



ANTONIO R. VILLARAIGOSA  
*Mayor*

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BARBARA E. MOSCHOS, *Secretary*

RONALD O. NICHOLS  
*General Manager*

July 19, 2012

The Honorable City Council  
City of Los Angeles  
Room 395, City Hall  
Los Angeles, California 90012

Honorable Members:

Subject: Amendment No. 3 to Agreement No. 47894 with Five Point Partners, LLC

Pursuant to Charter Section 373, enclosed for approval by your Honorable Body is Resolution No. 013 015, adopted by the Board of Water and Power Commissioners (Board) on July 17, 2012, approved as to form and legality by the City Attorney, which authorizes execution of Amendment No. 3 to Agreement No. 47894 with Five Point Partners, LLC for Quality Assurance for Customer Information System Replacement. As directed by the Board, transmitted to you are supporting documents.

If there are any questions regarding this item, please contact Ms. Winifred Yancy, Director of Local Government and Community Relations, at (213) 367-0025.

Sincerely,

Barbara E. Moschos  
Board Secretary

BEM:oja  
Enclosures: LADWP Resolution  
Board Letter  
Amendment No. 3 to Agreement No. 47894

**Water and Power Conservation ... a way of life**

111 North Hope Street, Los Angeles, California 90012-2607 Mailing address: Box 51111, Los Angeles 90051-5700  
Telephone: (213) 367-4211 Cable address: DEWAPOLA



c/enc: Mayor Antonio Villaraigosa  
Jose Huizar, Chair, Energy and the Environment Committee  
Gerry F. Miller, Chief Legislative Analyst  
Miguel A. Santana, City Administrative Officer  
Rafael Prieto, Legislative Analyst, CLA  
William R. Koenig, Chief Administrative Analyst  
Winifred Yancy

**WHEREAS**, the Los Angeles Department of Water and Power (LADWP) entered into Agreement No. 47894 (which together with all amendments and supplements thereto hereinafter shall be referred to as the "Agreement") with Five Point Partners, LLC (hereinafter referred to as "Contractor"), to provide professional quality assurance services for the Customer Information System (CIS) Replacement project; and

**WHEREAS**, the LADWP proposes Amendment No. 3 to Agreement No. 47894 (Amendment) with the Contractor to extend the Agreement eight (8) months and 14 days, from August 16, 2012 to April 30, 2013, for a total Agreement term of three (3) years, eight (8) months, and 14 days, without any increase in funding; and

**WHEREAS**, there is a current need to maintain consistency in quality assurance services through the CIS Replacement project's go-live period; and

**WHEREAS**, the Contractor has reviewed the services to be provided which are incorporated in this Amendment and represents it has the qualities, expertise, and abilities to perform such work; and

**WHEREAS**, the term of the original Agreement exceeds the total Contract time period set by ordinance and in accordance with City Charter Section 373, City Council approval is required.

**NOW, THEREFORE, BE IT RESOLVED** that Amendment No. 3 to Agreement No. 47894, approved as to form and legality by the City Attorney and filed with the Secretary of the Board, between LADWP and Five Point Partners, LLC be and the same is hereby approved.

**BE IT FURTHER RESOLVED** pursuant to City Charter Section 1022, the services covered by this Amendment are more feasibly performed by an independent contractor rather than by City employees; and

**BE IT FURTHER RESOLVED** that the Chief Accounting Employee of LADWP, upon proper certification, is authorized and directed to draw demands on both the Water Revenue Fund and the Power Revenue Fund in payment of the obligations arising under the Agreement and all Amendments; and

**BE IT FURTHER RESOLVED** that the President or the Vice President of the Board, or the General Manager, or such person as the General Manager shall designate in writing, and the Secretary, Assistant Secretary, or the Acting Secretary of the Board be and they are hereby authorized and directed to execute said Amendment No. 3 for and on behalf of the LADWP.

**I HEREBY CERTIFY** that the foregoing is a full, true, and correct copy of a Resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held JUL 17 2012

APPROVED AS TO FORM AND LEGALITY  
CARMEN A. TRUTANICH, CITY ATTORNEY

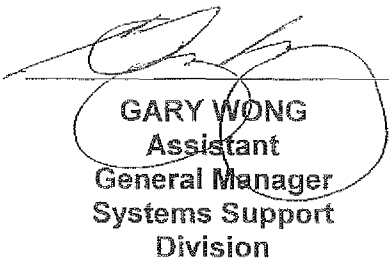

JUN 22 2012

BY

DIRK BROERSMA  
DEPUTY CITY ATTORNEY

Barbara E. Meeks  
Secretary

LOS ANGELES DEPARTMENT OF WATER AND POWER (LADWP) BOARD APPROVAL LETTER

TO: BOARD OF WATER AND POWER COMMISSIONERS		DATE: June 27, 2012
 GARY WONG Assistant General Manager Systems Support Division		SUBJECT:  Amendment No. 3 and Ratification of Agreement No. 47894 for Quality Assurance for Customer Information System Replacement  Contract With: Five Point Partners, LLC Atlanta, Georgia
 RONALD O. NICHOLS General Manager		
		FOR COMMISSION OFFICE USE:  RESOLUTION NO. _____
CITY COUNCIL APPROVAL REQUIRED: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	IF YES, BY WHICH CITY CHARTER SECTION: 373	

- New Contract
- Replacement Contract
- Amendment to Existing Contract

**PURPOSE**

The attached Resolution recommends to the Los Angeles City Council approval of Amendment No. 3 and ratification of Agreement No. 47894 (Amendment) between the Los Angeles Department of Water and Power (LADWP) and Five Point Partners, LLC (FPP) for Quality Assurance (QA) services for the replacement of the existing Customer Information System (CIS).

