



ANTONIO R. VILLARAIGOSA  
*Mayor*

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RONALD O. NICHOLS  
*General Manager*

March 20, 2013

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

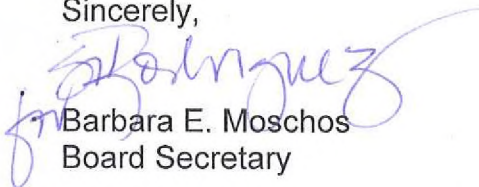
Honorable Members:

Subject: Amendment No. 4 to Agreement No. 47894 with Five Point Partners, LLC

Pursuant to Charter Section 373, enclosed for approval by your Honorable Body is Resolution No. 013 216, adopted by the Board of Water and Power Commissioners on March 19, 2013, approved as to form and legality by the City Attorney, which authorizes execution of Agreement No. 47894 (Amendment No. 4) for quality assurance for Customer Information System replacement project. As directed by the Board, transmitted to you are supporting documents.

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

Sincerely,

  
for Barbara E. Moschos  
Board Secretary

BEM:sar

Enclosures: LADWP Resolution  
Board Letter  
Agreement No. 47894 (Amendment No. 4)

**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  
Councilmember 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, effective August 17, 2009, 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. 4 to Agreement No. 47894 (Amendment) with the Contractor to extend the original contract ending date of April 30, 2013 by six (6) months and one (1) day to make the new contract ending date October 31, 2013, for a total Agreement term of four (4) years, two (2) months, and 15 days, and to increase the contract amount of \$7,708,988 by \$2,000,400 for a not-to-exceed amount of \$9,709,388; and

WHEREAS, there is a current need to maintain consistency in quality assurance, training, and functional support services throughout the post implementation stabilization period; and

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

NOW, THEREFORE, BE IT RESOLVED that Amendment No. 4 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.

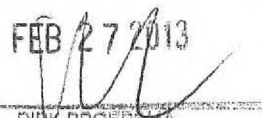
BE IT FURTHER RESOLVED that pursuant to Charter Section 1022, the services covered by this Amendment are expert in nature, highly specialized, and more feasibly performed by an independent contractor than by City of Los Angeles employees; and

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 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. 4 to Agreement No. 47894 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 **MAR 19 2013**

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

FEB 27 2013  
BY   
DIRK BROERGMA  
DEPUTY CITY ATTORNEY

  
Secretary

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

<b>TO: BOARD OF WATER AND POWER COMMISSIONERS</b>		<b>DATE: March 7, 2013</b>
 <b>GARY WONG</b> Assistant General Manager Systems Support Division		<b>SUBJECT:</b>  Amendment No. 4 to Agreement No. 47894 for Quality Assurance for Customer Information System Replacement project  Contract With: Five Point Partners, LLC Atlanta, Georgia
		<b>FOR COMMISSION OFFICE USE:</b>  RESOLUTION NO. _____
<b>CITY COUNCIL APPROVAL REQUIRED: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></b>	<b>IF YES, BY WHICH CITY CHARTER SECTION: 373</b>	

- New Contract (not replacing existing contract)
- Replacement Contract
- Amendment to Existing Contract

**PURPOSE**

Transmitted for approval by your Honorable Board is a Resolution, approved as to form and legality by the City Attorney, recommending to the Los Angeles City Council approval of Amendment No. 4 to 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. 4 will extend the contract duration by six (6) months and one (1) day from April 30, 2013 to October 31, 2013 for a total Agreement term, inclusive of all amendments, to four (4) years, two (2) months, and 15 days. This Amendment also increases the expenditure authority by \$2,000,400 from \$7,708,988 to \$9,709,388.

Amendment No. 4 was not included in the project budget as presented to the Board on September 20, 2011. However, Amendment No. 4 is in line with the current approved budget.

## **BACKGROUND**

Effective August 17, 2009, LADWP entered into the Agreement with FPP. The Agreement authorized FPP to provide LADWP with professional QA services for the CIS Replacement project which involves replacement of its existing customer care systems across the customer service and billing organization. QA services consisted of providing assistance in the selection of the System Integrator for the CIS Replacement, providing periodic reports on project progress and any anticipated risks/delays, and working with the project team to ensure successful delivery of the project.

Effective December 20, 2010, Amendment No. 1 to the Agreement 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 and increased the expenditure authority by \$1,451,520, from \$3,500,000 to \$4,951,520.

Effective November 22, 2011, Amendment No. 2 to the Agreement 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 and increased the expenditure authority by \$2,757,468, from \$4,951,520 to \$7,708,988.

Effective September 5, 2012, Amendment No. 3 extended 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 expenditure authority of \$7,708,988 remained the same. Amendment No. 3 extended the necessary QA services, training, and functional support services through the end of the CIS Replacement project's go-live period.

The LADWP is currently in Phase 2 of the project. Implementation of the Customer Care and Billing System, the Mobile Workforce Management system, Meter Data Management solutions, and a water outage management system are collectively referred to as the CISCON project. Oracle Systems is the primary software application along with Trimble eRespond (the secondary software) for the water outage management application. FPP continues to provide professional QA services along with functional training and support. These services include, but are not limited to, providing periodic reports on project progress and any anticipated risks and/or 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 points to a go-live target date of April 22, 2013. This go-live target date is subject to the satisfactory completion of testing during the February through April timeframe. The project also includes a period of stabilization after go-live that includes a 4-month period of post implementation support that will be provided by the Systems Integrator, PricewaterhouseCoopers, LLC. In order to ensure a comprehensive system stabilization process and project closeout, QA services should be provided not only up to the go-live date but throughout the post implementation period. As projects of this complexity are likely to require additional time to resolve testing issues and avoid risky schedule compression, this amendment is proposed to assure the availability of these services for up to six (6) months beyond the current termination of the contract.

