



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the
Board of Harbor Commissioners

DATE: OCTOBER 12, 2011

FROM: INFORMATION TECHNOLOGY AND PORT POLICE

SUBJECT: RESOLUTION NO. _____ - GRANT OBLIGATION REQUEST AND AGREEMENT APPROVAL WITH MOTOROLA, INC. TO PURCHASE AND IMPLEMENT A TACTICAL RADIO SYSTEM

SUMMARY:

The Information Technology (IT) and Port Police Divisions are requesting approval to enter into an agreement with Motorola, Inc. (Motorola) to implement a new Tactical Radio System. The proposed Tactical Radio System will be used by the City of Los Angeles Harbor Department (Harbor Department) Port Police Division (Port Police) sworn staff for law enforcement public safety tactical radio communications. It will replace a fifteen-year old Port Police radio system that no longer meets the Port Police's needs, and is not in compliance with the Association of Public-Safety Communications Officials International, Inc. (APCO) P25 standards required by the State of California and the U.S. Department of Homeland Security.

The proposed agreement is for three years at an amount not-to-exceed \$4,870,000. This entire amount qualifies for reimbursement from federal and state grants. However, the Harbor Department anticipates being reimbursed for only \$3,600,000 based on the amount of work it expects to complete before the grants expire. The estimated total cost of the Tactical Radio System project is \$5,562,212, which includes the proposed agreement, other external costs and internal labor costs. Motorola was selected through a Request for Proposal (RFP) process conducted by the Harbor Department. Motorola is based in Schaumburg, Illinois, with local offices in Los Angeles, California. Motorola will share a minimum of 2.5% of the agreement amount, or \$121,750, with Small Business Enterprise (SBE) vendors.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that in accordance with the Los Angeles City Charter Section 1022, the work can be performed more feasibly by independent contractors than by City employees;

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2. Approve in substantial form the agreement with Motorola, Inc. to develop the Tactical Radio System for a term of three years at an amount not-to-exceed \$4,870,000;
3. Authorize the Executive Director or designee to execute and the Board Secretary to attest to said agreement; and
4. Adopt Resolution No. _____.

DISCUSSION:

Background – The Port Police requires radio communication in order to fulfill its public safety mission. The Port Police’s sworn officers currently utilize a fifteen-year old radio system that is undersized and unreliable. The existing radio system for tactical radio communications is a conventional single site, single channel system supporting two radio consoles. The existing radio system has a number of limitations, including:

- Having outlived its life cycle. It is over fifteen years old, obsolete, and has become unreliable;
- Being undersized with a design to support fifty subscribers. The Port Police force has grown to approximately 130 subscribers and deployed radio devices in facilities, vehicles, and boats;
- Providing unacceptable radio signal coverage throughout the area served by the Port Police;
- Not supporting encryption;
- Lacking a public safety grade communications backbone;
- Having radio channel redundancy that has to be manually activated; and
- Not being able to effectively support activities of escalating urgency, multiple incidents, port-wide events, moderate scale emergencies, and major emergencies.

At its March 22, 2007 meeting, the Board authorized the purchase of three Ultra High Frequency (UHF) radio licenses for a total amount of \$1,500,000. These three UHF radio licenses will be used with the proposed Tactical Radio System.

Proposed Agreement – The proposed agreement is for a new Tactical Radio System that will meet the Port Police’s immediate and future requirements. This radio system will be a conventional two-site, four channel radio system supporting three radio consoles. The new Tactical Radio System will overcome the limitations of the existing system, including:

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- Increasing the capacity by fourfold with four channels and at least 200 subscribers;
- Providing ubiquitous radio signal coverage throughout the Port Police's service area. In addition, radio coverage will be available throughout the Los Angeles region;
- Meeting the APCO P25 standards;
- Supporting encryption;
- Providing required radio system features and capabilities not supported by the existing radio system, such as over-the-air reprogramming, and integration with related technologies (e.g. – GPS);
- Being equipped with a dedicated microwave communication backbone network that will meet stringent public safety grade standards;
- Having automatic radio site redundancy and more levels of redundancy than the existing radio system.

