



# REPORT TO THE

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## BOARD OF AIRPORT COMMISSIONERS

RICHARD CONNOLLY

Approved by: Richard J. Connolly, Director  
Facilities Management Division

Reviewed by: Michael R. Christensen, Deputy Executive Director

City Attorney

Justin Erbacci, Chief Executive Officer

Meeting Date:

3/18/2021

CAO Review:

<input type="checkbox"/>	Completed
<input checked="" type="checkbox"/>	Pending
<input type="checkbox"/>	N/A

Reviewed for	Date	Approval Status	By
Finance	2/18/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	CI
CEQA	2/18/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	VW
Procurement	2/18/2021	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> Cond	LK
Guest Experience	2/18/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	TB
Strategic Planning	2/16/2021	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	KC

### **SUBJECT: Approve the First Amendment to Contract No. DA-5324 with Veritiv Operating Company**

Staff requests the Board of Airport Commissioners approve the First Amendment to Contract DA-5324 with Veritiv Operating Company to extend the current three-year contract for one additional year to October 19, 2022, with no additional contract authority requested. Contract DA-5324 with Veritiv Operating Company is for the supply and delivery of custodial paper products, general cleaning chemicals and supplies, as well as 3M Corporation brand specific products, at Los Angeles International Airport and Van Nuys Airport.

### **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. APPROVE the First Amendment to Contract No. DA-5324 with Veritiv Operating Company, to extend the current three-year contract for one additional year to October 19, 2022, with no additional contract authority requested, for the supply and delivery of custodial paper products, general cleaning chemicals and supplies, and custodial 3M products, for Los Angeles International Airport and Van Nuys Airport.

4. AUTHORIZE the Chief Executive Officer to execute the contract amendment after approval as to form by the City Attorney, and approval by the Los Angeles City Council.

## **DISCUSSION:**

### **1. Purpose**

To obtain essential custodial supplies to properly clean and disinfect Los Angeles International Airport (LAX) and Van Nuys Airport (VNY) facilities. This contract will ensure the continued supply and delivery of paper products, general cleaning chemicals and supplies, and 3M brand-specific products, including cleaning agents used to sanitize LAWA terminals and office buildings. These supplies are critical to keeping our LAWA facilities clean and hygienic, and our guests and employees healthy and safe, especially during this COVID-19 pandemic.

### **2. Prior Related Actions**

- **October 20, 2013 – Resolution 25226 (DA-4850)**  
The Board of Airport Commissioners (Board) awarded a three-year contract, with one, two-year extension option, to Unisource Worldwide, Inc., to provide custodial paper products to LAX, VNY and Ontario International Airport (ONT), for an amount not to exceed \$4,971,122 during the first three years, an amount not to exceed \$3,831,075 during the one, two-year option, and for an overall amount not to exceed \$8,802,197. This contract expired on October 19, 2018.
- **October 20, 2013 - Resolution 25227 (DA-4851)**  
The Board awarded a three-year contract, with one, two-year extension option to Unisource Worldwide, Inc., to provide miscellaneous cleaning products to LAX, VNY and ONT, for an amount not to exceed \$689,518 during the first three years, and an amount not to exceed \$531,388 during the one, two-year option, for an overall amount not to exceed \$1,220,906. This contract expired on October 19, 2018.
- **October 20, 2013 - Resolution 25228 (DA-4852)**  
The Board awarded a three-year contract, with one, two-year extension option to Unisource Worldwide, Inc. This contract provided cleaner and degreaser products to LAX, VNY and ONT, for an amount not to exceed \$7,054,237 during the first three years, and an amount not to exceed \$5,436,462 during the two-year option, for an overall amount not to exceed \$12,490,699. This contract expired on October 19, 2018.
- **September 20, 2017 - Resolution 26341 (DA-4851A)**  
The Board approved the First Amendment to Contract DA-4851 with Unisource Worldwide, Inc., to increase the contract authority by \$500,000 for a total not to exceed amount of \$1,720,906 covering provision of miscellaneous cleaning products for LAX, ONT, and VNY. This contract expired on October 19, 2018.
- **October 18, 2018 – Resolution No. 26621 (DA-5324)**  
The Board awarded a three-year contract to Veritiv Operating Company for the supply and delivery of custodial paper products, general cleaning chemicals and supplies, and custodial 3M products for LAX and VNY, for an amount not to exceed \$9,910,425. This contract expires on October 19, 2021.

