

**REPORT FROM**

**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**

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Date: June 27, 2023

CAO File No. 0150-12062-0002

Council File No.

Council District: 11

To: The Mayor

From: Matthew W. Szabo, City Administrative Officer



Reference: Correspondence from Los Angeles World Airports Board of Airport Commissioners (Board) dated May 4, 2023 and May 30, 2023; referred by the Mayor for a report on May 4, 2023

Subject: **PROPOSED RESOLUTION 27725 AUTHORIZING THE EXECUTION OF A SECOND AMENDMENT TO LOS ANGELES WORLD AIRPORTS' CONTRACT DA-5369 WITH CONVERGINT TECHNOLOGIES, LLC FOR MAINTENANCE, REPAIR, AND TECHNICAL SUPPORT FOR THE ACCESS CONTROL AND ALARM MONITORING SYSTEMS**

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**RECOMMENDATION**

That the Mayor:

1. Approve Los Angeles World Airports (LAWA) proposed Resolution No. 27725 authorizing approval of the Second Amendment to Contract DA-5369 with Convergent Technologies, LLC to add additional funding of \$2,138,108 for a new total not-to-exceed contract amount of \$17,650,091, and extend the term by one year for ongoing maintenance, repair, and technical support services for the Access Control and Alarm Monitoring Systems at Los Angeles World Airports;
2. Adopt the California Environmental Quality Act (CEQA) determinations of the May 30, 2023 Board of Airport Commissioners (Board) Resolution 27725, that this action is exempt from CEQA pursuant to Article II, Section 2(f) of the Los Angeles City CEQA Guidelines; and
3. Authorize the LAWA Chief Executive Officer, or designee, to execute the proposed amendment and return the Resolution to LAWA for further processing, including Council consideration.

**SUMMARY**

On May 30, 2023, the Los Angeles World Airports (LAWA) Board of Airport Commissioners (Board) adopted Resolution No. 27725 authorizing approval of a Second Amendment to Contract DA-5369 with Convergent Technologies, LLC (Convergent) to extend the term by one year from June 4, 2023

to June 3, 2024, and increase the contract limit by \$2,138,108 from \$15,511,983 to \$17,650,091. The proposed Amendment will allow Convergent to continue providing maintenance, repair, and technical support services for LAWA's Access Control and Alarm Monitoring Systems (ACAMS).

The proposed Amendment to the contract has been approved as to form by the City Attorney. Pursuant to Charter Section 373 and Los Angeles Administrative Code Section 10.5, Council approval is required because the cumulative contract term exceeds three years. Our Office has reviewed the request and recommends approval.

## **BACKGROUND**

At its meeting on May 4, 2023, the Los Angeles World Airports (LAWA) Board of Airport Commissioners (Board) approved Resolution 27725 and a LAWA staff report requesting approval to execute a proposed Second Amendment with Convergent to continue ongoing maintenance, repair, and technical support services for the ACAMS at Los Angeles World Airports.

*Proposed Second Amendment* – In proposing a Second Amendment, LAWA indicates a need for additional funding for the continued operations, maintenance, and support of the ACAMS, including the Lenel OnGuard system, which combines to support 5,265 access card readers. The number of active card readers at the time that Convergent's contract was executed in 2019 was 3,500. The growth in the number of card readers is a direct result of the capital improvement construction projects that have taken place at LAWA, prompting card reader installations at 1,765 newly secured locations. Approval of new funding and a term extension will provide sufficient time and capital to ensure the continuity of the electronic security system throughout the LAX campus.

*Request for Proposals (RFP)* – Execution of the proposed Second Amendment will provide LAWA with enough lead time to prepare and conduct a competitive procurement process and award a new contract for the essential scope of work necessary to operate and maintain the ACAMS. LAWA's Information Management and Technology (IMT) Division expects to release an RFP in September 2023 and intends to award and execute the new contract by the second quarter of 2024.

