



ANTONIO R. VILLARAIGOSA
Mayor

Commission
THOMAS S. SAYLES, *President*
ERIC HOLOMAN, *Vice President*
RICHARD F. MOSS
CHRISTINA E. NOONAN
JONATHAN PARFREY
BARBARA E. MOSCHOS, *Secretary*

RONALD O. NICHOLS
General Manager

December 7, 2012

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

Honorable Members:

Subject: Authorizes Amendment No. 1 of Agreement No. 47909 with 3Di Incorporated

Pursuant to Charter Section 373, enclosed for approval by your Honorable Body is Resolution No. 013 140, adopted by the Board of Water and Power Commissioners (Board) on December 4, 2012, approved as to form and legality by the City Attorney, which authorizes execution of Agreement No. 47909 (Amendment No. 1) with 3Di Incorporated for Internet Website Upgrade and Redesign. The amendment will increase the agreement by \$2,000,000 and extend the term by three years. 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. 1 to Agreement No. 47909

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

RESOLUTION NO. 013 140

WHEREAS, effective January 12, 2010, Los Angeles Department of Water and Power (LADWP) entered into Agreement No. 47909 (which together with all amendments and supplements thereto hereinafter shall be referred to as the "Agreement") with 3Di Incorporated (hereinafter referred to as "Contractor") to upgrade and redesign the Internet website; and

WHEREAS, LADWP proposes Amendment No. 1 to Agreement No. 47909 with 3Di to increase the Agreement by \$2,000,000 from \$3,664,000 to a cumulative total of \$5,664,000; and extend the Agreement for three (3) years for a total Agreement term of six (6) years from January 12, 2010 to January 11, 2016; and

WHEREAS, there is a current need to enhance the LADWP Intranet website platform; and

WHEREAS, there is a need to create a unified constituent web portal for the City of Los Angeles (City) Bureau of Sanitation to partner with LADWP to automate the maintenance of accurate account management, and efficient service request resolution; 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. 1 to Agreement No. 47909, approved as to form and legality by the City Attorney and filed with the Secretary of the Board, between LADWP and 3Di Incorporated be and the same is hereby approved.

BE IT FURTHER RESOLVED that the Parties hereby agree to amend said Agreement as follows:

1. The first sentence of Section 12.a (Fees) is replaced in its entirety to state: "The total compensation that may be paid to the Contractor by the LADWP for complete and satisfactory performance of services under the Agreement shall not exceed \$5,664,000 plus applicable expenses, taxes, and performance bond costs."
2. The first sentence of Section 13.a (Term) is replaced in its entirety to state: "The term of this Agreement ("Term) shall commence upon the Effective Date, as specified in Exhibit C – Definitions item I, and shall expire six (6) years thereafter, subject to the termination provisions herein."

3. The Los Angeles Department of Water and Power representative listed in Section 23.e (Notices) is replaced in its entirety to state:

Mona T. Guirguis
Contract Administrator
111 North Hope Street, Room 239
Los Angeles, California 90012

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

BE IT FURTHER RESOLVED that pursuant to Charter Section 371(e)2, competitive bidding is not practicable or advantageous; 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 Amendment No. 1; and

BE IT FURTHER RESOLVED that the President or Vice President, 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. 1 for and on behalf of 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 ~~DEC 04 2012~~


Secretary

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

NOV 07 2012

BY 
DIRK BROERSMA
DEPUTY CITY ATTORNEY

VERBAL MOTION

I MOVE that Item No. 31 on the December 4, 2012, Regular Commission Agenda relative to a resolution authorizing execution of Agreement No. 47909 (Amendment No. 1) with 3Di Incorporated for Internet Website Upgrade and Redesign, increasing the agreement by \$2,000,000 and extending the term by three years, **BE AMENDED**, as follows:

“That LADWP can spend the LADWP portion only and not anything else unless the MOU is approved.”

Moved by: Richard F. Moss

Seconded by: Christina E. Noonan



Approved by the Board of Water and Power Commissioners at its Regular Meeting on December 4, 2012: Ayes: 3, Noes: 0, Absent: 2 – Sayles and Holoman

By: Barbara E. Moschos

Barbara E. Moschos, Board Secretary

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

TO: BOARD OF WATER AND POWER COMMISSIONERS		DATE: November 20, 2012
 GARY WONG Assistant General Manager - Systems Support Division		SUBJECT: Amendment No. 1 to Agreement No. 47909 with 3Di Incorporated for Internet Website Upgrade and Redesign
 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	ADOPTED AS AMENDED AT 12/4/12 BOARD MEETING. SEE ATTACHED VERBAL MOTION.

Please check appropriate box or remove if non-applicable.

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

PURPOSE

The proposed Amendment will provide for an upgrade and redesign of the Los Angeles Department of Water and Power (LADWP) intranet at an estimated cost of \$500,000 and the creation of a unified constituent web portal for the City of Los Angeles (City) Bureau of Sanitation (BOS) at an estimated cost of \$1,500,000. BOS will pay for the constituent web portal via the attached proposed Memorandum of Understanding (MOU) between BOS and LADWP.

