



DATE: AUGUST 27, 2024

FROM: INFORMATION TECHNOLOGY

SUBJECT: RESOLUTION NO. _____ - AGREEMENTS BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND BIRDI SYSTEMS, INC., BURNS ENGINEERING, INC., INFOJINI INC., SATWIC INC., AND SIERRA CYBERNETICS, INCORPORATED, FOR ON-CALL/AS-NEEDED INFORMATION TECHNOLOGY SERVICES

SUMMARY:

Staff requests approval to enter into Agreements with Birdi Systems, Inc. (Birdi), Burns Engineering, Inc. (Burns), Infojini Inc. (Infojini), Satwic Inc. (Satwic), and Sierra Cybernetics, Incorporated (Sierra), for Information Technology (IT) services on an on-call, as-needed basis. The on-call, as-needed services may include support for on-going IT operations, including helpdesk, end user support, data center, servers, storage, network, cyber security, software applications, emerging technologies and other IT related services. The authority amount will be a maximum pool of \$6,000,000 for all agreements, for a term of three years.

The recommendation to select Birdi, Burns, Infojini, Satwic, and Sierra, is based on the competitive Request for Proposals (RFP) process performed by the City of Los Angeles Harbor Department (Harbor Department). Three of the five selected consultant firms are certified Small Business Enterprises (SBEs), and three firms qualify as Local Business Enterprises (LBEs).

The Harbor Department will be financially responsible for payment of expenses incurred under the proposed Agreements.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with the Los Angeles City Charter Section 1022, it is more

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feasible for outside contractors to perform the proposed services rather than City employees;

3. Approve the Agreements with Birdi Systems, Inc., Burns Engineering, Inc., Infojini Inc., Satwic Inc., and Sierra Cybernetics, Incorporated to support information technology operations on an on-call, as-needed basis for a three-year term;
4. Authorize the Executive Director to execute and the Board Secretary to attest said Agreements for and on behalf of the Board; and
5. Adopt Resolution No. _____.

DISCUSSION:

Background and Context – The IT Division provides computer and communications systems support services to approximately 1,000 Harbor Department employees and on-site consultants. The as-needed services may include support for on-going IT operations, including the help desk, end user support, data center, servers, storage, network, cyber security, software applications, databases, telephones, cellular services, data circuits, physical security systems, artificial intelligence, police technologies, maritime technologies and other related IT services. All these systems areas have grown significantly and continue to grow as technologies are deployed to digitize information, automate processes and improve efficiencies.

The IT Division currently has 47 employees who perform the base workload requirements for the Harbor Department's IT needs. However, staff may not be able to provide support for urgent, unexpected, or peak workloads. In addition, staff may need assistance to transition skills to new technologies. To augment the IT staff on an as-needed basis, On-Call IT Services agreements have been used to:

- Provide continuity of services due to staff turnover;
- Improve internal customer service by being more responsive for peak and unexpected work;
- Enable staff to work on new technologies and develop skills; and
- Reduce the administrative burden of establishing multiple smaller agreements.

Currently, three On-Call IT Services agreements, similar to the proposed Agreements, are used with an aggregate not-to-exceed amount of \$5,470,000 over three years. The actual aggregate expenditure from the three current agreements over the three-year term is anticipated to be approximately \$4,270,722 when they expire on September 13, 2024.

Proposed Agreements – The proposed Agreements for On-Call IT Services (Transmittals 1- 5) will allow the IT Division to continue to meet the Harbor Department's technology

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needs when City staff or expertise is not available. The proposed Agreements will be used similarly to the current On-Call IT services agreements, including for:

- As-needed services for urgent, unexpected or peak work for all Harbor Department Divisions;
- Continuity of services during staff turnover; and
- Providing IT Division staff with formal, hands-on training and experience of new technologies.

Urgent, unexpected or peak work may occur due to the time required to backfill staff vacancies, new technologies, or new Harbor Department initiatives, business or technical requirements. Because of the temporary and diverse nature of these peak workload situations, the services can be performed more feasibly through the proposed On-Call IT Services Agreements. It is anticipated that a combination of Harbor Department employees and on-call, as-needed contractors will continue to be used in the future.

Five On-Call IT Services Agreements will ensure that the Harbor Department is able to procure the IT services needed at competitive prices and in a timely manner. When work is needed, the IT Division will request a proposal from the five contractors, then select the vendor that best meets the Harbor Department's requirements for that task at that time. This process benefits the Harbor Department by ensuring that the lowest cost per required service is realized.

