



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

Board of Harbor Commissioners

**DATE: AUGUST 3, 2017**

**FROM: INFORMATION TECHNOLOGY**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND PETROLEUM TELCOM, INC. FOR THE PORT POLICE RADIO SYSTEM REBANDING PROJECT, PHASE I**

**SUMMARY:**

Staff requests approval by the Board of Harbor Commissioners (Board) to enter into an Agreement with Petroleum Telcom, Inc. (Telcom), of Oxnard, California, for the Port Police Radio System Rebanding Project, Phase I. The proposed Agreement is for duration of one year and a not-to-exceed compensation amount of \$1,188,724.

The Port Police Rebanding Project is needed to comply with a provision in the Middle Class Tax Relief and Jobs Creation Act of 2012 (Spectrum Act). The Spectrum Act requires the existing Port Police radio system frequencies to be vacated by February 21, 2021, which requires the Harbor Department to implement a new radio system with new frequencies. The Port Police Radio System Rebanding Project is proposed to be completed in two phases. This request is for Phase I. A separate request for Phase II will be submitted in the future to the Board of Harbor Commissioners (Board) for consideration.

The Harbor Department released a Request for Proposals (RFP) on March 7, 2017, three proposals were received, of the three proposals, Telcom was selected as the strongest proposer.

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 exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III Class 3(4) 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 Telcom for a duration of one year and a not-to-exceed compensation amount of \$1,188,724;
4. Authorize the Executive Director to execute and the Board Secretary to attest; and
5. Adopt Resolution No. \_\_\_\_\_

**DISCUSSION:**

Background and Context – The Middle Class Tax Relief and Jobs Creation Act of 2012 became law on February 22, 2012. The Spectrum Act provision from this law requires that the existing Port Police radio system frequencies must be vacated by February 21, 2021. Vacating the existing frequencies will require the Harbor Department to implement a new radio system with new frequencies.

In order to comply with the Spectrum Act, the Information Technology Division (ITD) worked with the Federal Communications Commission (FCC) to acquire new frequencies. ITD received FCC approval for four new 700-Mhz frequencies on October 12, 2016. The FCC requires that these new frequencies be put into service within one year of approval.

In order to comply with both FCC and Spectrum Act requirements, the Port Police Radio System Rebanding Project is proposed to be completed in two phases. Phase I is for a limited radio system to comply with the FCC requirement. Phase II will be for the complete Port Police radio system to comply with the Spectrum Act requirement.

The current Port Police radio system will continue to be operational until the new radio system is implemented.

Proposed Agreement – The proposed Agreement (Transmittal 1) is for Phase I. The proposed Agreement will be for a duration of one year, and a not-to-exceed compensation amount of \$1,188,724.

The proposed Agreement includes limited radio system equipment and services to comply with the FCC requirement. This includes all necessary radio repeater stations, power systems, antennas, combiners, multiplexers, towers, shelters, accessories, materials and services.

The proposed Agreement is for one year, however, the work required to comply with the FCC requirement will be completed before the deadline to put the new frequencies into service from three tower locations.

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Selection Process – An RFP was released on March 7, 2017 and posted on the Harbor Departments website and the Los Angeles Business Assistance Virtual Network (LABAVN). A pre-proposal meeting was held on March 21, 2017 to review the RFP and answer any questions pertaining to the document. The Harbor Department received proposals from three companies by the April 26, 2017 deadline.

The proposals were evaluated by a selection committee comprised of two individuals from the ITD, one individual from the Port Police Division, and one external rater from the Los Angeles World Airports.

All four members of the selection committee independently reviewed and rated each proposal (Transmittal 2). Of the three companies that submitted proposals, Telcom was selected by the committee as the strongest proposer.

A separate procurement process will be conducted for Phase II in the future.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of an Agreement with Telcom for implementation of Phase I of the Port Police Radio System Rebanding Project. As an activity involving installation of new equipment and/or industrial facilities involving negligible or no expansion of use as required for safety, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article III Class 3(4) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of the proposed Agreement with Telcom authorizes the IT Division to proceed with the Port Police Radio System Rebanding Project, Phase I for a not-to-exceed compensation amount of \$1,188,274.

Funding for the proposed Agreement is available in the Harbor Department capital budget, Work Order 2542000, Center 1179, Program 641.

Fiscal Year	TOTAL
2017/18	\$ 1,188,724

The total radio system project cost for combined Phases I and II is estimated to be \$9,086,884. The proposed Agreement is for Phase I only. A separate Board action will be requested in the future for Phase II.

Upon completion of the radio system project, the ongoing operations and maintenance costs are anticipated to be the same as the current amount because the existing radio system will be replaced with the new radio system.

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Office space for one to three consultants will be used intermittently within the Harbor Department office space reserved for the IT Division. This office space will be used only when on-site work is required. 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.

**CITY ATTORNEY:**

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

**TRANSMITTALS:**

1. Agreement with Petroleum Telcom, Inc.
2. Selection Committee Scoring Summary

FIS Approval:  (initials)  
CA Approval:  (initials)



LANCE KANESHIRO  
Chief Information Officer



THOMAS E. GAZSI  
Chief of Public Safety and  
Emergency Management

APPROVED:



EUGENE D. SEROKA *FOK*  
Executive Director

LK:lk