



Los Angeles World Airports

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Item Number  
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## REPORT TO THE BOARD OF AIRPORT COMMISSIONERS

*Aura Moore*

Reviewed by: Aura Moore, Deputy Executive Director and Chief Information Officer

*Brian C. Ostler*  
Brian Ostler (Feb 10, 2022 13:56 PST)

Brian C. Ostler, City Attorney

*Justin Erbacci*  
Justin Erbacci (Feb 10, 2022 14:16 PST)  
Justin Erbacci, Chief Executive Officer

### Meeting Date

2/17/2022

Needs Council Approval: ☒ Y

<u>Reviewed for / by</u>	<u>Date</u>	<u>Approval Status</u>	<u>By</u>
Finance	2/9/2022	<input checked="" type="checkbox"/> Y <input type="checkbox"/> NA	JS
CEQA	1/28/2022	<input checked="" type="checkbox"/> Y	VW
Procurement	2/1/2022	<input type="checkbox"/> Y <input checked="" type="checkbox"/> Cond	BG
Guest Experience	2/4/2022	<input checked="" type="checkbox"/> Y	TB
Strategic Planning	2/1/2022	<input checked="" type="checkbox"/> Y	KC
City Attorney	2/7/2022	<input checked="" type="checkbox"/> Y	CA

### SUBJECT

Request to approve the Fifth Amendment to Contract No. DA-5143 with Birdi Systems, Inc., to extend the term for an additional nine months, and to increase the contract authority in an amount not to exceed \$425,257, for a total amount not to exceed \$4,247,163, for ongoing technical support and maintenance services for the Credentialing System at Los Angeles World Airports.

### RECOMMENDATIONS

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. 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.
3. FIND that the work can be performed more economically or feasibly by an independent contractor than by City employees.
4. FURTHER FIND that pursuant to Los Angeles Administrative Code Section 10.15 (a)(10) and Los Angeles City Charter Section 371 (e)(10) that the services to be provided under this contract involve the performance of professional, expert, technical, and other special services such that the use of competitive bidding would be impractical and undesirable.

5. APPROVE the Fifth Amendment to Contract No. DA-5143 with Birdi Systems, Inc. to extend the term for an additional nine months and to increase the contract authority by an amount not to exceed \$425,257, for a total amount not to exceed \$4,247,163, for ongoing technical support and maintenance services for the Credentialing System at Los Angeles World Airports.
6. AUTHORIZE the Chief Executive Officer or designee to execute the contract amendment upon approval as to form by the City Attorney and approval by the Los Angeles City Council.

## DISCUSSION

### 1. Purpose

Los Angeles World Airports is in the process of implementing a new Identity Management and Credentialing System (IMCS) that will replace the existing Credentialing System (CS). The existing CS needs to continue operation until the new IMCS is operational. Additionally, the existing CS and new IMCS need to operate in parallel to ensure that the IMCS and its components are fully functional prior to permanently decommissioning the existing CS. An amendment to the existing CS Operations & Maintenance contract with Birdi Systems, Inc. (Birdi) is needed to support the parallel operations of the current Credentialing System until the new IMCS is commissioned and the current CS is decommissioned.

### 2. Prior Related Actions/History of Board Actions

- **October 20, 2016 – Resolution No. 26081 (DA-5143)**  
The Board of Airport Commissioners (Board) approved a one-year contract with two one-year renewal options with Birdi & Associates, Inc. for technical support and maintenance services for the Credentialing System at Los Angeles International Airport (LAX) for an amount not to exceed \$629,600.
- **September 7, 2017 – Resolution No. 26327 (DA-5143A)**  
The Board approved the First Amendment to Contract No. DA-5143 with Birdi to increase the contract authority by \$1,951,800 for a total of \$2,581,400 for ongoing technical support, maintenance, and system enhancement services for the Credentialing System at LAX.
- **August 1, 2019 – Resolution No. 26820 (DA-5143B)**  
The Board approved the Second Amendment to Contract No. DA-5143 with Birdi to extend the term for one additional year and increase the contract authority by \$595,993 for a total of \$3,177,393 for ongoing technical support and maintenance services for the existing CS at Los Angeles World Airports (LAWA).
- **October 1, 2020 – Resolution No. 26820 (DA-5143C)**  
The Board approved the Third Amendment to Contract No. DA-5143 with Birdi to extend the contract term for an additional nine months and increase the contract authority by \$358,363, for a total of \$3,535,756, for ongoing technical support and maintenance services for the existing CS at LAWA.

- **August 12, 2021 – Resolution No. 27309 (DA-5143D)**

The Board approved the Fourth Amendment to Contract No. DA-5143 with Birdi to extend the contract term for an additional six months and increase the contract authority by \$286,150, for a total of \$3,821,906, for ongoing technical support and maintenance services for the existing CS at LAWA. This contract will expire on February 28, 2022.

