

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: March 18, 2022

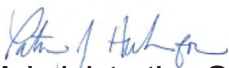
CAO File No. 0150-12029-0000

Council File No. 22-0281

Council District: 11

To: The Mayor

From: Matthew W. Szabo, City Administrative Officer



Reference: Communication from the Department of Airports dated December 16, 2021; referred by the Mayor for a report on December 16, 2021

Subject: **PROPOSED FIRST AMENDMENT TO CONTRACTS DA-5456 WITH BIRDI SYSTEMS, INC. AND DA-5457 WITH DIRECT A/V FOR ON-CALL INFORMATION TECHNOLOGY INFRASTRUCTURE OPERATIONS SUPPORT SERVICES AND INFORMATION TECHNOLOGY CAPITAL PROJECTS AT LOS ANGELES WORLD AIRPORTS**

RECOMMENDATION

That the Mayor:

1. Approve a proposed First Amendment to Contract No. DA-5456 with Birdi Systems, Inc. to extend the term to December 31, 2023, and add \$3,643,789 to the contract authority, for a total not-to-exceed \$6,893,789; Approve a proposed First Amendment to Contract DA-5457 with Direct A/V to extend the term to December 31, 2023, with no additional funding, subject to City Attorney approval as to form and compliance with the City's Standard Provisions, including: Living Wage Ordinance, Affirmative Action Program, Business Tax Registration Certification, Child Support Obligations Ordinance, Contractor Responsibility Program, First Source Hiring Program, Bidder Contributions CEC Form 55, MLO Bidder Contributions CEC Form 50, and Iran Contracting Act of 2010;
2. Authorize the Chief Executive Officer to execute the proposed First Amendments to Contract Nos. DA-5456 and DA-5457, upon approval by the Los Angeles City Council, and prior to the execution of the Amendments, Birdi Systems, Inc. and Direct A/V must:
 - a. Have approved insurance documents, in the terms and amounts required, on file with Los Angeles World Airports; and
 - b. Be determined by the Public Works, Office of Contract Compliance to be in full compliance with the provisions of the Equal Benefits Ordinance; and

3. Return the request to the Los Angeles World Airports for further processing, including Council Consideration.

SUMMARY

The Los Angeles World Airports (LAWA) Board of Airport Commissioners (BOAC) requests approval of the proposed amendments to two on-call Information Technology (IT) Infrastructure Professional Services contracts:

1. First Amendment to Contract No. DA-5456 with Birdi Systems, Inc. to extend the term of the contract to December 31, 2023, and add \$3,643,789 to the contract authority, for an amount not-to-exceed \$6,893,789.
2. First Amendment to Contract No. DA-5457 with Direct A/V to extend the term of the contract to December 31, 2023, with no additional funding.

Both aforementioned contracts are to provide continued support for on-call IT infrastructure services and IT capital projects, for a combined total not-to-exceed \$10,143,789. LAWA relies upon professional services contracts to provide specialized expertise not readily available through City resources to efficiently and sustainably deliver large-scale IT infrastructure improvement projects for a safer airport environment while minimizing negative impacts to airport operations. Without the adequate infrastructure to support LAWA's IT systems, LAX's safety, security, and operations would be severely compromised.

On July 16, 2020, the BOAC approved the awards for Contract No. DA-5456 with Birdi and Contract No. DA-5457 with Direct A/V for on-call IT infrastructure operations support services. The award amounts and contract terms were synonymous, with each Contractor receiving \$3,250,000 for a one-year term, and two renewal options. Before the expiration of the initial term, LAWA and the contractors mutually agreed to exercise the renewal option to extend the contract with Birdi and Direct AV to August 25, 2022 and August 26, 2022, respectively.

IT professional consultants provide LAWA with needed specialized expertise and the flexibility that allows the Department to adapt quickly and deliver technology advancement initiatives. Services provided by the consultants have resulted in accomplishments to further the progress of LAWA's infrastructure technology, such as the MSC Art Program LCD and LED monitor installations for digital art exhibits, Installation of 24 self-boarding gates (eGates) at Tom Bradley International Terminal (TBIT), Access Control and Alarm Monitoring Systems interlock modifications at West Gates at (TBIT), and other projects.

