



Los Angeles
World Airports

RESOLUTION NO. 27065

BE IT RESOLVED that, on recommendation of Management, the Board of Airport Commissioners approved the Second Amendment to Contract DA-5106 with Interloc Solutions, Inc. to extend the term through February 28, 2022, covering operations and maintenance support services for the Maximo System of Los Angeles World Airports, as referenced in the Board-adopted staff report attached hereto and made part hereof; and

LAX

Van Nuys

City of Los Angeles

Eric Garcetti
Mayor

Board of Airport
Commissioners

Sean O. Burton
President

Valeria C. Velasco
Vice President

Gabriel L. Eshaghian
Beatrice C. Hsu
Nicholas P. Roxborough
Dr. Cynthia A. Telles
Karim Webb

Justin Erbacci
Chief Executive Officer

BE IT FURTHER RESOLVED that the Board authorized the Chief Executive Officer to execute said Second Amendment to Contract DA-5106 with Interloc Solutions, Inc. after approval as to form by the City Attorney and approval by the Los Angeles City Council; and

BE IT FURTHER RESOLVED that this item, as a continuing administrative, maintenance and personnel-related activity, is administratively exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines; and

BE IT FURTHER RESOLVED that 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.

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I hereby certify that this Resolution No. 27065 is true and correct, as adopted by the Board of Airport Commissioners at its Special Meeting held on Thursday, July 16, 2020.

Grace Miguel - Secretary
BOARD OF AIRPORT COMMISSIONERS





Los Angeles World Airports

Item Number
6

REPORT TO THE BOARD OF AIRPORT COMMISSIONERS

Aura Moore

Approved by: Aura Moore, Chief Information Officer

Michael Christensen

Reviewed by: Michael Christensen, Deputy Executive Director
Operations and Maintenance

D. Timothy Dazé

City Attorney

Justin Erbacci

Justin Erbacci, Chief Executive Officer

Meeting Date:

7/16/2020

CAO Review:

☐ Completed
☒ Pending
☐ N/A

<u>Reviewed for</u>	<u>Date</u>	<u>Approval Status</u>	<u>By</u>
Finance	7/6/2020	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	RW
CEQA	6/12/2020	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	VW
Procurement	6/26/2020	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> Cond	MJ
Guest Experience	6/29/2020	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	BY
Strategic Planning	6/16/2020	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	KV

SUBJECT: Second Amendment to Contract No. DA-5106 with Interloc Solutions, Inc. for Maximo system support services at Los Angeles World Airports

Approve the Second Amendment to Contract No. DA-5106 with Interloc Solutions, Inc. to extend the term through February 28, 2022 to provide operations and maintenance support services for the Maximo System at Los Angeles World Airports.

RECOMMENDATIONS:

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. DETERMINE that this action is administratively exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.
3. FIND that the work can be performed more economically or feasibly by an independent contractor than by City employees.
4. FURTHER FIND pursuant to City Charter Section 371(e)(10) and City Administrative Code §10.15(a)(2) that the services to be provided under this contract include expert, technical

and/or special services of a temporary and occasional character for which a competitive bidding process is not practical or advantageous.

5. FURTHER FIND the amendment of this contract satisfies the requirement of City Administrative Code §10.17 and is compatible with the City's interests.
6. APPROVE the Second Amendment to Contract No. DA-5106 with Interloc Solutions, Inc. to extend the term to February 28, 2022 to provide operations and maintenance support services for the Maximo System at Los Angeles World Airports.
7. AUTHORIZE the Chief Executive Officer to execute the Second Amendment to Contract No. DA-5106 after approval as to form by the City Attorney and approval by the Los Angeles City Council.

DISCUSSION:

1. Purpose

To provide Los Angeles World Airports (LAWA) with continued operations and maintenance support services for the Maximo System.

2. Prior Related Actions

- **July 20, 2016 – Resolution No. 26027 (DA-5106)**
The Board awarded a three (3) year contract to Interloc Solutions, Inc. for Maximo system support services for Los Angeles World Airports in an amount not to exceed \$4,117,518.
- **June 20, 2019 – Resolution No. 26787 (DA-5106)**
The Board approved the First Amendment to Contract DA-5106 with Interloc Solution, Inc. to extend the term for additional eighteen months to provide operations and maintenance support services for the Maximo System at Los Angeles World Airports. This contract expires on August 31, 2020.

