

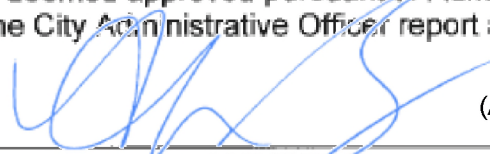
0150-10901-0001

**TRANSMITTAL**

TO City Council City Attorney	DATE  05/10/19	COUNCIL FILE NO.
FROM The Mayor		COUNCIL DISTRICT Various

**Proposed Third Amendment to the Professional Services Agreement  
with AssetWorks, LLC  
for the Vehicle Management System Project**

Transmitted for your consideration. The Council has 60 days from the date of receipt to act, otherwise the contract will be deemed approved pursuant to Administrative Code Section 10.5(a). See the City Administrative Officer report attached.

  
\_\_\_\_\_  
(Ana Guerrero) for  
MAYOR

RHL:LC:051901211

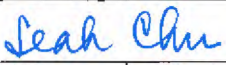

**Report From**  
**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**  
**Analysis of Proposed Contract**  
(\$25,000 or Greater and Longer than Three Months)

To: Mayor	Date: 5-6-19	C.D. No. All	CAO File No.: 0150-11335-0000				
Contracting Department/Bureau: General Services Department		Contact: Michael Sakamoto (213)922-8598					
Reference: General Services Department transmittal dated April 2, 2019							
Purpose of Contract: For provision of a fleet management software and related maintenance and implementation services.							
Type of Contract: ( ) New contract (x) Amendment, Contract No. C-127245		Contract Term Dates: March 28, 2016 – March 27, 2021					
Contract/Amendment Amount: \$0							
Proposed amount \$0 + Prior award(s) \$ 2,982,930 = Total \$ 2,982,930							
Source of funds: Department of General Services Contractual Services Account							
Name of Contractor: AssetWorks, LLC							
Address: 998 Old Eagle School Road, Suite 1215, Wayne, PA 19087							
	Yes	No	N/A	Contractor has complied with:	Yes	No	N/A
1. Council has approved the purpose	X			8. Business Inclusion Program			X
2. Appropriated funds are available	X			9. Equal Benefits & First Source Hiring Ordinances		X	
3. Charter Section 1022 findings completed	X			10. Contractor Responsibility Ordinance		X	
4. Proposals have been requested		X		11. Disclosure Ordinances		X	
5. Risk Management review completed		X		12. Bidder Certification CEC Form 50		X	
6. Standard Provisions for City Contracts included		X		13. Prohibited Contributors (Bidders) CEC Form 55		X	
7. Workforce that resides in the City: 0 %				14. California Iran Contracting Act of 2010			X

**RECOMMENDATIONS**

That the Council, subject to the approval of the Mayor:

- 1) Approve, and authorize the General Manager of the Department of General Services (GSD) to execute the third Amendment to an Agreement with AssetWorks, LLC (Contract no. C-127245) for the Vehicle Management System Replacement project to extend the term by two years, effective March 28, 2019 through March 27, 2021, for a cumulative term of five years, subject to the review and approval of the City Attorney;
- 2) Instruct the Department to ensure that compliance documentation are maintained, and insurance documentation meeting the limits deemed appropriate by the Office of the City Administrative Officer's Risk Manager has been submitted through KwikComply, prior to executing the proposed third Amendment; and
- 3) Authorize the early reversion of liquidated encumbrances up to \$800,000 in 2017-18 for various vendors, within the General Services Department Petroleum Products account to the Reserve Fund and appropriate therefrom, up to \$769,337, to GSD, current year Contractual Services account.

	
LC Analyst 05190121	City Administrative Officer

## **SUMMARY**

In accordance with Executive Directive No. 3 (Villaraigosa Series, ED-3), GSD requests approval to execute the third Amendment to an Agreement (Amendment) with AssetWorks, LLC (Contractor) for the Vehicle Management System Replacement project (Project) to extend the term by two years, effective March 28, 2019 through March 27, 2021, for a cumulative term of five years and revise the existing scope of work. The proposed Amendment revises the list of deliverables for a cumulative cost of \$126,520. The existing maximum contract ceiling includes contingency that can absorb the cost of the added deliverables. The Amendment includes a ratification clause because of the need for AssetWorks, LLC to continue services prior to the execution of the proposed Amendment.

Subsequent to the execution of the original Agreement, the first and second amendments were both executed on July 13, 2018 with no change to the term or the maximum contract ceiling. The first amendment revises Exhibit E to include the Capital Asset Management (CAM) Deliverable Definitions as it relates to the CAM component discussed within the Contractor's Scope of Work. The second amendment revises the billing requirements for reimbursable travel related expenses. The proposed Amendment extends the term by two years to allow the Contractor sufficient time to be present during the "Go-Live" target date of May 2019 and to complete revised deliverables and customizations requested.