Approval of the proposed First Amendments will increase the contracting authority and appropriate capital funds to support forthcoming IT infrastructure improvement projects and on-call IT support services. LAWA staff reports that the proposed amendments will also provide the necessary contract capacity to sustain the prospective projects and unforeseen matters through the end of the new term – December 31, 2023.

The table below demonstrates the funding allocated towards the two Contracts, the respective expenditure activity for the calendar years 2021 and 2022, and the new contract authority.

Contractor	Current Contract Authority	Expenditures to Date	Remaining Contract Authority	First Amendment Increase	New Contract Authority
Birdi Systems, Inc.	\$3,250,000	\$1,705,461	\$1,544,539	\$3,643,789	\$6,893,789
Direct A/V	\$3,250,000	\$277,037	\$2,972,963	\$0	\$3,250,000
Combined Total	\$6,500,000	\$1,982,498	\$4,517,502	\$3,643,789	\$10,143,789

The Department notes that execution of the First Amendment to the Birdi contract gives way for the contractor to complete essential upgrades to LAWA's IT infrastructure and Capital Projects at LAX, which consist of the TBIT eGates Phase II and Access Control and Alarm Monitoring System (ACAMS) Replacement Phase II. Details for each of the respective capital projects are explained below:

- TBIT eGates Phase II – expanded implementation of eGates at nine departure gates to demonstrate LAWA's commitment to the Department of Homeland Security Biometric Exit Program by increasing LAWA's biometric exit systems from approximately 60 percent to 90 percent. Planning and design are currently underway and work is expected to commence by April 2022.
- ACAMS Replacement Phase II – migrates ACAMS field equipment to the new Lenel OnGuard system at West gates at TBIT, Terminal 1.5, and Taxiway P. Migration to Lenel ensures continuous manufacturer support of ACAMS enabling LAWA to comply with Transportation Security Administration regulations.

LAWA solicited quotes for delivery of the aforementioned scope of work from Convergent Technologies, LLC (Convergent), Direct A/V, and Birdi. After three and one-half weeks, Convergent failed to produce a quote and Direct A/V's cost estimate came in \$1.1 million higher than Birdi's. Thus, Birdi was the selected contractor to provide the IT Infrastructure Professional Services to LAWA. Not only did Birdi produce the lowest estimate, but the company also has a wealth of experience and positive outcomes with various LAWA infrastructure projects such as the Midfield Satellite Concourse, Terminal 1.5, and Airport Police Facility.

Although Direct A/V's pricing was not feasible to accommodate the intended projects, LAWA indicated that extending Direct A/V's contract expiration date will enable the Contractor to compete for forthcoming infrastructure projects and on-call services.

The Department's Procurement Services staff has reviewed the proposed action (File No. 9038) and established mandatory 20 percent Small Business Enterprise (SBE), 5 percent Local Business Enterprise (LBE), and 3 percent Local Small Business Enterprise (LSBE) goals for this project. As reported by LAWA staff, both Birdi Systems, Inc. and Direct A/V committed to 100 percent participation for SBE, LBE, and LSBE objectives. To date, both Birdi and Direct A/V have achieved

100 per participation levels for each inclusivity category by virtue of their SBE/LBE/LSBE certification.

The BOAC approved the proposed Amendments at its meeting on December 16, 2021. Actions taken on this item by the BOAC will become final pursuant to the provisions of the Los Angeles City Charter Section 373.

FISCAL IMPACT STATEMENT

Approval of the proposed First Amendment to extend Contract No. DA-5456 with Birdi Systems, Inc. and Contract No. DA-5457 with Direct A/V, in addition to increasing Birdi's contract authority by \$3,643,789 will have no impact on the General Fund. A total of \$7,552,382 will be appropriated from the LAX Revenue Fund and allocated to WBS Element 1.22.10A-700 (LAX TBIT Automated Biometric Boarding Gates – Phase II) and WBS Element 1.22.11A-700 (ACAMS Replacement Project – Phase II) in the respective amounts of \$4,892,806 and \$2,659,576. Associated costs will continue to be recovered through landing fees, terminal building rates and charges, and non-aeronautical revenues. This project complies with the Department of Airport's adopted Financial Policies.