



Executive Director's
Report to the

Board of Harbor Commissioners

DATE: JULY 7, 2020

FROM: INFORMATION TECHNOLOGY

SUBJECT: RESOLUTION NO. _____ - FIRST AMENDMENT TO AGREEMENT NO. 18-3550 BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND KNIGHT COMMUNICATIONS, INC. FOR PORT POLICE INFORMATION TECHNOLOGY SYSTEMS SUPPORT

SUMMARY:

Staff requests approval of the First Amendment to Agreement No. 18-3550 (First Amendment) with Knight Communications, Inc. (Knight). The proposed First Amendment is required in order to continue providing 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 First Amendment will extend the term of Agreement No. 18-3550 by two additional years, for a total of five years, and increase the not-to-exceed compensation amount by an additional \$3,600,000, for a total not-to-exceed compensation amount of \$8,400,000.

The recommendation to select Knight for Agreement No. 18-3550 was based on a competitive Request for Proposal (RFP) process performed by the Harbor Department. 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 incurred under Agreement No. 18-3550 are the financial responsibility of the Harbor Department.

RECOMMENDATION:

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

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 Section 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 First Amendment to Agreement No. 18-3550 to extend the existing Agreement to five years and increase the not-to-exceed compensation amount to \$8,400,000;
4. Direct the Board Secretary to transmit the First Amendment to Agreement No. 18-3550 to the Los Angeles City Council for approval pursuant to Section 373 of the Charter of the City of Los Angeles and Section 10.5 of the Los Angeles Administrative Code;
5. Authorize the Executive Director to execute and the Board Secretary to attest the said Agreement for and on behalf of the Board; and
6. 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.

At its meeting on January 11, 2018, the Board approved Agreement No. 18-3550 with Knight Communications. Services performed under the Agreement No. 18-3550 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 include technical work, such as maintaining data interfaces and complying with requirements from the Federal Communications Commission, Department of Justice and law enforcement agencies. Agreement No. 18-3550 is also 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.

In addition to 24x7 support and maintenance, Agreement No. 18-3550 is used for system enhancements, including a new radio repeater on Catalina Island to improve

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radio coverage, upgrades to the computer aided dispatch network, and expansion of mobile technologies such as additional mobile data computers, laptops, communication hardware and related software.

Agreement No. 18-3550 is for a not-to-exceed compensation amount of \$4,800,000 and a term of three years, which expires on January 22, 2021. The actual expenditure amount as of May 18, 2020 was \$3,740,743. Staff estimates that the full amount of the Agreement will be required.

Proposed First Amendment – The proposed First Agreement (Transmittal 1) is to continue 24x7 maintenance and support of the Port Police IT Systems for two additional years, for a total of five years, and increase the not-to-exceed compensation amount by \$3,600,000, for a total not-to-exceed compensation amount of \$8,400,000.

The estimated expenditures of the First Amendment are as follows:

- Continue maintenance and support of the Port Police IT systems for two additional years for an amount not-to-exceed \$3,200,000. On an annual basis, this is equal to the average annual not-to-exceed amount as the current Agreement.
- Additional maintenance and support for the enhancements to the Port Police IT systems for a not-to-exceed amount of \$400,000 over two years. The additional maintenance and support amount is based on estimated annual maintenance and support costs of 15% of the cost of the enhancements.

Expenditures based on actual needs will be incurred only when the Harbor Department authorizes services to be performed. Therefore, the actual expenditure could be less than \$8,400,000. However, staff estimates that the full amount of the Agreement will be required. All other terms and conditions remain unchanged.

The selection of Knight was based on a competitive RFP process performed by the Harbor Department. The RFP included language stating that the resulting Agreement was expected to be for a term of up to five years.

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 for approval of the First Amendment to Agreement No. 18-3550 between the City of Los Angeles Harbor Department and Knight Communications, Inc. for Port Police Information Technology systems maintenance and support services

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24x7, which is an activity involving continuing administrative, maintenance and personnel-related activities. Therefore, 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.

FINANCIAL IMPACT:

Approval of the proposed First Amendment will increase the not-to-exceed compensation amount by an additional \$3,600,000, for a total not-to-exceed compensation amount of \$8,400,000.

Fiscal Year (FY) 2020/21 funding in the amount of \$1,700,000 is available within the following accounts and cost centers:

Account	Center	Program	FY 20/21 Amount
13150 (Capitalized Equipment)	0640	000	\$228,000
54110 (Computer Maintenance - Software)	0640	000	\$100,000
54310 (Information Systems Consulting Svcs.)	0640	000	\$1,127,000
13150 (Capitalized Equipment)	0412	000	\$241,000
54110 (Computer Maintenance – Software)	0412	000	\$4,000
Total			\$1,700,000

Upon Board approval, funding for future fiscal years will be budgeted as shown in the table below:

Fiscal Year	Original Agreement No. 18-3550	First Amendment No. 18-3550	TOTAL
2017/18	\$735,942		\$735,942
2018/19	\$1,658,002		\$1,658,002
2019/20	\$1,606,056		\$1,606,056
2020/21	\$800,000	\$900,000	\$1,700,000
2021/22		\$1,800,000	\$1,800,000
2022/23		\$900,000	\$900,000
Total Not-To-Exceed	\$4,800,000	\$3,600,000	\$8,400,000

The actual expenditures may differ from the estimated amounts in any given account or fiscal year presented in the tables above. However, the total aggregate amount will not exceed \$8,400,000.

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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 First Amendment to Agreement No. 18-3550 as to form and legality.

TRANSMITTAL:

1. First Amendment to Agreement No. 18-3550

FIS Approval: 
CA Approval: 



LANCE KANESHIRO
Chief Information Officer



THOMAS E. GAZSI
Chief of Public Safety and Emergency
Management

APPROVED:



EUGENE D. SEROKA
Executive Director

LK:lk