

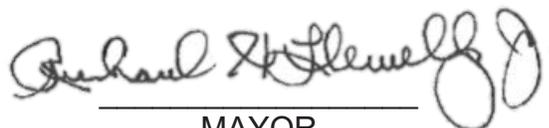
0150-07828-0008

**TRANSMITTAL**

TO The Council	DATE 11/16/21	COUNCIL FILE NO.
FROM The Mayor		COUNCIL DISTRICT All

**Proposed First Amendment to Personal Services Contract with Ilium Associates, Inc. (C-128772) to provide marketing, publicity and customer outreach and support services for public transit services and projects**

Approved and transmitted for further processing. Please see the attached City Administrative Officer report.



MAYOR

(Rich Llewellyn for)

**Report From**  
**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**  
**Analysis of Proposed Contract**  
(\$25,000 or Greater and Longer than Three Months)

To: The Mayor	Date: 11-04-21	C.D. No. All	CAO File No.: 0150-07828-0008				
Contracting Department/Bureau: Department of Transportation		Contact: Angela De La Rosa 213 972-5949					
Reference: Department of Transportation transmittal sent on October 26, 2021; referred by Mayor's Office on October 27, 2021							
Purpose of Contract: Marketing, publicity and customer outreach and support services for public transit services and projects.							
Type of Contract: ( ) New contract (X) Amendment, Contract No. C-128772		Contract Term Dates: January 1, 2017 to December 31, 2022					
Contract/Amendment Amount: \$3,124,580							
Proposed amount \$ 3,124,580+ Prior award(s) \$ 14,000,000= Total \$ 17,124,580							
Source of funds: Proposition A Local Transit Assistance Fund							
Name of Contractor: Ilium Associates, Inc.							
Address: 10900 NE 8th Street, Suite 1495, Bellevue, WA. 98004							
	Yes	No	N/A	Contractor has complied with:	Yes	No	N/A
1. Council has approved the purpose	X			8. Business Inclusion Program	X		
2. Appropriated funds are available	X			9. Equal Benefits & First Source Hiring Ordinances	X		
3. Charter Section 1022 findings completed	X			10. Contractor Responsibility Ordinance	X		
4. Proposals have been requested	X			11. Disclosure Ordinances	X		
5. Risk Management review completed	X			12. Bidder Certification CEC Form 50	X		
6. Standard Provisions for City Contracts included	X			13. Prohibited Contributors (Bidders) CEC Form 55	X		
7. Workforce that resides in the City: %				14. California Iran Contracting Act of 2010	X		

**RECOMMENDATION**

That the City Council and Mayor authorize the General Manager of the Los Angeles Department of Transportation (LADOT), or designee, to execute a First Amendment to the contract with Ilium Associates, Inc. (C-128772) for transit marketing, customer outreach, and support services with the following changes: 1) extend the contract term on a month to month basis for a period not to exceed 12 months through December 31, 2022, 2) adjust contract staff compensation rates in line with revised cost proposals negotiated with the contractor, 3) increase the contract ceiling by \$3,124,580, and 4) update the City Standard Provisions for contracts.

**SUMMARY**

The Los Angeles Department of Transportation (LADOT) requests approval to execute a First Amendment to the contract with Ilium Associates, Inc. (C-128772) for transit marketing, customer outreach, and support services in order to extend the contract term on a month by month basis for a period not to exceed 12 months (through December 31, 2022), increase the contract ceiling by \$3,125,580, revise the contract staff compensation schedule, and update the City Standard Provisions for contracts. LADOT's current five-year service contract with Ilium expires on December 31, 2021. The Department states that the requested contract extension would allow sufficient time to issue a new Request for Proposals to solicit contractors and award new contracts.

Shafia Mir			
SAM	Analyst	06220030	for City Administrative Officer

In accordance with Los Angeles Administrative Code Section 10.5(a), Council approval is required as the Ilium contract term exceeds three years.