GSD has been funded a total of \$2,213,593 for this Agreement. In order to fully-fund the Agreement, prior year encumbrances totaling up to \$800,000 in the Department's Petroleum Products account is recommended to be released and re-appropriated to the Department's current year Contractual Services Account. The amount to be re-appropriated is limited to \$769,337, the difference between the maximum contract ceiling of \$2,982,930 and amount of funding provided to date \$2,213,593.

On December 12, 2014, Council authorized the execution of the Agreement with AssetWorks, LLC under Charter Section 371(e)(2). Subsequent to Council authorization, the General Services Department did not submit the contract for ED-3 review, therefore, the Contractor's adherence to the various contract compliance requirements at the time of execution of the original Agreement cannot be confirmed. However, current insurance documentation meeting the limits deemed appropriate by the by the Office of the City Administrative Officer's Risk Manager has not been submitted through KwikComply. In addition, GSD should ensure that contract compliance documentation are maintained according to the City's records retention standards.

Council approval is required because the initial Agreement was approved by Council. Additionally, in accordance with Los Angeles Administrative Code Section 10.5(b), City Council approval of the proposed Amendment is required because the cumulative term exceeds three years and the total annual payment exceeds \$154,925.

## **FISCAL IMPACT STATEMENT**

Funding for this Agreement will be available in GSD's Contractual Services Account, upon approval of the recommendations made in this report. The Amendment complies with the City's Financial Policies in that the City's financial obligation is limited to funds budgeted for services rendered according to the City's Standard Provisions.

## **Attachments**

# CITY OF LOS ANGELES

CALIFORNIA

TONY M. ROYSTER  
GENERAL MANAGER  
AND  
CITY PURCHASING AGENT



ERIC GARCETTI  
MAYOR

DEPARTMENT OF  
GENERAL SERVICES  
ROOM 701  
CITY HALL SOUTH  
111 EAST FIRST STREET  
LOS ANGELES, CA 90012  
(213) 928-9555  
FAX No. (213) 928-9515

April 2, 2019

Honorable Eric Garcetti  
Mayor, City of Los Angeles  
Room 303, City Hall

Attention: Mandy Morales, Legislative Coordinator

**EXECUTIVE DIRECTIVE 3 REQUEST**  
**COUNCIL FILE NO. 12-0281: REQUEST TO EXTEND CONTRACT TERM WITH**  
**ASSETWORKS, LLC, C-127245 FOR VEHICLE MANAGEMENT SYSTEM UPGRADE PROJECT**

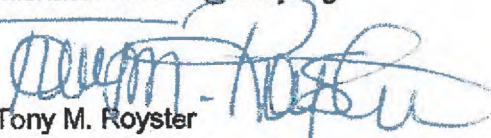
The Department of General Services (GSD) is submitting the Executive Directive 3 (ED-3) review in order to execute a Third Amendment with AssetWorks, LLC, (C-127245) to extend contract term of the Vehicle Management System Upgrade Project for two additional years. GSD requests that the City Council adopt the following recommendations relative to the extension of a personal services contract for the Vehicle Management System Replacement Project (CF 12-0821).

To facilitate this ED-3 process, attached is all documentation required for the ED-3 approval for AssetWorks, LLC.

**SUPPLEMENTAL INFORMATION**

1. The original contract price with AssetWorks, LLC, was \$ 2,982,930.
2. A contract with the vendor, AssetWorks, was executed in March 2016, to implement FleetFocus M5 to replace the Vehicle Management System (VMS). The VMS Replacement project is a multi-department project approved under CF 12-0821.
3. The proposed Third Amendment is to extend the term of Agreement No. C-127245 for two additional years to cover the "Go-Live" target date of May 2019, to complete deliverables of the current term of the contract and additional time is needed to provide customizations required for certain other deliverables. The cost for the additional deliverables is \$126,520, which will be funded through contract contingency funds. There is no financial impact to the General Fund.
4. GSD also requests the remaining \$882,930 be re-appropriated as part of the \$2,982,930 originally allocated for the VMS Replacement Project.

If you have questions, please contact Michael Sakamoto of my staff at 213-922-8598, or by e-mail at michael.sakamoto@lacity.org.

  
Tony M. Royster  
General Manager



AN EQUAL EMPLOYMENT OPPORTUNITY - AFFIRMATIVE ACTION EMPLOYER





**Third Amendment to Agreement No. C-127245  
Between the City of Los Angeles  
and  
AssetWorks, LLC  
for the Vehicle Management System Project**

**THIS THIRD AMENDMENT TO AGREEMENT NO. C-127245** is entered into this 28th day of March, 2019 by and between the City of Los Angeles, a municipal corporation ("City") acting by and through its Department of General Services ("GSD") and AssetWorks, LLC, a Delaware Limited Liability company (fka AssetWorks, Inc.) ("Contractor" or "AssetWorks") for the Vehicle Management System Project. City and AssetWorks or Contractor may be referred to herein individually as a "Party" or collectively as the "Parties".

