

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: March 7, 2023

CAO File No. 0150-11815-0001

Council File No. 21-0072

Council District: 11

To: The Mayor

From: Matthew W. Szabo,  City Administrative Officer

Reference: Correspondence from Los Angeles World Airports dated December 1, 2022 and December 15, 2022; referred by the Mayor for a report on December 1, 2022

Subject: **PROPOSED SECOND AMENDMENT TO CONTRACT DA-5249 WITH TELOS IDENTITY MANAGEMENT SOLUTIONS, LLC FOR BACKGROUND AND FINGERPRINT CLEARANCE SERVICES**

RECOMMENDATION

That the Mayor:

1. Approve Los Angeles World Airports (LAWA) Resolution No. 27634 authorizing a Second Amendment to Contract DA-5249 (Contract; Agreement) with Telos Identity Management Solutions, LLC (Telos; Contractor) to continue providing Designated Aviation Channeling services for an additional one year, including a one-year renewal option, with no change in compensation; and
2. Authorize the Chief Executive Officer of LAWA to execute the proposed Second Amendment to the Agreement and return the Resolution documents to LAWA for further processing, including Council consideration.

SUMMARY

On December 1, 2022, the Los Angeles World Airports (LAWA; Department) Board of Airport Commissioners (BOAC; Board) requested approval to execute a proposed Second Amendment (Amendment) to Contract DA-5249 (Contract; Agreement) with Telos Identity Management Solutions, LLC (Telos) to continue providing certified Designated Aviation Channeling (DAC) services to LAWA. Approval of the proposed Amendment will extend the term of the Contract by one year, through January 2, 2024, with a one-year renewal option through January 3, 2025, if necessary, for a total contract term of seven years. Except for this provision change, all other terms and conditions of the Contract remain in force, including the funding authority, which remains at a not-to-exceed amount of \$3,137,655.

BACKGROUND

LAWA is required, under the Transportation Security Administration (TSA) regulations and security directives, to process fingerprint-based Criminal History Record Checks, Security Threat Assessments, and subscribe to the Federal Bureau of Investigation (FBI) Record of Arrest and Prosecution Background (RAP Back) services through a DAC service provider certified by the TSA. This is a service that employers use to continuously monitor an employee's criminal and arrest records by obtaining alerts from the FBI if there are any additions to an employee's FBI records. All employees, contractors, and other stakeholders who demonstrate an operational need for access to restricted or sterile areas of the airport must go through LAWA's existing TSA-approved Credentialing System for fingerprinting and badging processes. Currently, there are approximately 57,000 credential holders at Los Angeles International Airport (LAX).

In November 2017, the BOAC authorized LAWA to execute the three-year Contract with Telos to provide DAC services for the Airport Police Division and the Security Credentials Section effective January 3, 2018 through January 2, 2021. This action was succeeded by a First Amendment on November 19, 2020, to extend the term for an additional year, with a one-year renewal option concluding on January 2, 2023 (Council File No. 21-0072). A Second Amendment to extend the contract is necessary to maintain compliance with TSA regulations and security directives while LAX undergoes a transformation from the current Credentialing System to a new Information Management and Credentialing System (IMCS). Extending the prevailing contract with Telos will guarantee continuous TSA compliance as the Department engages in a Request for Proposals (RFP) process for the selection of a new DAC service provider.

Competitive Selection Process - On March 1, 2021, LAWA released an RFP for a new certified DAC services contractor. American Association of Airport Executives (AAAE) and Telos were the only respondents to the solicitation. Upon examination of each firm's proposal, AAAE was deemed to have the strongest bid and most favorable references. LAWA was prepared to go to the Board and request authorization to execute a three-year contract with AAAE. Conversely, in November 2022, the City Attorney advised that it was in the best interest of LAWA to pursue a contract extension with Telos through a second amendment because there was not adequate time on the existing contract to properly transition to a new contractor and integrate a new system.