## **Background**

The LADOT has contracted with Ilium Associates, Inc. (Ilium) on various transit marketing projects since the 1990s. Ilium provides marketing and customer support services for LADOT's transit operations, including design and production of schedules, maps, ads, brochures, billboards, and collateral materials; conducting of market research, on-board surveys, press conferences, and targeted specialized customer marketing; preparation of public service announcements, paid media and press releases; operation of LADOT's Customer Service Center; participation in community events designed to reach prospective riders and stakeholder support of those programs; and maintenance of a strong presence on social media highlighting LADOT transit services.

On October 31, 2018, the Council and Mayor authorized LADOT to initiate the Transit Service Analysis Recommendation of DASH extended service hours, weekend services, and additional service to Commuter Express Route 437 (C.F. 18-0244). LADOT Transit is currently in the process of implementing additional new DASH routes and anticipates the need for extensive marketing, communications, and outreach efforts. The current Ilium contract expires on December 31, 2021. Due to various delays, at least some of which are attributed to the impact of the COVID-19 pandemic, LADOT requires Ilium to continue services while the Request for Proposals for a new contract is being prepared. The requested extension of the current contract with Ilium will ensure the continuity of transit marketing and outreach services and enable LADOT to introduce the transit service enhancements described above to local City neighborhoods, residents, and stakeholders.

The Adopted Fiscal Year 2021-22 Proposition A Local Transit Assistance Fund budget includes a total of \$4.1 million for Transit Marketing (\$3 million), Transit Customer Service/Transit Store (\$800,000), and Transit Sign Installation and Maintenance (\$300,000). As of October 21, 2021, the budget is uncommitted and available with only some incidental expenditures (\$46,740).

## **FISCAL IMPACT STATEMENT**

There is no General Fund impact. Funds for the services requested for the contract amendment have been budgeted in the Proposition A Local Transit Assistance Fund.

## **FINANCIAL POLICIES STATEMENT**

The recommendation in this report complies with the City's Financial Policies in that sufficient budgeted funds are available to support proposed expenditures.

Attachment

**AMENDMENT**  
**TO**  
**AGREEMENT C-128772**  
**BETWEEN**  
**THE CITY OF LOS ANGELES**  
**AND**  
**ILIUM ASSOCIATES, INC.**  
**FOR**  
**TRANSIT MARKETING**  
**CUSTOMER OUTREACH AND SUPPORT SERVICES**

**AMENDMENT TO AGREEMENT C-128772  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
ILIUM ASSOCIATES, INC.  
FOR  
TRANSIT MARKETING  
CUSTOMER OUTREACH AND SUPPORT SERVICES**

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**THIS FIRST AMENDMENT** to Agreement C-128772 between the City of Los Angeles (hereinafter referred to as the “City”), a municipal corporation, acting by and through the Department of Transportation (hereinafter referred to as “LADOT”), and Ilium Associates, Inc., a State of Washington corporation (hereinafter referred to as “Contractor”), collectively referred to as “Parties” and individually as “Party,” is entered into with reference to the following:

**WITNESSETH**

**WHEREAS**, the City desires to continue the obtained services to provide transit marketing and customer outreach and support services for its Proposition A and C funded public transit services and projects; and

**WHEREAS**, on August 9, 2016, LADOT issued a Request for Proposals (RFP), locally and nationally for companies interested in providing service in accordance with City Charter §372 seeking qualified contractors to perform said services; and

**WHEREAS**, the Contractor submitted a proposal (hereinafter referred to as “Proposal”), dated September 20, 2016, in response to the RFP; and

**WHEREAS**, the Contractor has the management and technical expertise and other assets necessary to function as the Transit Marketing Customer Outreach and Support Services provider; and

**WHEREAS**, the City requested that the Contractor provide marketing and communications consulting services; and the management and operation of Transit Customer Service Center of the City Los Angeles, Department of Transportation, Office of Transit Services; and

**WHEREAS**, the parties entered into Agreement C-128772 on January 3, 2014, wherein the Contractor agreed to provide marketing and communications consulting services; and the management and operation of Transit Customer Service Center for a term of up to five years, from January 1, 2017, through December 31, 2021 (C.F. 11-1225-S1); and

**WHEREAS**, LADOT is in the process of preparing new RFPs for these services, but requires continuation of the current Agreement until the new contract award; and