**RECITALS**

**WHEREAS**, on December 12, 2014 (Council File No. 12-0821), the City Council of the City of Los Angeles ("City Council") approved upgrades to the City's Vehicle Management System ("VMS");

**WHEREAS**, the VMS project was implemented to upgrade current software by installing and implementing Contractor's software which tracks functions related to the maintenance of vehicles and equipment, which among other things includes processing repairs and preventive maintenance (PM) work order, captures operating expenses and billing information, tracks vehicle equipment usage; and is part of a comprehensive suite of fleet management software applications making AssetWorks the only product on the market with a real-time, single database integration system for nearly all fleet management functions.

**WHEREAS**, the City Council, as the contract awarding authority, authorized GSD, the Information Technology Agency ("ITA"), the Los Angeles Fire Department ("LAFD") and the Los Angeles Police Department ("LAPD") to execute a contract with Contractor;

**WHEREAS**, AssetWorks has been the City's contractor for the VMS since its inception in 1996 performing system maintenance and upgrades as well as systems customizations to meet the needs of the user departments and has developed a component software for fuel management known as FuelFocus which is available on the same platform as the VMS software upgrade making it easier for integration with the software;

**WHEREAS**, on March 28, 2016, the City and Contractor entered into Agreement No. C-127245 to upgrade the City's VMS by installing and implementing the Contractor's software;

**WHEREAS**, Agreement No. C-127245 was first amended on July 13, 2018 to add a revised Exhibit E to include the CAM Deliverable Definitions relating to the CAM component of Contractor's product in the Scope of Work to be performed under the terms and conditions of Agreement No. C-127245;

**WHEREAS**, Agreement No. C-127245 was amended a second time on July 12, 2018 to amend Assumption 44 on page 70 of the Statement of Work, Exhibit A to address billing for travel expenses relating to on-site services rendered by AssetWorks Project Manager and a ratification clause for services rendered prior to the execution of the second amendment;

**WHEREAS**, the term of Agreement No. C-127245 commenced on March 28, 2016 and will expire on March 27, 2019;

**WHEREAS**, this Third Amendment is needed to amend Section 2. Term of Agreement to extend the term of Agreement No. C-127245 for two additional years to cover the "Go-Live target date of April, 2019, to complete deliverables specified in Exhibit E that will not be completed prior to the expiration of the current term of the contract and additional time is needed to provide customizations required for certain other deliverables identified in the attached revised Exhibit E. The costs for the additional deliverables is \$126,520.00, which will be funded through contract contingency funds.

**WHEREAS**, the Parties have mutually agreed to the extension of the contract term; and

**WHEREAS**, there are no other changes to the contracts terms and conditions.

**NOW THEREFORE**, the Parties hereby covenant and agree that Agreement No. C-127245 shall be amended a third time as follows:

I. **Section "2. TERM OF AGREEMENT"** is hereby deleted in its entirety and shall be replaced with a new section 2 which shall read as follows:

**2. TERM OF AGREEMENT**

The Term of this Agreement shall be five (5) years, effective March 28, 2016 and expiring on March 27, 2021 unless terminated sooner in accordance with the terms of this Agreement. The Parties may elect to extend the Term through a written amendment to this Agreement. Notwithstanding the foregoing, the Software License (Exhibit F) is perpetual and is subject to termination in accordance with Exhibit F.