Go-live Postponements - There have been a series of go-live delays to enable Telos sufficient time to develop a high-quality product and provide user training to all stakeholders. After careful consideration, the latest commissioning date of February 27, 2023 was suspended because the contractor is collaborating with the product developers to further refine the system and ensure that it is programmed to deliver the desired results as prescribed in the Contract. Currently, the Department has not identified a new go-live date. The formal launch date is contingent upon unilateral approvals granted by LAWA's Deputy Executive Director of Information Technology and the Deputy Executive Director of Public Safety and Security. Once the IMCS is put into service, Telos will implement a post-commission phase to add enhancements features to the system, along with a two-month testing period. Full implementation of the new IMCS is expected to occur before June 30, 2023. Given that the IMCS is near full-scale, LAWA began working with the City Attorney to resume contract preparations for DAC services with AAAE.

Rising Cost and Funding – Fingerprint and RAP Back enrollment fees are projected to rebound to pre-pandemic badging application levels. As a result, expenditures are forecasted to rise in excess of \$360,000 for the calendar year 2023. Additionally, the FBI increased its RAP Back fees. As indicated in the Telos contract, any increase in third-party fees will result in Telos increasing its pricing by the equivalent amount to offset any cost differentials. Effective January 2023, Telos increased its application fees from \$12.95 to \$18, a 39 percent increase. LAWA indicates that there is sufficient contract capacity to cover the one-year extension, including the renewal period if exercised, and the forthcoming enrollment in the U.S. Customs and Border Protection E-Badge Program. The table below summarizes the expense activities from the execution date of the Agreement through January 31, 2023.

| Telos Identity Management Solutions, LLC Contract No. DA-5249 | |
|--|--------------------|
| Description of Budget Activities by Fiscal Year | Amount |
| Total Contract Authority as of January 2, 2018 | \$3,137,655 |
| 2018 Expenditures | \$268,390 |
| 2019 Expenditures | \$427,556 |
| 2020 Expenditures | \$323,477 |
| 2021 Expenditures | \$282,857 |
| 2022 Expenditures | \$258,289 |
| 2023 Expenditures | \$132,649 |
| Total Expenditures as of December 31, 2022 | \$1,693,218 |
| Remaining Contract Value (Total Authority less Total Expenditures) | \$1,444,437 |

CITY COMPLIANCE

The City Attorney has reviewed and approved the proposed Second Amendment as to form and legality. The Proposed Second Amendment and Agreement include provisions to ensure compliance with applicable City Ordinances, contracting, and insurance requirements. In accordance with Charter Section 373 and Administrative Code Section 10.5(a) and 10.5(b)(2), the Amendment and Agreement require Council approval because the total term of the Agreement exceeds three years. The Department’s Procurement Services Division staff has reviewed this action (File No. 10042636) and determined that no subcontracting opportunities were identified, subsequently, no mandatory Business Enterprise goals for this project were established.

FISCAL IMPACT STATEMENT

Approval of the proposed Second Amendment to Contract DA-5249 with Telos Identity Management Solutions, LLC, to extend the term by one year, with a one-year renewal option, for a cost not-to-exceed \$3,137,655 will have no impact on the City’s General Fund. The proposed Agreement is funded in the Los Angeles World Airport (LAWA) 2022-23 Operating Budget in LAX Cost Center. The actions of the proposed request comply with the LAWA’s adopted Financial Policies.

December 07, 2022

The Honorable Eric Garcetti
Mayor, City of Los Angeles
City Hall – Room 303
Los Angeles, CA 90012

ATTN: Heleen Ramirez
Legislative Coordinator

LAX

Van Nuys

City of Los Angeles

Eric Garcetti
Mayor

Board of Airport
Commissioners

Beatrice C. Hsu
President

Valeria C. Velasco
Vice President

Gabriel L. Eshaghian
Nicholas P. Roxborough
Belinda M. Vega
Karim Webb

Justin Erbacci
Chief Executive Officer

RE: Request for approval of a Second Amendment to Contract No. DA-5249 with Telos Identity Management Solutions, LLC

In accordance with Executive Directive No. 4, we are transmitting a copy of the specified board report for the request for approval of a Second Amendment to Contract No. DA-5249 with Telos Identity Management Solutions, LLC, to extend the contract term by one year through January 2, 2024, with a one-year renewal option through January 3, 2025, and no additional funding authority, to continue providing certified Designated Aviation Channeling services to Los Angeles World Airports.

