

TRANSMITTAL

0150-11487-0000

TO
Deborah Flint, Chief Executive Officer
Department of Airports

DATE
OCT 01 2019

COUNCIL FILE NO.

FROM
The Mayor

COUNCIL DISTRICT
11

**Request to Execute the Third Amendment to a Contract with
Siemens Industry, Inc. to Extend the Term of Performance and Increase
The Contract Authority to Continue Technical Support and Maintenance
For the Los Angeles World Airports' Response Coordination
Center and Department Operations Center**

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

MAYOR

Ana Guerrero

RHL:WDC: 10200029t

CAO 649-d

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: September 26, 2019

CAO File No. 0150-11487-0000

Council File No.

Council District: 11

To: The Mayor

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

Reference: Communication from the Los Angeles World Airports dated September 6, 2019; referred by the Mayor for report on September 17, 2019

Subject: **REQUEST TO EXECUTE THE THIRD AMENDMENT TO A CONTRACT WITH SIEMENS INDUSTRY, INC. TO EXTEND THE TERM OF PERFORMANCE AND INCREASE THE CONTRACT AUTHORITY TO CONTINUE TECHNICAL SUPPORT AND MAINTENANCE FOR THE LOS ANGELES WORLD AIRPORTS' RESPONSE COORDINATION CENTER AND DEPARTMENT OPERATIONS CENTER**

RECOMMENDATIONS

That the Mayor:

1. Approve the proposed Third Amendment to Contract DA-5117 with Siemens Industry, Inc. to extend the current agreement one additional year (for a total of four years) to October 3, 2020, and increase the contract authority by \$1,231,726 to a not-to-exceed amount of \$5,275,781, to continue the provision of expert technical support, maintenance, and systems enhancement for the Los Angeles World Airports' Airport Response Coordination Center and Department Operations Center, subject to City Attorney approval as to form and compliance with the City's Standard Provisions for Contracts, including the Service Contractor Worker Retention and/or Living Wage Ordinance, Affirmative Action Program, Child Support Obligations Ordinance, Contractor Responsibility Program, Equal Benefits Ordinance, the First Source Hiring Program for all non-trade LAX Airport jobs, and the City Ethics Commission Form 55 pertaining to bidder contributions;
2. Authorize the Chief Executive Officer of the Los Angeles World Airports to execute the Third Amendment to Contract DA-5117 with Siemens Industry, Inc.; and,
3. Return the proposed Amendment to the Department for further processing, including Council consideration.

SUMMARY

Munich, Germany-based Siemens Industry, Inc. (Siemens) provides expert engineering, automation, and electrical services worldwide. The company was selected by the Los Angeles World Airports

(LAWA) through a competitive process in 2016. Siemens was awarded a one-year contract with two, one-year renewal options, in the amount of \$1,739,200, to coordinate round-the-clock support for the management of all airport operations and to integrate airport tenant and various governmental agencies' activities (e.g., logistical support, communications, and exchange of data with the United States Customs and Border Patrol and the Transportation Security Administration) at the Los Angeles International Airport (LAX). Specifically, the company assists LAWA staff with on-site operations support; training; on-call support; and maintenance for the Airport Response Coordination Center (ARCC), Department Operations Center (DOC), Mobile Command Post vehicle deployments, and portable DOC equipment.

Two subsequent amendments increased the expenditure authority by \$1,382,600 and \$922,255, respectively, for a total not-to-exceed amount of \$4,044,055. The increases in funding authority were the result of LAWA needing to implement training for the ARCC staff, obtain annual maintenance of the ARCC video wall and display system, update on-line staff training content, and continue technical operations and maintenance support for the ARCC and DOC.

The proposed one-year contract extension (for a total of four years) and \$1,231,726 increase in expenditure authority (for a total not-to-exceed amount of \$5,275,782) will allow LAWA to complete the training of in-house staff and the transfer of knowledge from Siemens staff sufficient to provide adequate Departmental technical support for the Airport Response Coordination Center, DOC, Mobile Command Post, and the new Ramp Control Tower.

In addition to the in-house training and knowledge transfer, the term extension will allow for the continuation of sufficient technical support to (1) implement recommendations anticipated from the recent ARCC and DOC assessment and (2) upgrade and replace the LAX situational awareness platform (the application used by ARCC and Airport Operations staff to track and manage, on a daily basis, major events at or affecting LAX) and Video Distribution System (the system used to manage the display and sharing of video and audio sources within the ARCC and DOC).

Due to the need for continued technical support and system maintenance provided by Siemens, the Chief Executive Officer of the Los Angeles World Airports requests approval to execute the Third Amendment to Contract DA-5117 with Siemens Industry, Inc. extending the current three-year term from October 3, 2019 to October 3, 2020. The Amendment was approved by the Board of Airport Commissioners at its meeting of September 10, 2019.

FISCAL IMPACT STATEMENT

Approval of the proposed Third Amendment to Contract DA-5117 with Siemens Industry, Inc. will have no impact on the General Fund. Funding for the amendment is available in the Los Angeles World Airports Operating Budget. All costs for this Amendment will be recovered from landing fees, terminal rates and charges, and non-aeronautical revenues (e.g., concessions, parking lot revenue, etc.). Both the underlying Siemens Industry, Inc. agreement and the proposed Amendment comply with the Department of Airports' adopted Financial Policies.