

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: April 7, 2022

CAO File No. 0150-10202-0006

Council File No. 19-0911

Council District: 11

To: The Mayor

From: Matthew W. Szabo, City Administrative Officer



Reference: Communication from the Department of Airports dated February 24, 2022; referred by the Mayor for a report on February 24, 2022

Subject: **PROPOSED FIFTH AMENDMENT TO CONTRACT NO. DA-5143 WITH BIRDI SYSTEMS, INC. FOR ONGOING TECHNICAL SUPPORT AND MAINTENANCE SERVICES FOR THE CREDENTIALING SYSTEM AT LOS ANGELES WORLD AIRPORTS**

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### RECOMMENDATION

That the Mayor:

1. Approve a proposed Fifth Amendment to Contract No. DA-5143 with Birdi Systems, Inc. to extend the contract term by nine months and increase the contract authority by \$425,257, for a total not-to-exceed of \$4,247,163, for ongoing technical support and maintenance services for the Credentialing System at Los Angeles World Airports, 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 Affidavit;
2. Authorize the Chief Executive Officer to execute the proposed Fifth Amendment to Contract No. DA-5143, upon approval by the Los Angeles City Council, and prior to the execution of the Fifth Amendment, Birdi Systems, Inc. must:
  - a. Have approved insurance documents, in the terms and amounts required, on file with Los Angeles World Airports; and
  - b. Be determined by 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 a Fifth Amendment to Contract No. DA-5143 with Birdi Systems, Inc. (Birdi) to extend the term by nine months and increase the contract authority by an amount not-to-exceed \$425,257, for a total amount of \$4,247,163, covering ongoing technical support and maintenance services for the Credentialing System at Los Angeles International Airport (LAX). Although the term of the contract expired on February 28, 2022, approval of the proposed Fifth Amendment will enable LAWA to preserve Birdi’s services through November 28, 2022.

LAWA’s current Credentialing System (CS) was developed and implemented in 2014 as a commercial-off-the-shelf software that was customized to fit the Department’s credentialing requirements, including federal and other agency security regulations and standards. The core system issues badges, completes background checks, processes fingerprints, and manages security access and enrollment. The Credentialing System is also used to issue badges to LAWA employees who work at Van Nuys Airport.

An assessment of the CS identified necessary modifications that would increase appointment availability, reduce wait times, and improve the overall badging process but converting to a more robust system is required to achieve these upgrades. LAWA is in the process of implementing new technology, Identity Management and Credentialing System (IMCS), to replace the existing CS under a separate contract. Before permanently decommissioning the existing CS, Birdi must make certain that the existing CS and new IMCS operate in parallel to ensure that the IMCS and its components are fully functional.

The new system increases efficiency and enhances the interface between the Credentialing System, Airport Police’s Security badging operations, and employee vetting agencies, including the California Department of Justice. It features a web-based portal that provides 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.

Currently, Birdi is providing support services for the transition from the CS to the IMCS, which is scheduled to go live on May 16, 2022. Given that no problems are detected, Birdi plans to decommission the current CS on July 18, 2022. If system challenges emerge, the contract allows for an extended 60-day period for Birdi to reactivate the CS and resolve any operational errors that compromise the changeover.

There are six stages associated with the conversion and the Contractor is currently working on Phase Four. A schedule breakdown for the remaining phases are as follows:

<b>Project Stage</b>	<b>Description</b>	<b>Period</b>
Phase 4	Testing and Training	September 1, 2020 – May 27, 2022
Phase 5	Acceptance and Cutover	January 25, 2022 – May 16, 2022
Phase 6	Transition to Support	May 30, 2022 – September 23, 2022

Of the total contract authority (\$3,821,906), Birdi has exhausted \$3,744,954 and has a remaining balance of \$76,952. The anticipated costs incurred under the proposed Amendment total \$502,209, however, an increase of \$425,257 is necessary because the unspent balance is sufficient to supplement the shortfall.

The proposed Fifth Amendment supports parallel operations of the two credentialing systems until full incorporation of the IMCS. Upon completion of the project, LAWA will allow the contract term to lapse as support, maintenance, and operation of the IMCS will be managed by a separate contract until September 2023. This enables the Department sufficient time to develop a Request for Proposal (RFP) to solicit bids for the operations and management of a fully integrated IMCS, however, the scope of work for the new system will not become available until the IMCS is fully commissioned and the as-built documentation, manuals, and related materials are provided to LAWA.

The Department's Procurement Services staff has reviewed the proposed action (File No. File 9606) and no mandatory business inclusion goals were established for this project as no subcontracting opportunities were identified, however, Birdi is credited with 100% Small Business Enterprise (SBE) participation by way of their SBE certification.

The BOAC approved the proposed Fifth Amendment at its meeting on February 17, 2022. Actions taken on this item by the BOAC will become final pursuant to the provisions of the Los Angeles Charter Section 373.

## **FISCAL IMPACT STATEMENT**

Approval of the proposed Fifth Amendment to Contract No. DA-5143 with Birdi Systems, Inc. to extend the contract by nine months and increase the contract authority by \$425,257 for a total amount of \$4,247,163, covering ongoing technical support and maintenance services for the Credentialing System will have no impact on the General Fund. Costs incurred under this contract will be recovered through landing fees, terminal rates and charges, and non-aeronautical revenues. Funding for the proposed Agreement is 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. This project complies with the Department of Airports' adopted Financial Policies.