City Council approval is required pursuant to Section 373 of the Los Angeles City Charter.

Sincerely,



Justin Erbacci
Chief Executive Officer

JPE:MSA:KSF
Attachments





Report to the BOARD OF AIRPORT COMMISSIONERS

| | | | | |
|--|--|-------------|---|-----------|
| Approver: Martin Elam, Deputy Executive Director Public Safety & Security | Meeting Date 12/1/2022 | | | |
| | Needs Council Approval: <input checked="" type="checkbox"/> Y | | | |
| Reviewer: Brian C. Ostler, City Attorney <i>DTD</i> | Reviewed for/by | Date | Approval Status | By |
| | Finance | 11/10/2022 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> NA | JS |
| | CEQA | 11/7/2022 | <input checked="" type="checkbox"/> Y | JO |
| | Procurement | 11/10/2022 | <input type="checkbox"/> Y <input checked="" type="checkbox"/> Cond | QM |
| | Guest Experience | 11/18/2022 | <input checked="" type="checkbox"/> Y | TB |
| | Strategic Planning | 11/4/2022 | <input checked="" type="checkbox"/> Y | BNZ |
| Justin Erbacci (Nov 21, 2022 16:56 PST) Justin Erbacci, Chief Executive Officer | | | | |

SUBJECT

Request for approval of a Second Amendment to Contract No. DA-5249 with Telos Identity Management Solutions, LLC, to extend the contract term by one year through January 2, 2024, with a one-year renewal option through January 3, 2025, and no additional funding authority, to continue providing certified Designated Aviation Channeling services to Los Angeles World Airports.

RECOMMENDATIONS

Management RECOMMENDS that the Board of Airport Commissioners:

- ADOPT the Staff Report.
- DETERMINE that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.
- APPROVE the Second Amendment to Contract No. DA-5249 with Telos Identity Management Solutions, LLC, extending the contract for one year ending on January 2, 2024, with a one-year renewal option through January 3, 2025, with no additional funding authority.
- AUTHORIZE the Chief Executive Officer, or designee, to execute the Second Amendment after approval as to form by the City Attorney and approval by the Los Angeles City Council.

DISCUSSION

1. Purpose

The purpose of the requested action is to extend the current contract with Telos Management Solutions, LLC (Telos) through January 2, 2024, for processing, transmission, storage, and management of FBI fingerprint-based initial criminal history records, subsequent FBI Record of Arrest and Prosecution Background (RAP Back) notification records, and security threat assessment records, in compliance with the Transportation Security Administration (TSA) mandates to utilize Designated Aviation Channeling (DAC) services.

2. Prior Related Actions/History of Board Actions

- **October 21, 2004 – Resolution No. 22509 (DA -3988)**
The Board of Airport Commissioners (Board) approved authorization for the Executive Director to execute a 10-year City of Los Angeles contract with Transportation Security Clearinghouse (TSC) for background clearance services and replenishment of the revolving working capital account to be maintained at not less than \$200,000 through periodic reimbursements based on statements of actual expenses incurred.
- **December 10, 2014 – Resolution No. 25520 (DA-4940)**
The Board approved authorization for the Executive Director to execute a two-year City of Los Angeles contract with TSC for background clearance services and replenishment of the revolving working capital account to be maintained at no less than \$200,000 through periodic reimbursements based on statements of actual expenses incurred.
- **November 2, 2017 – Resolution No. 26365 (DA-5249)**
The Board approved authorization for the Chief Executive Officer to execute a three-year City of Los Angeles contract with Telos Identity Management Solutions, LLC for Designated Aviation Channeling Services for the Airport Police Division, Security Credentials Section, for an amount not to exceed \$3,137,655 at Los Angeles International Airport.
- **November 19, 2020 – Resolution No. 27135 (DA-5249)**
The Board approved a contract extension through January 2, 2022, with a one-year renewal option, to maintain compliance with TSA regulations and security directives while Los Angeles International Airport undergoes transition from the current Credentialing System to the new Information Management and Credentialing System, as well as a Request for Proposals process to evaluate and process Designated Aviation Channeling Services providers.