### 3. Background

Los Angeles World Airports is in the process of implementing a new IMCS that will replace the existing CS. The IMCS will provide LAWA with a stable, sustainable, and more efficient system, and will enhance the interface between the CS, other airport security systems and employee vetting agencies, including the California Department of Justice (CalDOJ) and the Transportation Security Administration (TSA). The IMCS will provide end-to-end automation to allow applicants and authorized signers to submit paperless applications, track status, schedule appointments, and communicate with LAWA's Security Credentials Section.

Contract expenditures to date are as follows:

Description	Expenditures
Base Maintenance Services	\$2,595,540
TSA-Mandated and Other As-Needed System Changes	\$873,101
Third Party Software Licenses	\$276,313
<b>Total Expenditures to Date</b>	<b>\$3,744,954</b>
Current Not-to-Exceed Amount	\$3,821,906
<b>Remaining Contract Authority</b>	<b>\$76,952</b>

### 4. Current Action/Rationale

The implementation of the new IMCS has experienced delays due to the IMCS contractor's failure to pass system testing and to mitigate functionality issues. Lack of resources related to the COVID-19 outbreak also contributed to the delays. The IMCS contractor is continuing to seek avenues to resolve these issues. This extension is tied to the IMCS contractor's date that they have committed to go live with IMCS. LAWA will not need to pay the IMCS contractor for maintenance services until after the IMCS implementation is completed.

The existing CS and new IMCS need to operate in parallel after the IMCS go-live to ensure that the IMCS and its components are fully functional prior to permanently decommissioning the existing CS. Transition to the new IMCS will occur through the requested extension period. Approval of this contract amendment will allow for the provision of services required to maintain continuity in badging operations in compliance with the TSA regulatory mandates. In the event that the IMCS is commissioned ahead of schedule, the contract with Birdi will be terminated early.

Estimated Services and Expenditures under the Fifth Amendment:

Description	Expenditures
Base Maintenance Services	\$371,385
System Transition Support	\$17,624
Third Party Software Licenses	\$113,200
<b>Total Fifth Amendment Cost</b>	<b>\$502,209</b>
<b>Remaining Contract Authority</b>	<b>\$76,952</b>
<b>Additional Contract Authority Needed</b>	<b>\$425,257</b>
Current Not-to-Exceed Amount	\$3,821,906
<b>New Not-to-Exceed Contract Amount*</b>	<b>\$4,247,163</b>

\*Note: Costs for individual line items may vary, but the total expenditures will not exceed \$4,247,163.

#### ***How This Action Advances a Specific Strategic Plan Goal and Objective***

This action advances this strategic goal and objective: Innovate to Enhance Security, Efficiency & Effectiveness; Innovate to keep airports safe and secure. The proposed amendment will enable the Information Management and Technology (IMT) Division to support the Airport Police's Security Credentials Section badging operations which is in alignment with the strategic goal of keeping the airport safe and secure.

#### **5. Fiscal Impact**

The total anticipated costs that will be incurred under this contract amendment are \$502,209, however, only an increase of \$425,257 in contract authority is required as there is some remaining authority. Costs incurred under this contract will be recovered through landing fees, terminal rates and charges, and non-aeronautical revenues.

#### **6. Alternatives Considered**

- ***Take No Action***

The existing CS and new IMCS need to operate in parallel to complete the full transition to the new IMCS. Without the contract extension, IMT will not be able to support existing and parallel operations and will not have the ability to expeditiously restore the existing CS system to full operation, if needed.

### **APPROPRIATIONS**

Funds for this contract are available in the Fiscal Year 2021-22 Los Angeles World Airports Operating Budget in LAX Cost Center 1170072 – IT Airport Safety/Security, Commitment Item 520190 – Security Systems Services. Funding for subsequent years will be requested as part of the annual operating 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. Birdi Systems, Inc. is required by contract to comply with the provisions of the Service Contractor Worker Retention and/or Living Wage Ordinance.
5. Procurement Services had reviewed this action (File No. 9606). No mandatory Small Business Enterprise, Local Business Enterprise/Local Small Business Enterprise, and Disabled Veterans Business Enterprise goals for this project have been set, as no subcontracting opportunities were identified. However, as a certified SBE firm, Birdi & Associates, Inc. is credited with 100 percent SBE participation.
6. Birdi Systems, Inc. is required by contract to comply with the provisions of the Affirmative Action Program.
7. Birdi Systems, Inc. has been assigned Business Tax Registration Certificate No. 002162248-0001-3.
8. Birdi Systems, Inc. is required by contract to comply with the provisions of the Child Support Obligations Ordinance.
9. Birdi Systems, Inc. has approved insurance documents, in the terms and amounts required, on file with the Los Angeles World Airports.
10. Pursuant to Charter Section 1022, staff determined the work specified can be performed more feasibly and economically by Independent Contractors than by City employees.
11. Birdi Systems, Inc. has submitted the Contractor Responsibility Program Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. Birdi Systems, Inc. has been determined by Public Works, Office of Contract Compliance to be in compliance with the provisions of the Equal Benefits Ordinance.
13. Birdi Systems, Inc. will be required to comply with the provisions of the First Source Hiring Program for all non -trade LAX Airport jobs.
14. Birdi Systems, Inc. has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.
15. Birdi Systems, Inc. has submitted the MLO Bidder Contributions CEC Form 50 and will comply with its provisions.
16. Birdi Systems, Inc. will be required to comply with the provisions of the Iran Contracting Act of 2010 Affidavit.