The proposed Agreements include a pooled compensation amount not-to-exceed \$6,000,000 over three years. Expenditures based on actual needs will be incurred only when the Harbor Department issues a project directive. The aggregate not-to-exceed amount of the proposed Agreements is approximately ten percent higher than the aggregate not-to-exceed amount of the current agreements. This dollar increase is due to anticipated hourly rate increases over the next three years and anticipated vacancies. The Harbor Department is not obligated to spend the entire proposed pooled compensation amount, and the firms are not guaranteed any work under the Agreements.

As part of the Charter Section 1022 process, the Contracts and Purchasing Division (CPD) asked other City of Los Angeles (City) Departments if they had City staff that could perform this work. The Departments responding to CPD's inquiry stated that they do not have available staff. When City Departments do not respond to staffing inquiries, it is understood to mean that the Department is not able to provide staff to perform the work.

Selection Process – CPD issued an RFP for On-Call IT services on March 28, 2024. Out of a total of 49 proposals received by the submission deadline of May 16, 2024, CPD deemed 29 of them to be responsive to the RFP's administrative requirements. The Evaluation Committee was comprised of two representatives from the Harbor Department's IT Division and one representative from Los Angeles World Airports. The Evaluation Committee reviewed and scored all 29 proposals according to the RFP's evaluation criteria, which were: (1) firm qualifications, experience and references; (2)

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personnel and staffing; (3) cost and budget control; and (4) clarity and comprehensiveness of the proposal. The five firms with the highest scores and therefore recommended for award were Birdi, Burns, Infojini, Satwic, and Sierra (Transmittal 6).

This project has a mandatory participation requirement of 25% from Small Business Enterprises (SBEs), including 5% participation from Very Small Business Enterprises (VSBEs). Birdi, Satwic, and Sierra are themselves certified SBEs and will meet the VSBE participation requirement through the utilization of certified VSBE subconsultants. Burns and Infojini will meet the SBE and VSBE participation requirement through the utilization of certified SBE and VSBE subconsultants.

Birdi, Satwic and Sierra are Local Business Enterprises, which is reflected on the City's Regional Alliance Marketplace for Procurement (RAMP) system. They received an 8% preference on their score through the Harbor Department's Local Business Preference Program.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of Agreements with Birdi, Burns, Infojini, Satwic, and Sierra for IT services on an on-call, as-needed basis, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed Agreements with Birdi, Burns, Infojini, Satwic and Sierra authorizes the IT Division to proceed with on-call IT services on an as-needed basis for a not-to-exceed compensation amount of \$6,000,000 over a three-year term. Spending under the proposed Agreements is anticipated to occur as follows:

Fiscal Year	Center 0640	Other Divisions	Total
2024/25	\$925,000	\$275,000	\$1,200,000
2025/26	\$1,700,000	\$500,000	\$2,200,000
2026/27	\$1,700,000	\$500,000	\$2,200,000
2027/28	\$300,000	\$100,000	\$400,000
Total	\$4,625,000	\$1,375,000	\$6,000,000

While actual expenditures may differ from the estimated amounts in any given fiscal year, total expenditures under the proposed Agreements will not exceed \$6,000,000 over the three-year term.

Fiscal Year 2024/25 funding in the amount of \$925,000 is available within Account 54310

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(Information Systems Consulting Services), Center 0640, Program 000. Remaining funding of \$275,000 is available within Account 54310, Program 000 to be used on an as-needed basis, as requested by other Harbor Department divisions. Future fiscal year funding will be requested as part of the annual budgeting process, subject to Board approval.


A Termination for Non-Appropriation of Funds Clause (also known as a Funding Out Clause) is included in the Agreements.


CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the Agreements as to form and legality.

TRANSMITTALS:

1. Agreement with Birdi Systems, Inc.
2. Agreement with Burns Engineering, Inc.
3. Agreement with Infojini Inc.
4. Agreement with Satwic Inc.
5. Agreement with Sierra Cybernetics, Incorporated
6. Scoring Matrix

FIS Approval: 
 CA Approval: 


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THOMAS E. GAZSI
Chief of Public Safety and
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APPROVED:

 for

EUGENE D. SEROKA
Executive Director

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