3. Current Action/Rationale

The Transportation Security Administration's regulations and security directives require LAWA to process fingerprint-based Criminal History Record Checks and Security Threat Assessments, and to subscribe to the TSA's FBI RAP Back services through a TSA-certified DAC service provider. RAP Back is a service that employers can use to continuously monitor their employees' criminal and arrest records by receiving alerts from the FBI if there are any additions to an employee's FBI records. The current contracted DAC services

provider, Telos, is operating on an extension to a three-year contract that will expire on January 3, 2023.

An additional contract extension with Telos is necessary to maintain continuity of fingerprinting and badging operations as Los Angeles World Airports (LAWA) transitions to the new LAWA Information Management and Credentialing System (IMCS). Los Angeles World Airports' Information Technology Group has estimated that testing, training, and implementing the replacement system will take an additional six months. It is, therefore, prudent to extend the current Telos contract to guarantee continuous DAC services through the transition to the new IMCS allowing the Security Credentials Section to remain compliant with the TSA regulations pursuant to the Code of Federal Regulations (CFR) Title 49, Part 1542, as staff conduct background checks on all airport workers that require access to secure or restricted areas. This is essential to allow the Security Badge Office staff to issue security credentials to new and current badge applicants who require fingerprinting and badging (LAWA has on average 57,000 such credential holders).

Staff requests that the Board authorize the Chief Executive Officer, or designee, to execute the Second Amendment to Contract No. DA-5249 with Telos, to extend the current contract beyond the current expiration date of January 2, 2023, by one year, with a new expiration date of January 2, 2024. This extension will operate under the same terms and conditions as the current contract, with an additional one-year renewal option, utilizing the current funding authority.

Expenditures on the contract to-date are \$1,641,104, with a remaining contract authority of \$1,496,550. While there has been an increase in rates for fingerprint-related services by Telos, the increase should not exceed the contract authority during the contract term extension.

How This Action Advances a Specific Strategic Plan Goal and Objective

This action advances LAWA's strategic goal and objective: *Innovate to Enhance Security, Efficiency & Effectiveness: Innovate to keep airports safe and secure.* The proposed contract extension will allow for continuity of fingerprint and badging services for all aviation workers, through the mandated FBI-based fingerprinting and utilizing the services of a TSA-certified DAC to transmit and manage the Criminal History Record Checks, Security Threat Assessments, and TSA's FBI RAP Back program for all aviation workers requiring such services as LAWA transitions to the new LAWA IMCS and subsequent enrollment in the US Customs and Border Protection E-Badge Program. The goal and objective are to optimize an effective and efficient badging operation for LAWA stakeholders and provide the highest level of security for LAWA, airport employees, and the general public.

4. Selection Process

The current contract with Telos was awarded through a competitive process.

5. Fiscal Impact

Approval of this item will result in no additional impact on the operating budget as it merely extends the term of the contract without further increases to the contract authority amount.

6. Alternatives Considered

No alternatives were considered as it is imperative that LAWA have a contract with a Designated Aviation Channeling service provider to comply with TSA security regulations. These services must be maintained without interruption.

APPROPRIATIONS

Funds for this contract are currently available in the Fiscal Year 2022-2023 Los Angeles World Airports Operating Budget in LAX Cost Center 1160022 – Security Credentials Section, Commitment Item 520 – Contractual Services. Funding for subsequent years will be requested as part of the annual budget process.