3. Current Action

The Maximo system is an Enterprise Asset Management System used primarily by the LAWA Facilities Maintenance and Utilities Group (FMUG) to track the management and maintenance of LAWA's physical assets (e.g., elevators, escalators, moving walkways, etc.). The Maximo system includes an integrated mobile application – EZMaxMobile. EZMaxMobile that equips over 200 field technicians and supervisors with the ability to efficiently receive, update, and resolve service requests and work orders from the field, via mobile devices.

The current Maximo system support contract expires on August 31, 2020. A consolidated Airport Operations Technology Support RFP is being developed to consolidate and reduce the cost of support services for multiple systems, including the Maximo system. The existing contract will be extended an additional eighteen months to ensure there is no gap

in service while the consolidated Airport Operations Technology Support RFP process is completed.

Action Requested

Staff requests that the Board authorize the Chief Executive Officer to execute the Second Amendment to Contract No. DA-5106 with Interloc Solutions, Inc. to extend the contract term for eighteen months until February 28, 2022, for the ongoing operations and maintenance services of the Maximo system.

Below is a summary of the current expenditures.

Description	Total Expenditures
Year 1 to 4 - Base Maintenance & Support	\$1,729,700
Year 1 to 4 – Maximo System Software	\$386,482
Year 1 to 4 – Maximo System Enhancement	\$539,255
Total Expenditure to Date	\$2,655,437
Current Not-to-Exceed Amount	\$4,117,518
Remaining Contract Authority	\$1,462, 081

Estimated services and expenditures under the Second Amendment:

Description	Estimated Costs *
Base Maintenance & Support Services **	\$461,304
Maximo related software renewal	\$306,354
As-Needed System Enhancements	\$201,000
Total 2nd Amendment Costs *	\$968,658

*Note: Costs for individual line items may vary, but the total expenditures shall not exceed \$968,658.

**Note: LAWA successfully negotiated a 29% reduction in monthly maintenance costs for the duration of the 18-month extension period.

Fiscal Impact

- The costs incurred under this contract is included in the Information Management and Technology Group's FY 2020-21 operating budget.
- Expenditures for the past fiscal years are as follows:

Fiscal Year	Expenditures
2019 – 2020	\$781,746
2018 – 2019	\$795,836
2017 – 2018	\$457,800
2016 – 2017	\$620,055

4. Alternatives Considered

- ***Take No Action***

Without this contract, LAWA will not have qualified resources available to support, monitor, and maintain the system on a 24-hours-a-day, 7 days-a-week basis. If the current contract expires in August 2020, there will be a lapse in support services, which will have a negative impact to the operation and support of the Maximo system.

APPROPRIATIONS:

Funds for this contract are included in the FY 2020-2021 Los Angeles World Airports Operating Budget in LAX Cost Center 1170010 - IT Airport Operations, Commitment Item 520 - Contractual Services and Commitment Item 522 – Materials and Supplies or it may be provided through other Board approved WBS Elements as required. Funding for subsequent years will be requested as part of the annual budget process.

STANDARD PROVISIONS:

1. This item, as a continuing administrative, maintenance and personnel-related activity, is administratively exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.
2. This proposed document(s) is/are subject to approval as to form by the City Attorney.
3. 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.
4. Interloc Solutions Inc. is required by contract to comply with the applicable provisions of the Living Wage Ordinance.
5. Procurement Services has reviewed this action (File No. 10037916) and established a mandatory 20% Small Business Enterprise (SBE) goal for the project. Interloc Solutions Inc. has committed to 100% SBE participation, as it is a certified SBE firm and has achieved 100% to date.
6. Interloc Solutions Inc. is required by contract to comply with the provisions of the Affirmative Action Program.
7. Interloc Solutions Inc. has been assigned Business Tax Registration Certificate number 0002922484-0001-4.
8. Interloc Solutions Inc. is required by contract to comply with the provisions of the Child Support Obligations Ordinance.
9. Interloc Solutions Inc. has approved insurance documents, in the terms and amounts required, on file with the Los Angeles World Airports.
10. Pursuant to Charter Section 1022, staff determined the work specified on the proposed contract can be performed more feasibly or economically by an Independent Contractor than by City employees.

11. Interloc Solutions Inc. has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. Interloc Solutions Inc. must be determined by Public Works, Office of Contract Compliance, to be in compliance with the provisions of the Equal Benefits Ordinance prior to execution of contract.
13. Interloc Solutions Inc. will be required to comply with the provisions of the First Source Hiring Program for all non-trade LAX Airport jobs.
14. Interloc Solutions Inc. has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.
15. Interloc Solutions Inc. will be required to comply with the provisions of the Iran Contracting Act of 2010 Affidavit.