**WHEREAS**, LADOT desires in this First Amendment to Agreement C-128772 to a) extend the term of the Agreement on a month-to-month basis, for a period not to exceed twelve (12) months, b) adjust the compensation rate, c) increase the contract ceiling, d) update the City’s Standard Provisions for City Contracts (Rev. 10/17) [v.3], e) add contracting language as required by ordinance of all City contracts, and f) incorporate Attachments and Exhibits; and

**NOW, THEREFORE**, in consideration of the above premises, and the mutual covenants and agreements herein contained, the parties agree as follows:

1. **Section I. INTRODUCTION AND CONDITIONS PRECEDENT**, Subsection B.1.a Representatives of the Parties and Service of Notices, is hereby amended in its entirety to read as follows:

Seleta J. Reynolds  
General Manager  
Los Angeles Department of Transportation  
100 South Main Street, 10<sup>th</sup> Floor  
Los Angeles, California, 90012

With copies to:

Brian Lee  
Chief of Transit Programs  
Los Angeles Department of Transportation  
100 South Main Street, 10<sup>th</sup> Floor  
Los Angeles, California, 90012

2. **Section II, TERMS OF CONTRACT**, Subsection A.1, Contract Period, is hereby amended in its entirety and Subsection A.5, "Termination during the Month-to-Month Extension" is hereby added immediately following A.4 to read as follows:

1. This Agreement shall be in effect for up to five (5) years from January 1, 2017 through December 31, 2021. Thereafter, the City shall have the right to extend the contract on a month-to-month basis up to one additional year, from January 1, 2022 to December 31, 2022, provided that the City provides a written notice to the Contractor of the City's intent to exercise the month-to-month extension no less than sixty days (60) prior to December 31, 2021.
5. **Termination during the Month-to-Month Extension.** If the City exercises its right to extend the contract on a month-to-month basis beyond December 31, 2021, pursuant to Section II A.1, the City may terminate the month-to-month extension prior to December 31, 2022, provided the City provides the Contractor with a written notice of its intent to terminate the contract no less than sixty (60) days prior to the actual termination date.

3. **Section IV, COMPENSATION**, Subsection A, is hereby amended in its entirety to read as follows:

- A. The Contractor agrees to provide all personnel, facilities, effort, materials and equipment required to complete, to the full satisfaction of the City, all the work described in the RFP, Addenda, the Proposal and this Agreement; and the City agrees to pay the full compensation for said service, including all allowable expenses incurred and incident thereto, an estimated amount not to exceed a ceiling price of \$14 million over the five year term of the Agreement.

During the extension period, the City agrees to pay the Contractor an amount not to exceed \$3,142,492. Effective January 1, 2022 the City shall pay the Contractor a monthly hourly rate as indicated in Exhibit A - Contractor Hourly Rate, which is attached hereto and made part of this Agreement.

4. Effective the date of attestation by the City Clerk of this First Amendment, all references to Standard Provisions for City Contracts (Rev. 03/09) throughout the Agreement are hereby deleted and replaced with the following: Standard Provisions for City Contracts (Rev.10/17) [v.3].
5. **Section VIII, STANDARD CONTRACT PROVISIONS**, First Paragraph, is hereby amended to read as follows:

By entering into this Agreement with the City, the Contractor agrees to abide by the Standard Provisions for City Contracts (Rev 10-17) [v.3], attached hereto and incorporated herein as Appendix A.

6. **Appendix A, Standard Provisions for City Contracts**, is hereby replaced in its entirety by the Appendix A - Standard Provisions for City Contracts (Rev.10/17) [v.3] attached hereto and incorporated herein.
7. **Section VIII, STANDARD CONTRACT PROVISIONS, Subsection A** is hereby amended by adding a new paragraph **4. Fair Chance Initiative for Hiring Ordinance** and **5. Disclosure of Border Wall Contracting Ordinance**, immediately following paragraph 3, Slavery Disclosure Ordinance, to read as follows:

4. The Contractor shall be subject to the Fair Chance Initiative for Hiring Ordinance (Contractors' **Fair Chance Initiative for Hiring Ordinance** Use of Criminal History for Consideration of Employment Applications Ordinance). The Ordinance provides, among other things, that contractors and/or subcontractors with at least 10 employees are: prohibited from seeking a job applicant's criminal history information until after a job offer is made; must post Fair Chance Initiative for Hiring Ordinance information in conspicuous places at worksites; and cannot withdraw a job offer based on an applicant's criminal history unless a link has effectively been made between the applicant's criminal history and the duties of the job position.