The proposed new Tactical Radio System will comply with the APCO P25 industry standards, as required by the State of California and the U.S. Department of Homeland Security. The APCO P25 standard will enable the proposed system to be interoperable with other public safety agencies, and will be compatible and compliant with the future Los Angeles Regional Interoperable Communications System (LA-RICS). LA-RICS is an effort to implement a regional interoperable radio communication system that will allow interagency coordination and response to routine, emergency and catastrophic events.

The new Tactical Radio System will replace the existing fifteen-year old radio system. The existing radio devices, such as portable hand-held and mobile in-car radios, will be reprogrammed and reused with the new Tactical Radio System. In recent years, the Port Police has procured radio devices that were compatible with the existing system and new industry standards.

The proposed agreement is for three years at an amount not-to-exceed \$4,870,000 (Transmittal 1). The entire amount of the proposed agreement qualifies for reimbursement from the U.S. Department of Homeland Security – Port Security Grant Program Round 8 and State of California Proposition 1B grant funds. Although the grants were awarded in 2008 and 2009, respectively, the granting agencies authorized the Harbor Department to begin incurring expenses in January 2011. The U.S. Department of Homeland Security typically takes up to one year to release funds after grant acceptance. Additionally, it took approximately one year to receive environmental and historic clearance in compliance with the Environmental and Historic Preservation (EHP) clause in the grant award. Although the proposed Tactical Radio System does not have any specific relevance to this clause, the funds for the entire award were placed on hold until the EHP was resolved as part of the grant compliance process. Therefore, the Harbor Department does not expect to complete the entire scope of this

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agreement before the grants expire on July 31, 2012 and June 30, 2012, respectively. The Harbor Department anticipates being reimbursed for only \$3,600,000 based on the amount of work it expects to complete before the grants expire. The Harbor Department will request grant deadline extensions so that the entire scope can be completed and the entire agreement amount reimbursed, but if the U.S. Department of Homeland Security does not extend the grant, which is a federal agency option at this point, expenses on or after August 1, 2012 will not be reimbursable at an estimated amount of \$1,270,000.

The proposed agreement includes:

- \$3,600,000 for the core radio system, including integration services, hardware, devices, system licenses, documentation, acceptance testing, and one year of system warranty;
- \$620,000 (not-to-exceed) for as-needed services and materials to optimize, upgrade, and modify the radio system to enhance performance and/or to mitigate interference; and
- \$650,000 (not-to-exceed) for related support, hardware and software.

Motorola is required to share a minimum of \$121,750, or 2.5% of the agreement amount, with SBE vendors; however, Motorola anticipates exceeding this amount. The low 2.5% SBE requirement is because the equipment and services purchased under the proposed agreement are proprietary to Motorola. Approximately 70% of the proposed agreement amount is for equipment and 30% is for services.

The new Tactical Radio System will be used only for Port Police's sworn officers. Port Police's sworn officers require exclusive use of a radio system, where only law enforcement communications are transported by the system. At its October 6, 2011 meeting, the Board approved a separate Interoperable Radio System from Dailey-Wells Communications, Inc. in the amount of \$804,155 for the civilian staff radio communications. The civilian staffs' Interoperable Radio System cannot be used for all Port Police radio needs because the Interoperable Radio System does not meet the operational and technical requirements of the proposed Tactical Radio System for sworn officers. For example, other public safety agencies that the Port Police interacts with regularly operate on the UHF spectrum. With the proposed Tactical Radio System, the Port Police's sworn staff will be able to use their existing hand-held and in-car radio devices to communicate directly with those agencies. Subscribers on the civilian Interoperable Radio System are not able to communicate with these agencies directly. The two radio systems – Tactical and Interoperable – are needed to meet the Port Police's civilian and sworn staff requirements. This is a standard mode of operation for law enforcement agencies, including the City of Los Angeles Police Department (LAPD).