### 3. Current Action

LAWA's Facilities Management Division is responsible for ensuring a clean environment for our guests at LAX and VNY. The Facilities Management Division procures custodial products and supplies for the terminals and administrative buildings as part of LAWA's ongoing custodial cleaning program at LAX and VNY. LAWA awarded Contract No. DA-5324 to Veritiv Operating Company for the supply and delivery of custodial paper products, general cleaning chemicals and supplies, and custodial 3M products. This contract expires on October 19, 2021.

The Facilities Management Division seeks to extend this contract to ensure operational continuity while a bid process is completed and a successor contract procured. Procurement of contracts of this size and complexity can take several months, and staff does not want to be without a custodial product and supplies contract. Therefore, staff is requesting an extension of the current agreement for one year so they have sufficient time to conduct this procurement. To date, approximately 60% (\$5,916,834) of the current contract authority has been expended, and staff estimates that the remaining authority is sufficient to cover the requested one-year contract extension.

#### ***Action Requested***

Staff requests the Board authorize the Chief Executive Officer to execute the First Amendment to Contract No. DA-5324 with Veritiv Operating Company thereby extending the contract for one year to October 19, 2022, with no additional contract authority.

#### ***Fiscal Impact***

Approval of this item will not result in an increase in the contract authority amount. Therefore, this action will have no impact on the Los Angeles World Airports Operating Budget.

### 4. Alternatives Considered

- ***Deferral***

Deferring or eliminating this item is not an option since these products are necessary for the cleaning and sanitizing of the airports, and are essential to the health and safety of the traveling public. Due to the current health and safety issues related to the COVID-19 outbreak, the necessity for custodial products and cleaning supplies has increased considerably. The requested one-year extension will give staff time to prepare a new Request for Bid and execute a successor contract.

### **APPROPRIATIONS:**

Funds for this contract are included in the Fiscal Year 2020-21 Los Angeles World Airports Operating Budget in multiple LAX cost centers within the Maintenance Services Unit-Custodial Section, Facilities and Technical Services Unit cost center 1150063, Warehouse & Stores cost center 1230012, VNY LND FlyAway Operations cost center 2001209, and Cost Center 1400003- VNY Construction and Maintenance Services cost center 1400003, 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. This action is not subject to the provisions of the Living Wage/Worker Retention Ordinances.
5. Procurement Services has reviewed this action (File No. 10043651). No mandatory Small Business Enterprise, Local Business Enterprise/Local Small Business Enterprise, and Disabled Veterans goals were set for this project, as no subcontracting opportunities were identified.
6. Veritiv Operating Company is required by contract to comply with the provisions of the Affirmative Action Program.
7. Veritiv Operating Company has been assigned Business Tax Registration Certificate number 0002710318-0002-5.
8. Veritiv Operating Company is required by contract with the provisions of the Child Support Obligations Ordinance.
9. Veritiv Operating Company has approved insurance documents, in the terms and amounts required, on file with Los Angeles World Airports.
10. This action is not subject to the provisions of Charter Section 1022 (Use of Independent Contractor).
11. Veritiv Operating Company has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. Veritiv Operating Company must be determined by Public Works, Office of Contract Compliance to be in full compliance with the provisions of the Equal Benefits Ordinance prior to Contract Amendment.
13. This action is not subject to the provisions of the First Source Hiring Program.
14. Veritiv Operating Company has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.
15. Veritiv Operating Company has submitted the MLO Form 50 and will comply with its provisions.
16. Veritiv Operating Company will comply with the provisions of the Iran Contracting Act.