**FIFTH AMENDMENT TO CONTRACT NO. DA-5143 BETWEEN THE CITY OF  
LOS ANGELES AND BIRDI SYSTEMS, INC. FOR CREDENTIALING SYSTEM  
TECHNICAL SUPPORT AND MAINTENANCE SERVICES FOR THE DEPARTMENT  
OF AIRPORTS**

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This FIFTH AMENDMENT TO CONTRACT NO. DA-5143 ("Fifth Amendment") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by and between the CITY OF LOS ANGELES, a municipal corporation, acting by order of and through its Board of Airport Commissioners of the Department of Airports also known as Los Angeles World Airports or LAWA (hereinafter referred to as "City"), and BIRDI SYTEMS, INC., a California corporation (hereinafter referred to as "Contractor").

**RECITALS**

WHEREAS, City and Contractor's predecessor in interest, Birdi & Associates, Inc. previously entered into Contract No. DA-5143 dated November 2, 2016 for credentialing system technical support and maintenance services, as amended by the First Amendment dated September 27, 2017, as amended by the Second Amendment dated September 12, 2019, as amended by the Third Amendment dated December 15, 2020, and as amended by the Fourth Amendment dated November 14, 2021 (collectively, the "Contract"); and

WHEREAS, City and Contractor, by mutual agreement, desire to amend the Contract in order to increase the term and the contract authority, as set forth in this Fifth Amendment;

NOW, THEREFORE, the parties hereto, for and in consideration of the terms, covenants and conditions herein contained, City and Contractor do hereby mutually agree that the Contract shall BE AMENDED AS FOLLOWS:

**AMENDMENTS**

**Section 1.** Section 1.0 of the Contract is hereby deleted and replaced with the following:

"The term of this Contract shall commence on December 1, 2016 and shall terminate on November 28, 2022, unless terminated earlier pursuant to the terms of the Contract."

**Section 2.** The first sentence of Section 3.2 of the Contract is hereby deleted and replaced with the following:

"The compensation to Contractor shall not exceed Four Million Two Hundred Forty-Seven Thousand One Hundred Sixty-Three Dollars (\$4,247,163) for the term of the Contract."

**Section 3.** The attached Exhibit A-3 shall be added to the Contract. Beginning on March 1, 2022, City shall pay Contractor pursuant to Exhibit A-3.

**Section 4.** It is understood and agreed by and between the parties hereto that, except as specifically provided herein, this Fifth 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 of the terms, covenants, and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, City has caused this Fifth Amendment to be executed by the Chief Executive Officer and Contractor has caused the same to be executed by its duly authorized officers and its corporate seal to be hereunto affixed, all as of the day and year first hereinabove written.

**APPROVED AS TO FORM:**  
**MICHAEL N. FEUER,**  
City Attorney

**CITY OF LOS ANGELES**

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Deputy/Assistant City Attorney

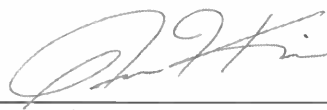
By: \_\_\_\_\_  
Chief Executive Officer  
Department of Airports

By: \_\_\_\_\_  
Deputy Executive Director  
Chief Financial Officer

ATTEST:

**BIRDI SYSTEMS, INC.,** a California corporation

By: **Moninder S. Birdi** Digitally signed by Moninder S. Birdi  
Date: 2022.02.07 18:35:05 -08'00'  
\_\_\_\_\_  
Signature (Secretary)  
Moninder S. Birdi  
\_\_\_\_\_  
Print Name

By:   
\_\_\_\_\_  
Signature  
Steve Krier  
\_\_\_\_\_  
Print Name  
Vice President, Services  
\_\_\_\_\_  
Print Title



## From Solutions to Service

<b>Date</b>	<b>Quotation #</b>
1/24/2022	Q22-00001

Los Angeles World Airports  
Att: Marine Mandoyan  
6053 West Century Blvd.  
Suite 200  
Los Angeles, CA 90045

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