LAWA indicates that the fundamental elements addressed in the Second Amendment include but are not limited to:

- **Operations and Maintenance** - Regular preventative maintenance of servers, software, and field equipment/devices;
- **Support Services** - Timely response to system trouble calls and outages;
- **Technical Support** - Apply security patches, updates to the system/operating software and equipment, and configuration; and
- **Software Assessment** – In the event of an outage, conduct a root cause analysis to help determine the cause and future remedies to minimize such occurrences.

*Costs and Funding* – The Department staff indicates that approximately 96 percent or \$14,961,927 of the \$15,511,983 appropriated toward the contract has been expended. The remaining four

percent balance of \$550,056 will be utilized to compensate Convergent for ongoing maintenance, repair, and technical support services for the ACAMS until a Second Amendment to the contract is executed. The residual balance will ensure that the ACAMS performs efficiently and that there are adequate funds available to timely address any issues that may arise. Further, LAWA determined that the additional funding required to support the ongoing services through the term expiration date is \$2,138,108. The table below summarizes the contract activities through May 2023 and the additional funds required to carry out the Second Amendment:

<b>Convergent Technologies – Contract No. DA-5369</b>	
<b>Contract Authority and Expenditures</b>	
Description of Budget Activities	Amount
Original Contract Authority, May 2020	\$14,258,512
First Amendment Increase, May 2022	\$1,253,471
<b>Current Contract Value</b>	<b>\$15,511,983</b>
Expenditures to Date:	
Base Maintenance, Repair, & Technical Support Services	(\$5,236,675)
ACAMS Replacement Projects	(\$9,453,636)
Spare Parts, Software Licenses, & As-Needed Services	(\$271,616)
Total Contract Expenditures	<b>(\$14,961,927)</b>
<b>Remaining Contract Value</b>	<b>\$550,056</b>
(Current Contract Value less Total Contract Expenditures)	
Proposed Second Amendment Amount	\$2,138,108
New Funding Available	<b>\$2,688,164</b>
(Remaining Contract Value plus Proposed Second Amendment Amount)	

Approval of new funding and a term extension will provide sufficient capital and time for LAWA to develop a comprehensive RFP, solicit bids, and award a new contract to manage the ACAMS.

## CITY COMPLIANCE

The proposed Agreement includes 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 Contract requires Council approval because the total term of the Agreement exceeds three years. The Department's Procurement Services Division staff reviewed this action (File No. 10043451) and established mandatory goals of 15 percent Small Business Enterprise (SBE), five percent Local Business Enterprise (LBE), three percent Local Small Business Enterprise (LSBE), and three percent Disabled Veteran Business Enterprise (DVBE). As reported by LAWA staff, Convergent proposed a level of 18 percent SBE, seven percent LBE, seven percent LSBE, and three percent DVBE participation, and achieved 22 percent SBE, nine percent LBE, nine percent LSBE, and one and one-half DVBE levels to date. The City Attorney has reviewed and approved the proposed Second Amendment.

*California Environmental Quality Act (CEQA)* – On May 30, 2023, the Board determined that the proposed contract with Convergent Technologies, LLC to provide maintenance, repair, and technical support services for the Access Control and Alarm Monitoring Systems at Los Angeles International Airport will not directly impact the environment and is exempt from CEQA pursuant to

Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

## **FISCAL IMPACT STATEMENT**

Approval of a proposed Second Contract Amendment to Los Angeles World Airports' Contract No. DA-5369 with Convergent Technologies, LLC increases the contract limit by \$2,138,108 from \$15,511,983 to \$17,650,091 and extends the term by one year from four years to five years. The cost of the amendment will be financed through a combination of Los Angeles World Airports' operating budget and capital budget. Operating expenses will be recovered immediately through landing fees and terminal building rates and charges, as well as through non-aeronautical revenues, while capital costs will be capitalized and recovered when the projects are put into service. The actions of the proposed contract amendment comply with Los Angeles World Airports' adopted Financial Policies. There is no impact on the City's General Fund.

Attachment 1 – May 4, 2023 BOAC Report and May 30, 2023 Resolution No. 27725

*MWS/PJH/BC/JVW:DG:10230189*