II. Exhibit E is revised to include the following additional Deliverable Definitions:

Deliverable	Deliverable Name	New Work Products and Description	Current Deliverable Info	Deliverable Costs
1.C.3	Interface User Acceptance Testing Assistance	<ul style="list-style-type: none"> <li>• Provide direct assistance to test interfaces as opposed to remote assistance (normal support is to provide test cases and then to create AW Support Tickets for corrections).</li> </ul>	Deliverable 1.3 Page 13 SOW <ul style="list-style-type: none"> <li>• COLA installs and test enhancement and interfaces in COLA's test environment with remote assistance from AssetWorks.</li> </ul>	\$23,370
1.D.3	Enhancement User Acceptance Testing Assistance	<ul style="list-style-type: none"> <li>• Provide direct assistance to test enhancements as opposed to remote assistance (normal support is to provide test cases and then to create AW Support Tickets for corrections).</li> </ul>	Deliverable 1.4 Page 13 SOW <ul style="list-style-type: none"> <li>• COLA installs and test enhancement and interfaces in COLA's test environment with remote assistance from AssetWorks.</li> </ul>	\$23,370
2.F.3	GSD Configuration Validation	<ul style="list-style-type: none"> <li>• Provide direct assistance to validate System Design, System Setup, System Configuration and Business Intelligence.</li> </ul>	Deliverable 2.5 Page 20 SOW <ul style="list-style-type: none"> <li>• COLA performs system setup, system configuration of system flags, references and codes, and report creation.</li> </ul>	\$6,013.34
3.F.3	LAFD Configuration Validation	<ul style="list-style-type: none"> <li>• Provide direct assistance to validate System Design, System Setup, System Configuration and Business Intelligence</li> </ul>	Deliverable 3.5 Page 20 SOW <ul style="list-style-type: none"> <li>• COLA performs system setup, system configuration of system flags, references and codes, and report creation.</li> </ul>	\$5,330
4.F.3	LAPD Configuration Validation	<ul style="list-style-type: none"> <li>• Provide direct assistance to validate System Design, System Setup, System Configuration and Business Intelligence</li> </ul>	Deliverable 4.5 Page 20 SOW <ul style="list-style-type: none"> <li>• COLA performs system setup, system configuration of system flags, references and codes, and report creation.</li> </ul>	\$5,330
2.H.3	GSD Validate Training Documentation	<ul style="list-style-type: none"> <li>• Provide training and direct assistance for customized training documentation</li> </ul>	Deliverable 2.7 Page 36 SOW <ul style="list-style-type: none"> <li>• COLA to customize AssetWorks training documentation and user training guides</li> </ul>	\$10,933.33
3.H.3	LAFD Validate Training Documentation	<ul style="list-style-type: none"> <li>• Provide training and direct assistance for customized training documentation</li> </ul>	Deliverable 4.7 Page 36 SOW <ul style="list-style-type: none"> <li>• COLA to customize AssetWorks training documentation and user training guides</li> </ul>	\$10,250.00

4.H.3	LAPD Validate Training Documentation	<ul style="list-style-type: none"> <li>• Provide training and direct assistance for customized training documentation</li> </ul>	Deliverable 5.7 Page 36 SOW <ul style="list-style-type: none"> <li>• COLA to customize AssetWorks training documentation and user training guides</li> </ul>	\$10,250.00
2.1.3	GSD User Acceptance Testing Support	<ul style="list-style-type: none"> <li>• Provide direct assistance during User Acceptance Testing to assist in completing testing items</li> </ul>	Deliverable 2.8 Page 37 SOW <ul style="list-style-type: none"> <li>• COLA to develop User Acceptance System Test Plan</li> </ul>	\$10,933.33
3.1.3	LAFD User Acceptance Testing Support	<ul style="list-style-type: none"> <li>• Provide direct assistance during User Acceptance Testing to assist in completing testing items</li> </ul>	Deliverable 4.8 Page 37 SOW <ul style="list-style-type: none"> <li>• COLA to develop User Acceptance System Test Plan</li> </ul>	\$10,250.00
4.1.3	LAPD User Acceptance Testing Support	<ul style="list-style-type: none"> <li>• Provide direct assistance during User Acceptance Testing to assist in completing testing items</li> </ul>	Deliverable 5.8 Page 37 SOW <ul style="list-style-type: none"> <li>• COLA to develop User Acceptance System Test Plan</li> </ul>	\$10,250.00

Deliverable Total Cost: \$126,520

### III. RATIFICATION

At the request of the City, and because of the need therefore, Contractor began performance of services required hereunder prior to the execution of this Agreement. By its execution hereof, City hereby accepts such services subject to all of the terms, covenants, and conditions of this Agreement, and Contractor's performance of such services.

IV. FULL FORCE AND EFFECT, except as amended herein, all other terms and conditions of Agreement No C-127245 shall remain in full force and effect.

(SIGNATURE PAGE FOLLOWS)



**IN WITNESS THEREOF**, the Parties hereto have caused this **THIRD AMENDMENT to Agreement No. C-127245** to be executed by their duly authorized representatives.

THE CITY OF LOS ANGELES  
a municipal corporation, acting by and  
through its Department of General  
Services

ASSETWORKS, LLC

By *Tony M. Royster*  
TONY M. ROYSTER  
General Manager  
Department of General Services

By *Gordon Smith*  
GORDON SMITH  
Portfolio Manager

Date: *3/28/19*

Date: *18 March 2019*

**APPROVED AS TO FORM:**

**ATTEST:**

MICHAEL N. FEUER, City Attorney

HOLLY L. WOLCOTT, City Clerk

By *Arietta Maria Brimsey*  
ARILETTA MARIA BRIMSEY  
Deputy City Attorney

By *Michael Valentin*  
DEPUTY CITY CLERK

Date: *3/19/19*

Date: *3/26/19*

*C-127245.3*

Council File Number: 12-0821

