City of Los Angeles
California

ERIC GARCETTI
MAYOR

April 10, 2014

Honorable Bob Blumenfield
Chairperson
Innovation Technology & General Services Committee
c/o Office of the City Clerk
Room 395, City Hall

Attention: Marie Espinoza, Legislative Assistant

REPORT BACK TO CITY COUNCIL ITGS COMMITTEE:
UPGRADE OF THE VEHICLE MANAGEMENT SYSTEM

On June 5, 2012, the City Council instructed the Department of General Services (GSD) with input from the Los Angeles Police Department (LAPD), Los Angeles Fire Department (LAFD) and Information Technology Agency (ITA) to report back on options for upgrading or replacing the City's current Vehicle Management System (VMS) and related motor pool and fuel management systems with new technologies to improve efficiencies and reduce costs (CF 12-0821). On February 12, 2013 the Departments reported back to Innovation, Technology and General Services Committee (ITGS) with a preliminary report outlining the cost for the staffing, purchase and implementation of VMS, Motor Pool Management System (MPMS) and the Fuel Management System (FMS).

BACKGROUND

On May 14, 2013, ITGS directed GSD, ITA, LAPD, LAFD, and the City Administrative Officer (CAO) to report back with a detailed implementation plan including system costs, staffing needs, and to address LAPD security concerns.   City Council approved ITGS' direction to the departments on May 28, 2013.

The original February 2013 report included an implementation plan that tasked AssetWorks with hosting the VMS for 16 months, with ITA acquiring that responsibility after that time. Hosting entails the day-to-day system administration of VMS however; the plan submitted by AssetWorks did not include the security requirement needed by LAPD.   Once LAPD's requirements were included, the cost of hosting the system increased by $1.5 million resulting in a budget overage.

To reduce the hosting costs, the departments reviewed several other hosting options and determined that the most cost-effective strategy for hosting the system would be for ITA to host the system from the beginning of the project. This strategy addresses LAPD security concerns and provides a substantially less expensive hosting option (Attachment 1).

Concurrent to submitting the report to ITGS, GSD completed a budget request for FY 13/14 for $3.1 million which was the cost originally submitted by the vendor for system implementation and hosting for three years for the VMS and installation and implementation of the MPMS. The budget request was approved and the funding was placed in the Un-appropriated Balance. However, the budget request did not include funding for positions or for communication equipment that the City must purchase for installation to begin.

VMS Project Plan

To generate a scope of work for the upgrade of VMS, AssetWorks provided the user departments a document outlining the benefits of the upgrade, specific system modifications and replacement and implementation strategies. The user departments reviewed the documentation provided and in turn drafted comprehensive user requirements that must be included in the project and submitted them to AssetWorks for inclusion in the project. The combination of these documents has resulted in a Statement of Work for which the project will be based (Attachment 2).

Contracting

AssetWorks is the City's contractor for the current version of VMS, and has worked with the City since its inception in 1996. During this time, AssetWorks has performed needed system maintenance and regular annual maintenance upgrades to the system, as well as, worked with the user departments to customize the system so that VMS addresses the requirements of each of the user departments. The expertise and knowledge that AssetWorks has exhibited over the years has led the user departments to recommend that AssetWorks perform the VMS upgrade. To expedite the contracting process, GSD is working with the City Attorney's Office to piggyback on the Federal Government's current, General Services Administration contract with AssetWorks.

Funding

AssetWorks has submitted a proposal of $2,998,894 (Attachment 3) to complete the upgrade of VMS. This proposal amount includes a 50% discount that AssetWorks has applied in anticipation of the City expediting the start of the project. The proposal includes software, hardware, maintenance, services and travel for three years. The AssetWorks proposal does not include the cost for VMS hosting. As previously stated, based on LAPD security requirements, it is anticipated that ITA will host the system from the beginning of the VMS implementation. The cost for ITA to host the system will be $586,854 for the first year and $383,187 for each subsequent year. ITA has completed a budget request for this funding for FY 14/15.

Because the vendor is offering a 50% discount based on expediting the start of the project, it is imperative that the project go forward immediately. While ITA has requested funding in the 14/15 budget, it is crucial to ensure that funding is available even if ITA's budget request is not approved. As a result, it is recommended that project funds of $586,854 be transferred from the third year of the vendor's Service/Travel allocation, and placed into ITA accounts to pay for hardware, software, staffing training and infrastructure.