STANDARD PROVISIONS

1. This item, as a continuing administrative, maintenance and personnel-related activity, is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.
2. The proposed document(s) is/are subject to approval as to form by the City Attorney.
3. Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 373.
4. Telos Identity Management Solutions, LLC will comply with the provisions of the Living Wage/Worker Retention Ordinances.
5. Procurement Services has reviewed this action (File No. 10042636). No Small Business Enterprise, Local Business Enterprise/Local Small Business Enterprise, and Disabled Veterans Business Enterprise goals were set for this project, as no subcontracting opportunities were identified.
6. Telos Identity Management Solutions, LLC will comply with the provisions of the Affirmative Action Program.
7. Telos Identity Management Solutions, LLC has been assigned Business Tax Registration Certificate Number 0003017783-0001-0.
8. Telos Identity Management Solutions, LLC will comply with the provisions of the Child Support Obligations Ordinance.
9. Telos Identity Management Solutions, LLC has approved insurance documents, in the terms and amounts required, on file with Los Angeles World Airports.
10. Pursuant to Charter Section 1022, staff determined the work specified on the proposed contract can be performed more feasibly or economically by an Independent Contractor than by City employees.
11. Telos Identity Management Solutions, LLC has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.

12. Telos Identity Management Solutions, LLC must be determined by Public Works, Office of Contract Compliance, to be in full compliance with the provisions of the Equal Benefits Ordinance prior to execution of the contract amendment.
13. Telos Identity Management Solutions, LLC will comply with the provisions of the First Source Hiring Program for all non-trade Airport jobs.
14. Telos Identity Management Solutions, LLC has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.
15. Telos Identity Management Solutions, LLC has submitted the Municipal Lobbying Ordinance CEC Form 50 and will comply with its provisions.
16. Telos Identity Management Solutions, LLC has submitted and will comply with the provisions of the Iran Contracting Act of 2010 Compliance Affidavit.



December 15, 2022

The Honorable City Council
of the City of Los Angeles
City Hall, Room 395
Los Angeles, CA 90012

Subject: Second Amendment to Contract DA-5249 with Telos Identity Management Solutions, LLC

Pursuant to Section 373 of the City Charter, enclosed for your approval is the Second Amendment to Contract DA-5249 with Telos Identity Management Solutions, LLC that was approved by the Board of Airport Commissioners at its December 1, 2022 meeting. There is no impact to the General Fund.

RECOMMENDATIONS FOR CITY COUNCIL:

1. Adopt the determination by said Board that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines; and
2. Approve the Second Amendment to Contract DA-5249 with Telos Identity Management Solutions, LLC, to extend the term through January 2, 2024, with a one (1)-year renewal option, covering certified designated aviation channeling services for Los Angeles World Airports; and
3. Concur with said Board's action on December 1, 2022, by Resolution 27634, authorizing the Chief Executive Officer, or designee, of Los Angeles World Airports to execute said Second Amendment to Contract DA-5249 with Telos Identity Management Solutions, LLC.

Very truly yours,

Grace Miguel, Commission Executive Assistant II
BOARD OF AIRPORT COMMISSIONERS

Enclosures

- cc: Trade, Travel and Tourism Committee
Councilmember Buscaino, e-file
Councilmember Bonin, e-file
Councilmember Lee, e-file
CAO (Airport Analyst), e-file
CLA (Airport Analyst), e-file
City Clerk's Office, e-file



RESOLUTION NO. 27634

WHEREAS, on recommendation of Management, there was presented for approval, Second Amendment to Contract DA-5249 with Telos Identity Management Solutions, LLC to extend the term through January 2, 2024, with a one (1)-year renewal option, covering certified designated aviation channeling services for Los Angeles World Airports; and

WHEREAS, the regulations and security directives of the Transportation Security Administration (TSA) require Los Angeles World Airports (LAWA) to process fingerprint-based Criminal History Record Checks and Security Threat Assessments, and to subscribe to TSA's Federal Bureau of Investigation (FBI) Record of Arrest and Prosecution Background (RAP Back) services through a TSA-certified designated aviation channeling (DAC) service provider. RAP Back is a service that employers can use to continuously monitor their employees' criminal and arrest records by receiving alerts from the FBI if there are any additions to an employee's FBI records. The current contracted DAC service provider, Telos Identity Management Solutions, LLC (Telos), is operating on an extension to its three (3)-year contract (DA-5249) that will expire on January 3, 2023; and

