

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: April 7, 2022

CAO File No. 0150-12062-0000

Council File No.

Council District: 11

To: The Mayor

From: Matthew W. Szabo,  City Administrative Officer

Reference: Communication from the Department of Airports dated March 3, 2022; referred by the Mayor for a report on March 3, 2022

Subject: **PROPOSED FIRST AMENDMENT TO CONTRACT NO. DA-5341 WITH CONVERGINT TECHNOLOGIES, LLC FOR IMPLEMENTATION, OPERATION, AND MAINTENANCE OF THE IDENTITY MANAGEMENT AND CREDENTIALING SYSTEM AT LOS ANGELES WORLD AIRPORTS**

RECOMMENDATION

That the Mayor:

1. Approve a proposed First Amendment to Contract No. DA-5341 with Convergent Technologies, LLC to extend the contract term by 18-months, with no additional funding, for the implementation, operation, and maintenance of the new Identity Management and 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, and MLO Bidder Contributions CEC Form 50;
2. Authorize the Chief Executive Officer to execute the proposed First Amendment to Contract No. DA-5341, upon approval by the Los Angeles City Council, and prior to the execution of the First Amendment, Convergent Technologies, LLC 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 First Amendment to Contract No. DA-5341 (Contract; Agreement) with Convergent Technologies LLC (Convergent; Contractor), to extend the term by 18-months, with no additional funding, for the implementation, operation, and maintenance of the new Identity Management and Credentialing System (IMCS) at Los Angeles International Airport (LAX). The term of the proposed Agreement expires on September 5, 2023 and the contract authority remains at an amount not-to-exceed \$8,112,017.

On February 7, 2019, the BOAC approved the award of a three-year contract with Convergent Technologies, LLC and the term of the Agreement subsequently expired on March 5, 2022. Approval of the proposed First Amendment will enable LAWA to retain Convergent to implement, operate, and maintain the new IMCS, combined with preserving the benefit of the Contractor's one-year maintenance warranty after the IMCS replaces the existing Credentialing System (CS). Additionally, the proposed Agreement provides LAWA sufficient time to prepare and conduct a competitive procurement process to acquire a new contractor to perform the essential scope of work to operate and maintain the IMCS.

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.

The IMCS 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 permit applicants and authorized signers to submit paperless applications, track status, schedule appointments, and communicate with LAWA's Security Credentials Section. The Department is in the process of implementing the IMCS to fill in essential gaps that the existing Credentialing System does not accommodate, however, the current system and the new IMCS must operate in parallel to ensure that the IMCS and its components are fully functional before permanently decommissioning the existing Credentialing System.

During the initial term of the contract, Convergent has taken incremental steps to carry out technological enhancements to LAWA's Credentialing System. However, implementation of the new IMCS is currently behind schedule as the Contractor experienced various unexpected setbacks attributed to the COVID-19 outbreak. Major factors that contributed to these developments are 1) programming staff is mainly located in India; and 2) COVID-19's impact in that region brought forth staffing resource constraints in May 2020 and again in February 2021, which rendered a 50 percent decline in employment levels. The lack of personnel resources directly affected the quality of the IMCS software development which then resulted in multiple failed User Acceptance Tests. The result of the delays lead to Convergent's inability to pass system testing and

mitigate functionality issues. Convergent has identified avenues to resolve these issues, increased its staffing, addressed substandard quality outcomes, and committed to a new project completion date of May 2022.

There are six stages associated with converting from the current CS to the new IMCS and Convergent is currently working on Phase Four. The below table provides a summary that includes a timeline in which the final three phases of the project will be completed.

Project Stage	Description	Period
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

Approval of the First Amendment will grant an extension for Convergent to complete the IMCS upgrade and fulfill its one-year software licensing obligation, in addition to providing technical support and repair services to the new system. Over the extended period, LAWA aims to develop a Request for Proposal (RFP) to solicit bids for the management of the IMCS.

An increase in funding is not requested for the proposed Amendment because there is a remaining balance on the Contract authority in the amount of \$5,800,648. Department staff anticipates that 100 percent of the remaining authority will be expended by the conclusion of the proposed 18-month extension. The services provided throughout the duration are:

Description	Expenditures
IMCS and Interfaces	\$4,179,860
Allowances (Third Party Interfaces and Infrastructure)	\$20,734
Designated Aviation Channeling (DAC) Partner Integration	\$500,000
1-Year System Operations and Maintenance Services, Software Licensing	\$1,100,054
Total Estimated Expenditures	\$5,800,648

The Department's Procurement Services staff has reviewed the proposed action (File No. 10043498) and established mandatory goals of 15 percent Small Business Enterprise (SBE), 5 percent Local Business Enterprise (LBE), 3 percent Local Small Business Enterprise (LSBE), and 3 percent Disabled Veterans Business Enterprise (DVBE) for this project. As reported by LAWA staff, Convergent has proposed and achieved the following SBE, LBE, LSBE, and DVBE participation levels to date:

Inclusivity Category	Proposed Goal	Achieved Level
SBE	15%	70.75%
LBE	5%	31.48%
LSBE	3%	31.48%
DVBE	3%	26.69%

The BOAC approved the proposed First 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 First Amendment to Contract No. DA-5341 with Convergent Technologies, LLC for implementing a new Identity Management and Credentialing System, and performing maintenance, technical support, and repair services to the Credentialing System will have no impact on the General Fund. The proposed First Amendment will extend the Contract term by 18-months, with no additional funding. Costs incurred under this contract will be recovered through landing fees, terminal rates and charges, and non-aeronautical revenues. Funding for the proposed First Amendment 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.