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Selection Process – The Harbor Department conducted a comprehensive RFP process. More than ten vendors attended the pre-proposal conference and the subsequent field surveys. However, only Motorola submitted a proposal. The selection panel reviewed the Motorola proposal and determined that it met the RFP requirements. Motorola is the most widely used radio system by law enforcement and other public safety agencies. For example, Motorola radio systems are used by the LAPD, Los Angeles World Airports Airport Police, and the City of Los Angeles Fire Department. The selection panel was comprised of participants from the IT, Port Police and Homeland Security Divisions. An external participant was not included because the evaluation process was started prior to the Harbor Department policy. Motorola is based in Schaumburg, Illinois, with local offices in Los Angeles, California. This will be Motorola's first agreement with the Harbor Department.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of a contract with Motorola for the purchase of a Tactical Radio System for use by Port Police sworn staff. As an activity involving the addition of safety and security devices for use in conjunction with existing facilities, the Director of Environmental Management has determined that the proposed action is exempt from the California Environmental Quality Act (CEQA) in accordance with Article III, Class 1(6) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

Spending under this contract will support the one-year-equivalent of up to 5 jobs in the five-county area.

FINANCIAL IMPACT:

Approval of the proposed three-year agreement for the not-to-exceed amount of \$4,870,000 with Motorola authorizes the IT Division to retain Motorola to implement the new Port Police Tactical Radio System. Funds for fiscal year 2011/2012 have been budgeted in the Capital Improvement Program (CIP) budget under Work Order 25002, Center 1179, Program 641, Job Facility 635-00, Account 54510. Upon Board approval, future fiscal year funds, as shown in the table below, will be requested to be budgeted as part of the annual budget adoption process.

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Fiscal Year	Anticipated Amount
2011/2012	\$ 3,600,000
2012/2013	\$ 1,270,000
Total Not-to-Exceed Amount	\$ 4,870,000

The total amount budgeted for the proposed agreement under Work Order 25002 is \$5,126,696. Based on the anticipated expenditure amount of \$3,600,000 in fiscal year 2011/2012, \$1,526,696 remains in the fiscal year 2011/2012 budget. The estimated total CIP budget for the Tactical Radio System project is \$5,562,212, which includes the proposed agreement, other external costs and internal labor costs. Subsequent to project completion, the net annual increase in maintenance support cost will be approximately \$50,000 (the proposed system's annual external cost to support the Tactical Radio System is estimated at \$150,000 per year, which is offset by the elimination of the current radio system that costs \$100,000 per year). A Termination for Non-Appropriation of Funds Clause (also known as a Funding Out Clause) is included in the agreement.

At its October 6, 2011 meeting, the Board approved a contract for an Interoperable Radio System in the amount of \$804,155, which is fully grant reimbursable. Further, the proposed agreement will obligate up to \$4,870,000 in grant awarded funds or \$3,652,500 million from the U.S. Department of Homeland Security - Port Security Grant Program Round 8 and \$1,217,500 from the State of California Proposition 1B grant funds. This obligation represents less than 2% of the entire Harbor Department grants portfolio at \$361.2 million as of June 2011. In brief, the Board approved the federal grant award acceptance for Round 8 grant funds in December 2008 and the State award acceptance for Proposition 1B grant funds in June 2009. The granting agencies authorized the Harbor Department to begin incurring expenditures against these grants in January 2011. The grant awards expire on July 31, 2012 and June 30, 2012, respectively. In aggregate, the total proposed contracts for Port Police Radio Communication Systems – Tactical and Interoperable – is estimated at close to \$5.7 million. Funds expended after June 30, 2012 for State of California Proposition 1B grant funds will not be reimbursed. Funds spent after July 30, 2012 for Port Security Grant Program Round 8 grant funds are subject to grant extension approval by the granting agencies. If the U.S. Department of Homeland Security does not extend the grant, which is a federal agency option at this point, expenses on or after August 1, 2012 will not be reimbursable at an estimated amount of \$1,270,000. Moreover, if an extension for Round 8 is not granted, the Harbor Department anticipates being reimbursed in the amount of approximately \$3,600,000 and would absorb the unreimbursed amount of \$1,270,000 of the proposed agreement with Motorola.

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CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the proposed Agreement in substantial form.

TRANSMITTAL:


1. Agreement with Motorola, Inc.


FIS Approval: ewj (initials)
CA Approval: pw (initials)

For

LANCE KANESHIRO
Chief Information Officer


MOLLY CAMPBELL
Deputy Executive Director

For

RONALD J. BOYD
Chief of Port Police


JOHN HOLMES
Deputy Executive Director

APPROVED:


GERALDINE KNATZ, Ph.D.
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