

COMMUNICATION

TO: LOS ANGELES CITY COUNCIL

File No. 12-0916-S1

**FROM: COUNCILMEMBER JAN PERRY, CHAIR
INFORMATION TECHNOLOGY AND GENERAL SERVICES COMMITTEE**

COMMUNICATION FROM CHAIR, INFORMATION TECHNOLOGY AND GENERAL SERVICES COMMITTEE relative to executing two amendments to contracts with CGI Technologies and Solutions Incorporated to establish a long-term, cost effective support model for the City's Financial Management System for new Enhanced Maintenance Services to provide off-site technical support services and elective services to Information Technology Agency (ITA) and the City Controller.

Recommendations for Council action:

1. APPROVE and AUTHORIZE the General Manager, ITA, or his designee, to execute Amendment No. 3 to Software Maintenance Agreement No. C-114342 with CGI Technologies and Solutions, Incorporated (CGI) to increase contract compensation by \$975,000 for Enhanced Maintenance Services, in substantial conformance with the draft amendment provided as Attachment C of the joint ITA/City Controller report, attached to the Council file, and subject to the availability of budgeted funds and approval of the City Attorney; and .
2. APPROVE and AUTHORIZE the General Manager, ITA, or his designee, to execute Amendment No. 8 to Professional Services Agreement No. C-114340 with CGI to extend the term of the contract by three years through June 30, 2016 and increase contract compensation by \$1,378,478, in substantial conformance with the draft amendment provided as Attachment D of the joint ITA/City Controller report, attached to the Council file, and subject to the availability of budgeted funds and approval of the City Attorney, for additional functional and technical support as follows:
 - a. Add deliverables not to exceed \$500,000 for post-implementation transition training services and support in 2013-14.
 - b. Add deliverables not to exceed \$50,000 per year for post-implementation as needed technical support for 2014-15 and 2015-16 for a maximum total of \$100,000.
 - c. Add deliverables not to exceed \$325,000 per year for post-implementation customizations and functional support for three years for a maximum total of \$975,000.
 - d. Reduce the cost of existing deliverables for software customizations by (\$221,522).
 - e. Increase the cost of the existing deliverable for post-implementation functional support in an amount not to exceed \$25,000.

Fiscal Impact Statement: The City Controller and ITA report that approval of these recommendations will result in General Fund savings of \$196,522 in 2012-13. Funding for future fiscal years is subject to appropriation in the City's annual budgetary process. Sufficient funding for proposed 2013-14 expenditures is included in the Mayor's Proposed Budget. As funds are available for current year expenditures and future fiscal year expenditures are subject to the availability of budgeted funds, the recommendations of this report are in compliance with the City's Financial Policies.

Community Impact Statement: None submitted.

Summary:

On May 30, 2013, your Committee Chair considered a City Controller and ITA joint report relative to a request for approval to execute two amendments to contracts with CGI to establish a long-term, cost effective support model for the City's Financial Management System for new Enhanced Maintenance Services to provide off-site technical support services and elective services to ITA and the City Controller. After providing an opportunity for public comment, the Committee Chair recommended that Council approve the recommendation contained in the joint report, as reflected above. This matter is now submitted to Council for its consideration.

Respectfully submitted,

COUNCILMEMBER JAN PERRY, CHAIR
INFORMATION TECHNOLOGY AND GENERAL SERVICES COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PERRY	YES
BUSCAINO	ABSENT

ME
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- Not Official Until Council Acts -