If it does become necessary to utilize the third year funding for ITA's implementation process, it is recommended that the funding be replaced through a budget request that will be submitted in FY 15/16. The budget submittal will provide funding to ITA for its positions for subsequent years and will seek to replenish the third year vendor funding.

Additionally, GSD will complete a budget request for FY 15/16 for $15,000 for communication equipment required for the MPMS.

Implementation

The upgrade of the VMS will be completed in six phases over a 20-month period. This phasing will allow AssetWorks to focus on each individual user department's operations, work-flows and requirements as the implementation progresses. The phases are as follows:

1. Phase 1: City-Wide Implementation – Overall project management, M5 installation, interface development and enhancements.

2. Phase 2: GSD Implementation – Systems application upgrade at all GSD facilities, including system design, data conversion, system setup and configuration and user training.

3. Phase 3: LAFD Implementation – Implementation of the upgraded application at all LAFD facilities, including system design, data conversion, system setup and configuration and user training.

4. Phase 4: LAPD Implementation – Implementation of the upgraded application at all LAPD facilities, including system design, data conversion, system setup and configuration and user training.

5. Phase 5: MPMS Implementation – Installation of Motor Pool Management System controllers at seven City of Los Angeles locations, configuration of the Motor Pool modules and user training.

6. Phase 6: Capital Asset Management (CAM) Implementation – Implementation of the integrated CAM application, including system design, user training and data loading.

Staffing

GSD, LAPD, LAFD and ITA are requesting positions as outlined in Attachment 4a to support the VMS upgrade and MPMS. These positions are required for the implementation, end user training, continued information technology support, system administration, management reporting and analysis for fleet operations. All three departments have submitted a budget request for FY 14/15 for the positions required.
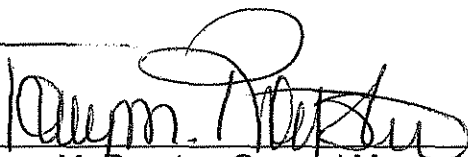
CONCLUSION

GSD, ITA, LAPD, and LAFD, agree that the VMS upgrade should go forward and have worked closely to identify funding strategies, to assist in the generation of an implementation plan, and to develop system requirements to ensure the success of the project. However, even with the collaboration between the departments the project cannot go forward without the funding and the allocation of positions that have been outlined in the recommendation section below.

RECOMMENDATIONS

1. If GSD or LAPD's FY14/15 budget request for positions are not approved, instruct the CAO to work with GSD, ITA, and LAPD to allocate positions and identify funding for VMS implementation and subsequent ongoing maintenance of the system.

2. Authorize GSD, ITA, LAFD and LAPD to hire staff once funding is identified and positions allocated.

3. If ITA's FY 14/15 budget request for staffing, software/hardware, and equipment is not approved authorize the Controller to transfer $343,225 to ITA's account for contractual services and $181,629 to ITA's 6010 account for software/hardware and $53,000 to ITA's 7300 account for equipment from the Un-appropriated Balance.

4. Authorize ITA to hire staffing and/or a contractor required to host the VMS project.

5. Authorize ITA to purchase equipment, hardware and software required to host the VMS.

6. Instruct CAO to work with GSD, ITA, and LAPD to identify $586,854 to replenish 3040 funding used by ITA for staffing and equipment in FY 13/14. Once this funding is identified authorize the Controller to transfer the funds to GSD's 3040 account.

7. Instruct the CAO to identify $15,000 needed to purchase communication equipment required to implement MPMS.

8. Authorize GSD, ITA, LAPD, and LAFD to enter into a contract with AssetWorks for implementation and maintenance of VMS and MPMS.

9. Instruct the CAO to work with LAFD to allocate positions and identify funding For VMS implementation and subsequent ongoing maintenance of the system.
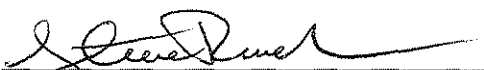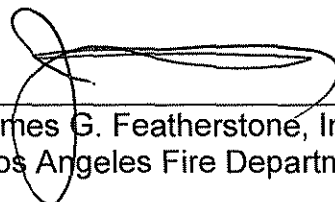
Attachments

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