**COST AND DURATION**

Amendment No. 3 will extend the contract duration eight (8) months and 14 days from August 16, 2012 to April 30, 2013 for a total contract term of three (3) years, eight (8) months, and 14 days. The current not-to-exceed amount of \$7,708,988 will remain the same. As presented to the Board of Water and Power Commissioners on

September 20, 2011 (attachment), Amendment No. 3 was not included at the time, but will not increase the project budget.

**BACKGROUND**

Effective August 17, 2009, LADWP entered into Agreement No. 47894 (Agreement) with FPP. The Agreement authorized FPP to provide LADWP with professional QA services for the replacement of its existing customer care systems across the customer service and billing organization.

Term of Contract	Original Contract Amount	Contract Amendments				
		Amendment No.	Increase in Contract Amount	Term of Extension	Other	Ending Date
3 Years	\$3,500,000					08/16/2012
		Amendment No. 1	\$1,451,520	-	-	
		Amendment No. 2	\$2,757,468	-	-	
		Amendment No. 3	-	8 months and 14 days		04/30/2013

Effective December 20, 2010, Amendment No. 1 to Agreement No. 47894 expanded the scope of work provided by FPP to include assistance in functional and training support to enhance the project team's understanding and capabilities related to the implementation of the CIS Solution.

Effective November 22, 2011, Amendment No. 2 to Agreement No. 47894 further expanded the scope of work to be provided by FPP, to include a Training Lead and Training Consultants to support the creation and implementation of a training program. Amendment No. 2 also provided details regarding the roles and activities for which FPP would have responsibility.

LADWP is currently in Phase 2 of the project to replace existing customer care systems across the customer service and billing organization. Selection and implementation of the new CIS, Mobile Dispatch System, and Meter Data Management (MDM) solutions are collectively referred to as the CIS project. FPP continues to provide professional QA services on the CIS project as outlined in Agreement No. 47894. These services include, but are not limited to, providing periodic reports on project progress and any anticipated risks/delays, and working with the project team to ensure successful delivery of the project.

With buy-in from the Executive Managers in the Water System, the Power System, and the Financial Services Organization, the detailed project plan has been finalized. The tentative go-live date for the project is April 2013. This Amendment will assure QA

services through the go-live date. The project also includes a six (6) to nine (9) month period of stabilization after go-live that includes a 6-month period of post implementation support that will be provided by the Systems Integrator (PricewaterhouseCoopers, LLC).

Therefore, the Information Technology Services Division and the Customer Service Division are now requesting the approval of Amendment No. 3 to Agreement No. 47894 to extend the contract duration eight (8) months and 14 days beyond the current expiration date of August 16, 2012 to April 30, 2013. This extension will provide consistency in QA services through the end of the CIS Replacement project's go-live period.

Per Charter Section 373, Los Angeles City Council approval is required when contracts with one (1) vendor exceed the time period set by Ordinance. Accordingly, an ED4 waiver was given by the Mayor's office on June 20, 2012.

The Amendment requires ratification in the event that review and approval by the Los Angeles City Council is not completed by the August 16, 2012, expiration date.

**MINORITY/WOMEN BUSINESS ENTERPRISE (MBE/WBE) SUBCONTRACTING PARTICIPATION**

The total MBE/WBE subcontracting percentage will remain the same. Subcontracting participation levels are as follows:

**MBE SUBCONTRACTING**

MBE Subcontractor	Original Contract (Contract Amount \$3,500,000)		Added MBE Subcontracting		Participation through June 2012 (Contract Amount \$7,708,988 following Amendments Nos. 1 and 2)	
	Committed Amount	Percent of Contract	Anticipated Expenditures	Percent of Contract	Actual Amount	Percent of Contract
Grace Consulting	\$350,000	10%	-	-	\$164,738	2%
3Di	-	-	\$606,000	8%	-	-
<b>TOTAL</b>	<b>\$350,000</b>	<b>10%</b>	<b>\$606,000</b>	<b>8%</b>	<b>\$164,738</b>	<b>2%</b>

As the CIS Replacement project has progressed, the need for applications testing services was identified. In an effort to meet their MBE subcontracting commitment,

FPP added 3Di for applications testing services.

