

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: August 5, 2021

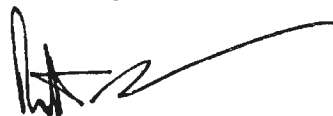
CAO File No. 0150-09960-0002

Council File No. 19-0494

Council District: 11

To: The Mayor

From: Matthew W. Szabo, City Administrative Officer



Reference: Communication from the Department of Airports dated June 17, 2021; referred by the Mayor for a report on June 17, 2021

Subject: **PROPOSED SECOND AMENDMENT TO CONTRACT DA-5193 WITH THE REVENUE MARKETS, INC., DBA TRMI SYSTEMS INTEGRATION, FOR ONGOING SUPPORT SERVICES OF THE AUTOMATIC VEHICLE IDENTIFICATION SYSTEM AT LOS ANGELES INTERNATIONAL AIRPORT**

RECOMMENDATIONS

That the Mayor:

1. Approve a proposed Second Amendment to Contract DA-5193 with The Revenue Markets, Inc., dba TRMI Systems Integration to extend the term for two years to June 30, 2023, and increase the contract authority by \$1,500,595 for a total not to exceed \$5,054,640 for ongoing services to support the Automatic Vehicle Identification System at Los Angeles World Airports, subject to City Attorney approval as to form and compliance with the City's Standard Provisions, including: Living Wage Ordinance, Affirmative Action Program, Business Tax Registration Certification, Child Support Obligations Ordinance, Insurance Documents, Charter Section 1022, Contractor Responsibility Program, First Source Hiring Program, Bidder Contributions City Ethics Commission Form 55, Municipal Lobbying Ordinance Bidder Contributions City Ethics Commission Form 50, and the Iran Contracting Act;
2. Authorize the Chief Executive Officer to execute the proposed Second Amendment to Contract DA-5193, upon approval by the Los Angeles City Council, and prior to the execution of the Second Amendment, The Revenue Markets, Inc., dba TRMI Systems Integration must be determined by Public Works, Office of Contract Compliance to be in full compliance with the provisions of the Equal Benefits Ordinance; and
3. Return the request to the Los Angeles World Airports for further processing, including Council consideration.

SUMMARY

The Los Angeles World Airports (LAWA) Board of Airport Commissioners (BOAC) requests approval of a proposed Second Amendment to Contract DA-5193 with The Revenue Markets, Inc., dba TRMI Systems Integration to provide continuous maintenance and operations support services of the Automatic Vehicle Identification System at Los Angeles International Airport (LAX). The proposed contract extension will allow LAWA to receive necessary cyber security improvements while it finalizes the airport's mobility strategy. The proposed Second Amendment will extend the term for two years, to June 30, 2023, and increase the contract authority by \$1,500,595 for a total not to exceed \$5,054,640.

The Automatic Vehicle Identification (AVI) System counts commercial vehicle traffic, and registers, tracks, and monitors commercial vehicle activity for all commercial ground transportation operators in and around the LAX Central Terminal Area (CTA) and outlying areas. Commercial vehicles include limousines, buses, taxicabs, and passenger vans permitted by LAWA to provide ground transportation services to and from LAX. However, the AVI System does not track vehicles that provide Transportation Network Company (TNC) services (e.g. Uber and Lyft).

The AVI system includes a series of servers and electronic readers that detect and monitor LAWA-issued transponders mounted on passing commercial vehicles. The data collected from AVI enables LAWA to track and bill airport commercial ground transportation. In addition, the AVI System provides data analysis on vehicle activity to facilitate traffic management. Since the AVI System operates on a 24/7 schedule, routine monitoring, maintenance, and timely repairs are critical to ensure continuous operation and data collection.

The AVI System tracked commercial vehicle activity that yielded an average annual revenue of approximately \$8 million through 2019, and \$3.8 million in 2020. Server upgrades are necessary to maintain cyber security protection for the operating system of the AVI System servers. Under the current contract authority of \$3,554,045, the total expenditures to date are \$3,445,720 with a remaining balance of \$108,325.

The Revenue Markets, Inc. dba TRMI Systems Integration will provide all operations and maintenance services required for the AVI System (hardware, software, and magnetic loop coils) on a 24/7 basis, to ensure it is fully functional and meets LAWA Cyber Security Standards. The firm will perform routine preventive maintenance and repair services to maintain system reliability and to meet LAWA's service level requirements, and provide additional related work, as needed by LAWA.

Procurement Services has reviewed this action (File No. 10041898) and established mandatory Small Business Enterprise (SBE) goal of 10 percent, Local Business Enterprise (LBE) goal of 5 percent, and Local Small Business Enterprise (LSBE) goal of 2 percent (as a subset to LBE goal) for the project. As a certified SBE firm, The Revenue Markets, Inc., dba TRMI Systems Integration has 100 percent SBE participation, with a commitment to 5 percent LBE and 5 percent LSBE participation. To date, the firm has achieved 100 percent SBE, 5.86 percent LBE, and 5.86 percent LSBE participation.

LAWA will recover costs incurred under this contract through landing fees, and terminal rates and charges as well as through non-aeronautical revenues. The FY 2020-2021 LAWA Operating Budget in Cost Center 1170010 – Airport Operation Systems IMTG Division, Commitment Item 520 – Contractual Services included a funding request for this contract. LAWA will request funding for subsequent years as part of its annual budget process.

The BOAC approved the proposed Second Amendment at its meeting on June 17, 2021. Actions taken on this item by the BOAC will become final pursuant to the provisions of Los Angeles City Charter Section 373.

FISCAL IMPACT STATEMENT

Approval of the proposed Second Amendment to Contract DA-5193 with The Revenue Markets, Inc., dba TRMI Systems Integration to extend the term for two years to June 30, 2023, and increase the contract authority by \$1,500,595 for a total not to exceed \$5,054,640 will have no impact on the General Fund. This item complies with the Department's adopted Financial Policies.

MWS:MK:10220009