WHEREAS, an additional contract extension with Telos is necessary to maintain continuity of fingerprinting and badging operations as LAWA transitions to the new LAWA Information Management and Credentialing System (IMCS). LAWA's Information Technology Group has estimated that testing, training, and implementing the replacement system will take an additional six (6) months. It is, therefore, prudent to extend the Telos contract to guarantee continuous DAC services through the transition to the new IMCS allowing the Security Credentials Section to remain compliant with the TSA regulations pursuant to the Code of Federal Regulations Title 49, Part 1542, as staff conduct background checks on all airport workers that require access to secure or restricted areas. This is essential to allow the Security Badge Office staff to issue security credentials to new and current badge applicants who require fingerprinting and badging. LAWA has on average 57,000 such credential holders; and

WHEREAS, contract expenditures to-date are \$1,641,104, with a remaining contract authority of \$1,496,550. While there has been an increase in rates for fingerprint-related services by Telos, the increase should not exceed the contract authority during the contract term extension; and

WHEREAS, funds for the contract are currently available in the Fiscal Year 2022-2023 LAWA Operating Budget in LAX Cost Center 1160022 – Security Credentials Section, Commitment Item 520 – Contractual Services. Funding for subsequent years will be requested as part of the annual budget process; and

WHEREAS, this item, as a continuing administrative, maintenance and personnel-related activity, is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines; and

WHEREAS, Telos will comply with the provisions of the Living Wage/Worker Retention Ordinances, Affirmative Action Program, and Child Support Obligations Ordinance; and

WHEREAS, Telos is assigned Business Tax Registration Certificate 0003017783-0001-0; and

WHEREAS, Telos has approved insurance documents, in the terms and amounts required, on file with LAWA; and

LAX
Van Nuys
City of Los Angeles
Eric Garcetti
Mayor
Board of Airport
Commissioners
Beatrice C. Hsu
President
Valeria C. Velasco
Vice President
Gabriel L. Eshaghian
Nicholas P. Roxborough
Belinda M. Vega
Karim Webb
Justin Erbacci
Chief Executive Officer



WHEREAS, pursuant to Charter Section 1022, staff determined that the work specified on the contract can be performed more feasibly or economically by an Independent Contractor than by City employees; and

WHEREAS, Telos has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance, and will comply with the provisions of said program; and

WHEREAS, Telos must be determined by Public Works, Office of Contract Compliance, to be in full compliance with the provisions of the Equal Benefits Ordinance prior to execution of the Amendment; and

WHEREAS, Telos will comply with the provisions of the First Source Hiring Program for all non-trade Los Angeles International Airport jobs; and

WHEREAS, Telos has submitted the Bidder Contributions CEC Form 55, and will comply with its provisions; and

WHEREAS, Telos has submitted the Municipal Lobbying Ordinance CEC Form 50, and will comply with its provisions; and

WHEREAS, Telos has submitted and will comply with the provisions of the Iran Contracting Act of 2010 Compliance Affidavit; and

WHEREAS, actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 373;

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners adopted the Staff Report; determined that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines; approved the Second Amendment to Contract DA-5249 with Telos Identity Management Solutions, LLC to extend the term through January 2, 2024, with a one (1)-year renewal option, covering certified designated aviation channeling services for Los Angeles World Airports; and authorized the Chief Executive Officer, or designee, to execute said Second Amendment to Contract DA-5249 with Telos Identity Management Solutions, LLC after approval as to form by the City Attorney and approval by the Los Angeles City Council.

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I hereby certify that this Resolution No. 27634 is true and correct, as adopted by the Board of Airport Commissioners at its Regular Meeting held on Thursday, December 1, 2022.



Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS

SECOND AMENDMENT TO THE CONTRACT BETWEEN
THE CITY OF LOS ANGELES AND
TELOS IDENTITY MANAGEMENT SOLUTIONS, LLC

This Second Amendment is made and entered into this _____ day of _____, 2022, at Los Angeles, California by and between the City of Los Angeles, a municipal corporation (hereinafter referred to as “City”), acting by and through the Board of Airport Commissioners (hereinafter referred to as “Board”) of the Department of Airports (hereinafter referred to as “Department” or “LAWA”) and Telos Identity Management Solutions LLC (hereinafter referred to as “Contractor”).