Amendment No. 4 will ensure that the quality assurance, training, and functional support services provided by FPP are available throughout the post implementation stabilization period.

Pursuant to Charter Section 1022, the services covered by this Amendment are expert in nature, highly specialized, and more feasibly performed by an independent contractor than by City of Los Angeles employees.

Per Charter Section 373, Los Angeles City Council (City Council) approval is required when contracts with one (1) vendor exceeds the time period set by Ordinance. Amendment No. 4 to Agreement No. 47894 will extend the contract for an additional six (6) months, and one (1) day; therefore, City Council approval is required. Due to time-sensitive operational needs, an Executive Directive No. 4 waiver was granted by the Mayor's Office on March 7, 2013. A CAO report will be provided for City Council review prior to final consideration of this item.

**LOCAL BUSINESS PREFERENCE PROGRAM (LBPP)**

The LBPP was not included in the RFP associated with this Agreement, as the bid and award were completed prior to LBPP implementation.

**M/W/OBE SUBCONTRACTING PARTICIPATION**

**WBE**

Name	Description of Subcontracting Work	Original Contract Expenditure Limit	Actual Expenditure To Date	Original Projected Percentage	Achieved Percentage To Date
HTM Consulting Corporation	Project Administration activities during the duration of the project	\$175,000	\$149,937.50	5.00%	2.26%
<b>Total:</b>		\$175,000	\$149,937.50	5.00%	2.26%

**MBE**

Name	Description of Subcontracting Work	Original Contract Expenditure Limit	Actual Expenditure To Date	Original Projected Percentage	Achieved Percentage To Date
Grace Consulting	Business process and requirements definition oversight, and business readiness assessment	\$350,000	\$164,738	10.00%	2.48%
3Di Incorporated*	Testing services for the Oracle CIS, Mobile Workforce Management (MWM), and Meter Data Management (MDM) applications	\$0	\$361,125	0.00%	5.44%
<b>Total:</b>		\$350,000	\$525,863	10.00%	7.92%

\*As the CIS Replacement project 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.

**CONTRACT AND VENDOR HISTORY**

Contract and Vendor History					
Contract/ PO No.	Contractor	Term of Contract	Start Date	Ending Date	Current Contract Amount
47894	Five Point Partners, LLC	3 Years, 8 months, 14 days	08/17/2009	04/30/2013	\$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 services for the CIS Replacement project 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.

Board of Water and Power Commissioners  
Page 5  
March 7, 2013

**RECOMMENDATION**

It is recommended that your Honorable Board adopt the attached Resolution recommending City Council's approval of Amendment No. 4 to Agreement No. 47894 between LADWP and FPP for QA services for the CIS Replacement project.

AB:vlc:ac

Attachments

e-c/att: Ronald O. Nichols  
Richard M. Brown  
Aram Benyamin  
James B. McDaniel  
Philip R. Leiber  
Gary Wong  
Gwendolyn W. Williams  
Sharon Grove  
Matthew M. Lampe  
Armando Bolivar



## AMENDMENT NO. 4 TO AGREEMENT NO. 47894

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

**This Amendment No. 4** to Agreement No. 47894 is made and entered into by and between the City of Los Angeles acting by and through its Los Angeles 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."

**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 Consultant to provide LADWP professional quality assurance services for the replacement of its existing water and electric utility customer information, billing, accounting, reporting, and collections system; and

**WHEREAS**, LADWP is proposing Amendment No. 4 (Amendment) to extend the term of the Agreement for quality assurance services, training, and functional support services for an additional six (6) months and one (1) day from April 30, 2013 to October 31, 2013, and increase the expenditure authority by \$2,000,400 from \$7,708,988 to a not-to-exceed amount of \$9,709,388.

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

### AMENDMENT

1. **Section 201, Term of the Agreement** is amended to extend the Agreement 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 four (4) years, two (2) months, and 15 days thereafter, unless the Agreement is amended to extend the term. The original term and any extensions shall be subject to termination provisions herein. Performance shall not begin until Consultant has obtained LADWP approval of insurance required herein.

2. **Section 301.1, Not-to-Exceed Amount** is amended to increase total compensation from \$7,708,988 to \$9,709,388 and reads as follows:

The total compensation that may be paid to Consultant by the LADWP for complete and satisfactory performance of services under this Agreement shall not exceed Nine Million, Seven Hundred Nine Thousand, Three Hundred and Eighty-Eight dollars (\$9,709,388).

3. Except as herein amended above, all other terms and conditions of Agreement No. 47894 shall remain in full force and effect.
4. This Amendment is executed in one (1) original and one (1) duplicate original, each of which is deemed to be an original. This Amendment consists of three (3) pages.

**IN WITNESS WHEREOF**, the signatories hereto represent that they are authorized to enter into the Amendment No. 4 to Agreement No. 47894.

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: \_\_\_\_\_

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

FEB 27 2013  
BY \_\_\_\_\_  
DIRK BROERSMA  
DEPUTY CITY ATTORNEY

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

FIVE POINT PARTNERS, LLC

By: \_\_\_\_\_  
JAMES SESSOMS  
Chief Financial Officer

Date: 03.11.2013