**WBE SUBCONTRACTING**

WBE Subcontractor	Original Contract (Contract Amount \$3,500,000)		Participation through June 2012 (Contract Amount \$7,708,988 following Amendments Nos. 1 and 2)	
	Committed Amount	Percent of Contract	Actual Amount	Percent of Contract
HTM Consulting Corporation	\$175,000	5%	\$149,937.50	2%
<b>TOTAL</b>	<b>\$175,000</b>	<b>5%</b>	<b>\$149,937.50</b>	<b>2%</b>

**CONTRACT AND VENDOR HISTORY**

Contract History					
Contract/ PO No.	Contractor	Term of Contract	Start Date	Ending Date	Contract Amount
47894	Five Point Partners, LLC	3 Years	08/17/2009	08/16/2012	\$7,708,988

Vendor History					
Contract/ PO No.	Contract Description	Term of Contract	Start Date	Ending Date	Contract Amount
47894	QA services for the replacement of the existing CIS.	3 Years	08/17/2009	08/16/2012	\$7,708,988

**ENVIRONMENTAL DETERMINATION**

In accordance with the California Environmental Quality Act (CEQA), it has been determined that the actions of entering into the Agreement with FPP for QA for CIS replacement services are exempt, pursuant to the General Exemption described in CEQA Guidelines Section 15061 (b)(3). General exemptions apply in situations where it can be seen with reasonable certainty that there is no possibility that the activity in question may have a significant effect on the environment.

**RECOMMENDATION**

It is requested that your Honorable Board adopt the attached Resolution recommending the Los Angeles City Council's approval of Amendment No. 3 to Agreement No. 47894 between LADWP and FPP for QA for CIS Replacement.

AB:rp

Attachments

e-c/att: Ronald O. Nichols  
Richard M. Brown  
Aram Benyamin  
James B. McDaniel  
Philip Leiber  
Ann M. Santilli  
Gary Wong  
Mark J. Sedlacek  
Anselmo G. Collins  
Matthew M. Lampe  
Sharon Grove  
John X. Chen  
Armando Bolivar



## AMENDMENT NO. 3 TO AGREEMENT NO. 47894

BETWEEN  
THE CITY OF LOS ANGELES DEPARTMENT OF WATER AND POWER  
AND  
FIVE POINT PARTNERS, LLC

This Amendment No. 3 to Agreement No. 47894 is made and entered into by and between the City of Los Angeles acting by and through its Department of Water and Power (LADWP), a municipal corporation, and Five Point Partners, LLC (Consultant), a Georgia Limited Liability Corporation. Individually, LADWP and Consultant are referred to under this Amendment as "Party" and collectively as the "Parties."

### WITNESSETH

WHEREAS, effective August 17, 2009, the parties entered into Agreement No. 47894 (which together with all amendments thereto is hereinafter referred to as the "Agreement") for the Consultant to provide LADWP with professional quality assurance services for the replacement of its existing water and electric utility customer information, billing, accounting, reporting, and collections system; and

WHEREAS, the project timeline has shifted and the new tentative go-live date has been pushed out from November 2012 to April 2013 with six (6) to nine (9) months of post implementation/stabilization support; and

WHEREAS, the Contract provides for amendment; and

WHEREAS, LADWP is proposing Amendment No. 3 to extend the contract duration eight (8) months and 14 days, beyond the current expiration date of August 16, 2012, in order to provide consistency in the quality assurance services through the end of the go-live period. The new contract expiration date shall be April 30, 2013.

NOW, THEREFORE, the parties hereby agree to amend Agreement No. 47894 as follows:

### AMENDMENT

1. **Section 201, Term of the Agreement** is amended to increase the contract duration and read as follows:

The term of this Agreement shall commence, provided the events identified in Exhibit E, PSC-4 have occurred, upon execution of this Agreement by all Parties hereto and shall terminate 44 months and 14 days thereafter, unless the contract is amended to extend the term. The original term and any extensions shall be subject to termination provisions herein. Performance shall not begin until the Consultant has obtained Department approval of insurance required herein.

2. Except as herein amended, all other terms and conditions shall remain in full force and effect.
3. This amendment is executed in two (2) duplicate originals, each of which is deemed to be an original. This amendment consists of three (3) pages.

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 3 to be executed by their duly authorized representatives on the day and year written below.


DEPARTMENT OF WATER AND POWER  
OF THE CITY OF LOS ANGELES BY  
BOARD OF WATER AND POWER COMMISSIONERS  
OF THE CITY OF LOS ANGELES

By: \_\_\_\_\_  
RONALD O. NICHOLS  
General Manager

Date: \_\_\_\_\_

And: \_\_\_\_\_  
BARBARA E. MOSCHOS  
Secretary

FIVE POINT PARTNERS, LLC

By:   
ROBERT W. BATSON  
Chief Financial Officer

APPROVED AS TO FORM AND LEGALITY  
CARMEN A. TRUTANICH, CITY ATTORNEY

JUN 11 2012

BY \_\_\_\_\_  
DIRK BROERSMA  
DEPUTY CITY ATTORNEY