RECITALS

WHEREAS, City and Contractor entered into a contract (hereinafter referred to as “Contract”) dated November 29, 2017 for live, real time customer service, detailed account management, and technical and operational support for background checks on all airport workers at LAWA for the Department and as amended; and,

WHEREAS, the parties hereto desire to amend this Contract.

NOW, THEREFORE, in consideration of the covenants and conditions hereinafter contained to be kept and performed by the respective parties hereto, IT IS MUTUALLY AGREED that the Contract BE AMENDED AS FOLLOWS:

Section 1.0 Subsection 1.1 of Section 1.0, Term of Contract, is deleted in its entirety and replaced with the following:

“The term of the Contract shall be for a period commencing on January 3, 2018 and shall terminate on January 2, 2024, unless otherwise terminated as set forth in this Contract.”

Section 2.0 Subsection 2. 1 of Section 2.0 Incorporation by Reference, is hereby amended to include the attached revised pricing via quote number 112120223 issued to the City November 21, 2022 for period effective January 3, 2023 through January 2, 2024. Any conflict between this Contract and the attached pricing quote number 112120223 shall be resolved in favor of this Contract.”

Section 3.0 Section 16.0, Miscellaneous Provisions, is amended by adding the following as Subsection 16.10:

“This Amendment and any other document necessary for the consummation of the transaction contemplated by this Contract and amendments thereto may be executed in

counterparts, including counterparts that are manually executed and counterparts that are in the form of electronic records and are electronically executed. An electronic signature means a signature that is executed by symbol attached to or logically associate with a record and adopted by a party with the intent to sign such record, including facsimile or e-mail signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Amendment to the Contract and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called PDF format shall be legal and binding and shall have the same full force and effect as if a paper original of this Amendment to the Contract had been delivered that had been signed using a handwritten signature. All parties to this Amendment to the Contract (i) agree that an electronic signature, whether digital or encrypted, of a party to this Amendment to the Contract is intended to authenticate this writing and to have the same force and effect as a manual signature; (ii) intended to be bound by the signatures (whether original, faxed, or electronic) on any document sent or delivered by facsimile or electronic mail or other electronic means; (iii) are aware that the other party(ies) will rely on such signatures; and, (iv) hereby waive any defenses to the enforcement of the terms of this Amendment to the Contract based on the foregoing forms of signature. If this Amendment to the Contract has been executed by electronic signature, all parties executing this document are expressly consenting, under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 (“E-SIGN”) and the California Uniform Electronic Transactions Act (“UETA”) (California Civil Code § 1633.1 et seq.), that a signature by fax, e-mail, or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

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Section 4.0 It is understood and agreed by and between the parties hereto that, except as specifically provided herein, this Second Amendment shall not in any manner alter, change, modify, or affect any of the rights, privileges, duties or obligations of either of the parties hereto under or by reason of the Contract and except as expressly amended herein, all terms, covenants, and conditions of the Contract and all amendments thereto, shall remain in full force and effect.

IN WITNESS WHEREOF, the Department has caused this Second Amendment to be executed on its behalf by the Chief Executive Office and Contractor has caused the same to be executed by its duly authorized officers, all as of the day and year first hereinabove written.

APPROVED AS TO FORM: CITY OF LOS ANGELES
~~MICHEL N. FEUER~~, *Hydee Feldstein Soto*
City Attorney

Date: Jan 4, 2023
By: *Brian C. [Signature]*
Deputy/Assistant City Attorney

By: _____
Chief Executive Officer
Department of Airports

By: _____
Chief Financial Officer

ATTEST:
By: *[Signature]*
Signature (Secretary)
Heleen M. Oh
Print Name

TELOS IDENTITY MANAGEMENT SOLUTIONS, LLC
By: *[Signature]*
Signature
SHARON A KING
Print Name

[SEAL]