The Contractor seeking additional information regarding the requirements of the Fair Chance Initiative for Hiring Ordinance may visit the Bureau of Contract Administration's website at <http://bca.lacity.org>.

5. **Disclosure of Border Wall Contracting Ordinance**

The Contractor shall comply with Los Angeles Administrative Code Section 10.50 *et seq.*, 'Disclosure of Border Wall Contracting.' City may terminate this Contract at any time if City determines that Contractor failed to fully and accurately complete the required affidavit and disclose all Border Wall Bids and Border Wall Contracts, as defined in Los Angeles Administrative Code Section 10.50.1.

The Contractor shall complete and upload a Disclosure Affidavit on LABAVN.org.

8. The Agreement is hereby amended by adding a new **SECTION XI, COVID-19 VACCINATION ORDINANCE** immediately following SECTION X, MISCELLANEOUS, to read as follows:

Employees of Contractor and/or persons working on its behalf, including, but not limited to, subcontractors (collectively, "Contractor Personnel") must be fully vaccinated against the novel coronavirus 2019 ("COVID-19") prior to;

1. Interacting in person with City employees, contractors, or volunteers,
2. Working on City property while performing services under this Agreement, and/or
3. Coming into contact with the public while performing services under this Agreement (collectively, "In-Person Services").

"Fully vaccinated" means that 14 or more days have passed since Contractor Personnel has received the final dose of a two-dose COVID-19 vaccine series (Moderna or Pfizer-BioNTech) or a single dose of a one-dose COVID-19 vaccine (Johnson & Johnson/Janssen) and all booster doses recommended by the Centers for Disease Control and Prevention. Prior to assigning Contractor Personnel to perform In-Person Services, Contractor shall obtain proof that such Contractor Personnel has been fully vaccinated. The contractor shall retain such proof for the document retention period set forth in this Agreement. The contractor shall grant medical or religious exemptions to Contractor Personnel as required by law.

9. The Agreement is hereby amended by adding a new **SECTION XII, ORDER OF PRECEDENCE**, immediately following SECTION XI, COVID-19 VACCINATION ORDINANCE, to read as follows:

This Agreement, and any exhibits, attachments, or documents incorporated herein by inclusion or by reference, constitutes the complete and entire Agreement between the City and the Contractor. In the event of any inconsistencies between the bodies of this Agreement and attachments, the order of precedence will be as follows:

1. This Agreement between the City of Los Angeles and Ilium Associates Inc. and its Amendments;
2. Appendix A – Standard Provision for City Contracts;
3. Transit Marketing - Customer Outreach and Support RFP and it's Addenda (Attachment A and B)
4. Proposal (Attachment C)

10. Effective the date of attestation by the City Clerk of this First Amendment, all references to "RFP", "Addenda" and "Proposal"

- RFP (Attachment A)
- Addenda (Attachment B)
- Proposal (Attachment C)

11. Except as herein amended, all other terms and conditions of this Agreement shall remain in full force and effect.

**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK  
SIGNATURE PAGE FOLLOWS**

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

**THE CITY OF LOS ANGELES**

**Ilium Associates, Inc.**

By: \_\_\_\_\_  
Seleta J. Reynolds  
General Manager  
Department of Transportation

By\*: \_\_\_\_\_  
  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**  
MICHAEL N. FEUER, City Attorney

By\*\*: \_\_\_\_\_

By: \_\_\_\_\_  
Michael Nagle  
Deputy City Attorney

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST:**  
HOLLY L. WOLCOTT, City Clerk

NOTE: If Contractor is a corporation, two signatures are required.

\*The signature of President, Chairman of the Board, or Vice President is required here; and  
\*\*an additional signature of Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer is also required for the Corporation.

By: \_\_\_\_\_

Date: \_\_\_\_\_

City Agreement Number: C-128772-1

Council File Numbers: 11-1225-S1