by the City of Los Angeles Harbor Department. IBM is headquartered in New York, with offices throughout Southern California. The Harbor Department will continue to be financially responsible for the payment of expenditures incurred under the Agreement. There is no impact to the General Fund.

RECOMMENDATION FOR CITY COUNCIL:

- 1. ADOPT the determination by the Board of Harbor Commissioners that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines; and
2. APPROVE POLA Resolution No. 23-10237 authorizing approval of the First Amendment to Agreement No. 20-3776 with International Business Machines Corporation for the Cyber Resilience Center project.

Respectfully Submitted,

[Signature]
AMBER M. KLESGES
Commission Secretary

cc: Trade, Travel & Tourism Committee
Councilman McOsker
Councilwoman Park, Chair
Councilman Soto-Martinez
Heleen Ramirez, Mayor's Office
Jacqueline Wagner, CAO
Sergio Carrillo, CD15

Erick Martell, Mayor's Office
Stephanie Magnien Rockwell, Harbor Representative
Sandra Fu, CAO
Kevin Brunke, CD11
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Anissa Raja, CD15