SR CONTRACTS ADMINISTRATOR
Print Title



Telos Identity Management Solutions, LLC
 19886 Ashburn Road
 Ashburn, VA 20147-2358
 Phone: 1.800.876.1961
 Fax: 703.724.3867

| | |
|---------------|----------------|
| Quote Number | 112120223 |
| Contract | Open Market |
| Salesperson | Dawn E. Lucini |
| Phone | 571/271-7520 |
| Business Area | |

Sales Quotation

Customer

| | | | |
|----------------|---|-------|--------------|
| Name | Frances E. Bellot, Chief Management Analyst | Phone | 424/646-5502 |
| Address 1 | Office of Homeland Security & Intelligence, Cred. Section | | |
| Address 2 | Los Angeles World Airports - Airport Police Division | | |
| City/State/Zip | 1 World Way, Los Angeles, CA 90045-5803 | | |
| E-mail | FBellot@lawa.org | | |

Dates

| | |
|--------------|------------|
| Quote Issued | 11/21/2022 |
|--------------|------------|

| Description | Quantity | Unit | Price | Extended |
|---|----------|------|---------|----------|
| RAP BACK Subscription, per enrollment and/or enrolled person, per year | 1 | ea | \$3.00 | \$3.00 |
| Fingerprint Submission Price per Applicant (CHRC) | 1 | ea | \$15.00 | \$15.00 |
| Electronic Record Maintenance, One-Time Fee | 1 | ea | \$7.00 | \$7.00 |
| <p>Note: (1) Data reconciliation, grandfathering of existing badge records into the DAC, account management, help desk, and web training are included in fingerprint submission pricing. (2) Any increase in the FBI Rap Back Fee will result in Telos ID increase (equivalent to FBI Rap Back Fee increase) in pricing for LAWA Pricing inclusive of initial training webinar, inclusive of training guides; upon request, recurrent training webinar. (3) Effective January 1, 2019, the FBI CHRC fee, per submission, is \$11.25. Any increase in the FBI CHRC fee will result in Telos ID increase (equivalent to FBI CHRC fee increase) in pricing for LAWA. (4) In lieu of STA fee, LAWA will be charged a one-time electronic record maintenance fee. (5) Telos ID will not charge LAWA for current integration with LAWA IDMS - Birdi FISC and/or pending/new LAWA IDMS - Alert Enterprise Guardian. (6) Telos ID not responsible for any costs borne by LAWA and/or Birdi and/or Alert Enterprise and/or other organizations supporting third party system providers (Birdi/Alert Enterprise), to support/enable integration with the Telos ID DAC</p> | | | | |

Terms & Conditions

- [1] This Quote/Agreement between Telos Identity Management Solutions, LLD ("Telos ID") and Buyer, effective on the date signed below, is binding on both parties subject to the terms and conditions herein.
- [2] This quote is valid for 30 days from the date the Quote was issued.
- [3] Pricing shown is good for one year from date of execution and subject to change after one year.
- [4] Material within this document is Telos ID confidential and proprietary information and shall not be shared without Telos ID written permission.
- [5] Payment terms are 30 days upon receipt of invoice.
- [6] Cage Code 4R8K3, DUNNS 797901993, Tax ID # 208829067.
- [7] Period of Performance is 1 year from Telos ID DAC start date with automatic renewal for successive 1-year term; 30 day termination notice.
- [8] Except as otherwise stated Buyer acknowledges that Telos ID and its licensors retain all Intellectual Property Rights and title in and to all of their Confidential Information or other proprietary information, products, services, and any derivative works.
- [9] The total liability, if any, of either party, including but not limited to, liability arising out of contract, tort, claims by third parties or otherwise, shall not in any event exceed the amount of fees paid by the Buyer under Buyer's order. In no event shall either of the parties hereto be liable to the other for payment of any consequential, incidental, indirect, or special damages, including lost profits, even if one party has advised the other party of the possibility of such damages.

Customer Acceptance

Name _____ Date _____

Title: _____

Signature: _____

Billing address _____

City/State _____

Email Address _____