



REPORT TO THE BOARD OF AIRPORT COMMISSIONERS

Aura Moore

Approved by: Aura Moore, Deputy Executive Director and
Chief Information Officer

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Reviewed by: Michelle Schwartz, Chief Corporate Strategy and
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Meeting Date:

2/18/2021

CAO Review:

- Completed
- Pending
- N/A

Reviewed for	Date	Approval Status	By
Finance	1/19/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	CI
CEQA	1/21/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	VW
Procurement	1/21/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Cond	QM
Guest Experience	1/27/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	TB
Strategic Planning	1/19/2021	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	KC

SUBJECT: First Amendment to Contract DA-5272 with Sharp Electronics Corporation for ongoing managed print services (multi-function photocopiers) at Los Angeles World Airports.

Approve the First Amendment to Contract DA-5272 with Sharp Electronics Corporation to extend the term for an additional twelve (12) months, through March 31, 2022, for ongoing managed print services (multi-function photocopiers) 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 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. APPROVE the First Amendment to Contract DA-5272 with Sharp Electronics Corporation to extend the term for an additional twelve (12) months, through March 31, 2022, for ongoing managed print services (multi-function photocopiers) at Los Angeles World Airports.
5. AUTHORIZE the Chief Executive Officer or designee to execute the First Amendment to Contract DA-5272 with Sharp Electronics Corporation upon approval as to form by the City Attorney and approval by the Los Angeles City Council.

DISCUSSION:

1. Purpose

To ensure that Los Angeles World Airports (LAWA) has a contract in place to maintain uninterrupted managed print services (multi-function photocopiers) needed to support daily operations.

2. Prior Related Actions

- **February 25, 2013 Resolution No. 25018 (DA-4789)**

The Board of Airport Commissioners approved a three-year contract with one two-year renewal option to Toshiba Business Solutions (USA), Inc. to provide managed print services at Los Angeles World Airports for a total not to exceed \$2,500,000. The contract amount was subsequently increased to \$4,166,666, and the contract expired on April 29, 2018.

- **March 1, 2018 Resolution No. 26445 (DA-5272)**

The Board of Airport Commissioners (the Board) approved a three (3)-year contract with Sharp Electronics Corporation under the terms and conditions of County of Orange Contract RCA-017-17010031 for a total not to exceed \$2,500,000 covering digital multi-function photocopier rental, related accessories and services for Los Angeles World Airports. RCA-017-17010031 was competitively bid and is a negotiated regional cooperative agreement. DA-5272 will expire on March 20, 2021.

3. Current Action

Sharp Electronics Corporation provides multi-function photocopiers on a leased basis at several LAWA facilities. LAWA currently has 198 network-enabled photocopiers that offer copy, print, scan and fax capabilities at various LAWA offices.

The photocopiers are used to support vital and daily routine operations. The lease includes maintenance, repairs (normal and emergency), parts, user training and consumable supplies (e.g. toner and staples), except for paper.

In addition to providing copy, print, scan and fax capabilities, the photocopiers have security features that help protect business information. These features include data encryption, hard drive overwrite functionality, and secure printing using user passcode and card readers. The

security features ensure the confidentiality of data such as employee information and legal documents.

The financial impact of the COVID-19 pandemic has caused LAWA to reassess all existing expenditures and commitments. The extension of the current agreement with Sharp Electronics Corporation will allow LAWA the opportunity to review our ongoing needs for photocopiers as staff continues to work from home and as we determine how our overall return to work will be implemented. As part of this review, the LAWA Information Management and Technology Division will be working with the various LAWA groups to reduce the number of leased photocopiers as much as possible.

Below is a summary of current expenditures:

Description	Expenditures
Monthly Equipment Lease	\$ 1,209,975
Copy Usage (Materials, Supplies and Services)	\$ 602,025
Total Expenditures (estimated through March 2021)	\$ 1,812,000
Total Contract Authority	\$ 2,500,000
Remaining Contract Authority	\$ 688,000

Action Requested

Staff requests that the Board authorize the Chief Executive Officer to execute the First Amendment to Contract DA-5272 with Sharp Electronics Corporation to extend the term for an additional twelve (12) months, through March 31, 2022, for ongoing managed print services (multi-function photocopiers) at Los Angeles World Airports.

Extending the contract will ensure continued managed print services and will allow LAWA to assess ongoing needs and conduct a Request for Bids (RFB) for a new contract for this equipment and services.

There is sufficient contract authority remaining to cover the planned expenditures. The estimated expenditures from April 2021 to March 2022 are as follows:

Description	Expenditures
Monthly Equipment Lease	\$ 438,000
Copy Usage (Materials, Supplies and Services)	\$ 168,000
*Total Cost	\$ 606,000

*Note: Costs for individual line items may vary, but the total expenditures shall not exceed \$688,000

Fiscal Impact

- The costs incurred under this contract will be recovered through landing fees and terminal building rates and charges, as well as through non-aeronautical revenues.

4. Alternatives Considered

- ***Conduct new competitive bid process***
Staff considered conducting a competitive bidding process. However, given the uncertainty of employees' return to work due to the COVID-19 pandemic, extending the current contract for another twelve months will allow staff to determine photocopier needs moving forward.
- ***Enter into a cooperative agreement with another service provider***
LAWA can enter into a cooperative agreement with another service provider. This would enable LAWA to acquire needed managed print services. However, LAWA will have to transition services/coverage to the new photocopier provider which means new print queues and address books on each copier would need to be created and users would have to register their badges and map the print queues to their PCs in order to use the copiers for printing. This is not ideal with current work from home orders.
- ***Take No Action***
Without photocopiers, LAWA employees and contractors will lose the ability to copy, print, scan and fax documents, making staff unable to fulfill their job duties and responsibilities.

APPROPRIATIONS:

Funding for this contract is available in the FY 2020-21 Los Angeles World Airports Operating Budget in LAX Cost Center 2001614 - LAWA-wide Copiers, Commitment Item 522 - Materials and Supplies. 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 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. Sharp Electronics Corporation will comply with the provisions of the Living Wage/Service Contractor Worker Retention Ordinances.

5. Procurement Services reviewed this action (File 10043125). The County of Orange Contract RCA-017-17010031 does not have a SBE, LBE/LSBE, or DVBE requirement. Procurement Services has further reviewed this action and did not set SBE, LBE/LSBE, or DVBE goal, as no subcontracting opportunities were identified.
6. Sharp Electronics Corporation will comply with the provisions of the Affirmative Action Program.
7. Sharp Electronics Corporation has been assigned Business Tax Registration Certificate number 0000749096-0001-8.
8. Sharp Electronics Corporation will comply with the provisions of the Child Support Obligations Ordinance.
9. Sharp Electronics Corporation has approved insurance documents, in the terms and amounts required, on file with 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. Sharp Electronics Corporation has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. This action is exempt from the provisions of the Equal Benefits Ordinance, pursuant to Los Angeles Administrative Code Section 10.8.2.1(i)(1)(h)-Bulk Purchasing Arrangements through County of Orange.
13. Sharp Electronics Corporation is required to comply with the provisions of the First Source Hiring Program for all non-trade Airport jobs.
14. Sharp Electronics Corporation has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.
15. This action is not subject to the Iran Contracting Act of 2010.