



THE PORT
OF LOS ANGELES
Executive Director's
Report to the

Board of Harbor Commissioners

DATE: DECEMBER 14, 2017

FROM: INFORMATION TECHNOLOGY

SUBJECT: RESOLUTION NO. _____ - AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND KNIGHT COMMUNICATIONS, INC. FOR PORT POLICE INFORMATION TECHNOLOGY SYSTEMS SUPPORT

SUMMARY:

Staff is requesting approval to enter into an Agreement with Knight Communications, Inc. (Knight) to provide maintenance and support services twenty-four hours per day, seven days a week (24x7) for the City of Los Angeles Harbor Department (Harbor Department) Port Police Information Technology (IT) systems. The proposed Agreement is for a term of three years and a not-to-exceed compensation amount of \$4,800,000.

The recommendation to select Knight is based on a competitive Request for Proposal (RFP) process performed by the Harbor Department. The proposed Agreement with Knight is one of three agreements that will be proposed from the RFP. The proposed Agreement with Knight is for overall Port Police IT Systems. The other two agreements, which will be limited to vendor-specific systems, will be presented at a future Board of Harbor Commissioners (Board) meeting for consideration.

Knight is a certified Very Small Business Enterprise (VSBE); therefore, 100% of the Agreement will contribute towards the Harbor Department's VSBE goals. Knight is located in Claremont, California.

Expenditures under the proposed Agreement are the financial responsibility of the Harbor Department.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Class 2(f) of the Los Angeles City CEQA Guidelines;

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2. Find that in accordance with the Los Angeles City Charter Section 1022, it is more feasible for outside contractors to perform this work than City employees;
3. Approve the Agreement with Knight for a duration of three years and a not-to-exceed compensation amount of \$4,800,000;
4. Authorize the Executive Director to execute and the Board Secretary to attest; and
5. Adopt Resolution No. _____

DISCUSSION:

Background and Context – The Port Police require the 24x7 availability of its IT systems to fulfill its public safety mission. This includes the tactical radio system, interoperable radio system, computer aided dispatch system, physical security information management system, as well as other IT systems and technologies used by the Port Police. The IT Division is responsible for the maintenance and support of these IT systems. In addition to maintenance and support, the IT Division performs installations (e.g. – in vehicles, boats, towers, etc.), upgrades, and enhancements to meet changing technology, operational and compliance requirements.

The current agreement for support is for a not-to-exceed compensation amount of \$4,800,000 and a term of three years. The final actual expenditure amount of the current agreement is anticipated to be approximately \$4,500,000.

Proposed Agreement – The proposed Agreement with Knight (Transmittal 1) is for 24x7 maintenance and support of the Port Police IT Systems. Services under the proposed Agreement include, but are not limited to, a 24x7 service desk, emergency and routine service calls, preventive and corrective maintenance, installations, upgrades and enhancements, training, system administration, coordination with other vendors and related services. In addition, services may include technical work, such as maintaining data interfaces and complying with requirements, with the Federal Communications Commission (FCC), Department of Justice and law enforcement agencies. The proposed Agreement may also be used to pay for required third party costs, including software license fees, equipment and parts, and vendor support. These services are required to provide 24x7 availability of the Port Police IT systems and ensure compliance with relevant regulations.

The proposed Agreement is for a term of three years and a not-to-exceed compensation amount of \$4,800,000. The not-to-exceed compensation amount is the same as the current agreement. Expenditures based on actual needs, will be incurred only when the Harbor Department authorizes services to be performed. Therefore, the actual

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expenditure could be less than \$4,800,000. However, staff estimates that the full amount of the proposed Agreement will be required.

Port Police IT systems have historically been supported by a combination of Harbor Department employees and contractors. The proposed Agreement will continue to support the Port Police IT systems in the same manner. As part of the 1022 process, the Contracts and Purchasing Division (CPD) asked the other City Departments if they had City staff that could do the work in the proposed Agreement. For the Departments that did respond to CPD's inquiry, they stated that they do not have available staff. A few City Departments did not respond, which is understood to mean that they cannot provide staff.

Selection Process – The selection of Knight is based on a competitive RFP process performed by the Harbor Department. Five firms responded to the RFP and submitted proposals. The Selection Committee evaluated the proposals based on: 1) firm's qualifications, experience and references; 2) project organization, personnel, and staffing; 3) project approach, work plan, and management; 4) rates, fees, and budget control; and 5) clarity and comprehensiveness of the proposal. The Selection Committee was comprised of three individuals from the Harbor Department's IT and Port Police Divisions, and one external rater from the Los Angeles World Airports. Based on the scoring criteria (Transmittal 2), the Selection Committee recommends Knight for overall Port Police IT Systems Support.

The Selection Committee also recommends two other companies for support for their specific systems. The agreements for those two companies will be presented to the Board for consideration at a future meeting. The combination of overall and vendor-specific agreements will provide the most effective service for the Port Police.

Knight is a certified Very Small Business Enterprise (VSBE), therefore 100% of the Agreement will contribute towards the Harbor Department's VSBE goals. Knight is located in Claremont, California.

ENVIRONMENTAL ASSESSMENT:

The proposed action is to enter into an Agreement with Knight to provide maintenance and support services for the Harbor Department Port Police Information Technology systems. As an administrative activity, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

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FINANCIAL IMPACT:

Approval of the proposed Agreement with Knight authorizes the IT Division to proceed with the Port Police IT Systems Support for a not-to-exceed compensation amount of \$4,800,000. Funding for Fiscal Year 2017/2018 is available in the IT Division budget, in Accounts 13150, 54110 and 54310. Future Fiscal Year funds, as shown in the table below, will be requested as part of the annual budgeting process through the IT Division and the Port Police Division, subject to Board approval.

Fiscal Year	Program 000, Budget Accounts			Total Budget Amounts
	13150	54110	54310	
2017/18	\$100,000	\$100,000	\$400,000	\$600,000
2018/19	\$300,000	\$100,000	\$1,200,000	\$1,600,000
2019/20	\$300,000	\$100,000	\$1,200,000	\$1,600,000
2020/21	\$200,000	\$100,000	700,000	\$1,000,000
Total Not-to-Exceed Amount:				\$4,800,000

The actual expenditures may differ from the estimated amounts in any given fiscal year and in any given budget account. However, the total expenditures under the proposed Agreement will not exceed \$4,800,000.

Office space for two to three consultants will be used intermittently within the Harbor Department office space reserved for the IT or Port Police Divisions. Staff will not be displaced.

A Termination for Non-Appropriation of Funds Clause (also known as a Funding Out Clause) is included in the Agreement.

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CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the Agreement as to form and legality.

TRANSMITTALS:

1. Agreement with Knight Communications, Inc.
2. Scoring Matrix

FIS Approval: MG (initials)
CA Approval: GA (initials)



LANCE KANESHIRO
Chief Information Officer



THOMAS E. GAZSI
Chief of Public Safety and Emergency
Management

APPROVED:



EUGENE D. SEROKA
Executive Director

LK:lk