The attached Resolution recommends to the Los Angeles City Council approval of Amendment No. 1 (Amendment) to Agreement No. 47909 (Agreement) with 3Di Incorporated (3Di) for Internet Website Upgrade and Redesign.

COST AND DURATION

The Amendment will increase the Agreement by \$2,000,000, from \$3,664,000 to a cumulative total of \$5,664,000. The duration of the Agreement will be extended by three years from an expiration date of January 11, 2013 to January 11, 2016 for a total Agreement term of six (6) years.

BACKGROUND

Agreement No. 47909 was approved by the Board of Water and Power Commissioners effective January 12, 2010. The purpose of the Agreement was to upgrade and redesign the LADWP corporate Internet website. The upgrade would provide customers easy-to-use and secure self-service options that would allow LADWP to expand its customer service capabilities while lowering overall operating costs. The Agreement included the ability to upgrade and integrate the Internet and Intranet technology platforms.

In November 2011, negotiations began between Information Technology Services Division (ITSD), Customer Service Division (CSD), BOS, and 3Di regarding the following services:

- A. Redesign and migration of the LADWP Intranet sites based on the LADWP corporate Internet website platform (\$500,000)
- B. Creation of a unified constituent web portal for BOS for all customer service requests (\$1,500,000)

LADWP

Upgrading the LADWP Intranet will reduce operational costs by standardizing the content management approach and streamlining the technical architecture so that it is consistent and integrated into the new LADWP corporate website portal implemented by 3Di. Additionally, the intranet upgrade will support LADWP employees in their effort to keep the content current and make updates easier.

BOS

The creation of a unified constituent web portal for BOS will lead to a direct improvement in the customer experience and the achievement of greater levels of operational efficiency.

Since LADWP is the billing agent for BOS's Solid Resources and Wastewater Programs, it is critical that BOS's billing information contained in each LADWP bill accurately reflect the BOS account details for each customer. LADWP has worked diligently with BOS to keep this information accurate; however, the process to maintain BOS account details is manual and labor intensive. This fact, coupled with the large amount of data being maintained, has affected the accuracy of the BOS data on LADWP bills.

To provide billing accuracy, LADWP and BOS will partner and leverage LADWP's new Customer Care and Billing (CC&B) Customer Service system. To facilitate this

partnership, BOS will work with 3Di in the areas of identity and account management and integration with the new billing system. This will allow BOS to tie into the LADWP system for web account security and properly link to BOS customer account information.

Closely related to billing, the Bureau of Sanitation Call Center (SAN) receives calls from residents for SAN services and assigns "tickets" to the appropriate section within the organization to perform the required work. The service request system used by SAN for this function is old and outdated. It lacks many of the features residents expect from service providers, such as the ability to request BOS services over the web or from smart phones, a feature recently implemented by LADWP. Under the Amendment, 3Di will assist BOS in replacing its antiquated service request system with a modern system modeled after the LADWP Web self-service system, replicating systems and extending integration technology already developed under this Agreement. The end result will be a more seamless experience for BOS customers when processing service requests.

Beginning with the Amendment, administration of the Agreement will be transferred from CSD to ITSD. Services will be conducted on a fixed-fee basis, and task assignments with detailed Statements of Work will be issued for components of each of the tasks outlined above.

BOS will issue task orders for the work surrounding the creation of the unified web portal for customer service requests. BOS will pay for 3Di services via the attached proposed MOU between BOS and LADWP. Under the MOU, BOS will transfer funds from the Solid Waste Resources Revenue Fund (SWRRF) to the LADWP Power Revenue Fund for payment of 3Di invoices for BOS work.

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 the City Administrative Officer report is attached.

METHOD OF SELECTION

Competitive Cooperative Purchase Sole Source Single Source

Pursuant to City Charter Section 371(e)(2), competitive bidding is not practicable or advantageous because 3Di has acquired unique and specialized knowledge upgrading and redesigning the LADWP corporate internet website and continued use of 3Di represents the most efficient and cost-effective method of integrating the intranet with the new internet technology platforms implemented by 3Di.

M/W/OBE SUBCONTRACTING PARTICIPATION

The following is a current list and data with projected participation of Minority Business Enterprise (MBEs) and the Women Business Enterprise (WBE) being sub-contracted by 3Di for MBE/WBE services. The projected participation percentages for each enterprise are to remain set throughout the term of the contract.

MBE SUBCONTRACTING

MBE SUBCONTRACTOR	ORIGINAL CONTRACT (CONTRACT AMOUNT \$5,664,000*)		PARTICIPATION THROUGH DECEMBER 2012 (CONTRACT AMOUNT \$3,664,000)		PROJECTED PARTICIPATION DUE TO PROPOSED \$2,000,000 AMENDMENT (PROPOSED CONTRACT AMOUNT \$5,664,000)		
	COMMITTED AMOUNT	PERCENT OF CONTRACT	ACTUAL AMOUNT	PERCENT OF CONTRACT	PROPOSED \$ IN AMENDMENT	REVISED TOTAL SUB AMOUNT	REVISED PERCENT OF CONTRACT
Applied Research West, Inc.	\$105,200	3.30%	\$105,200	2.87%	\$110,000	\$215,200	3.80%
Lazar & Associates	\$126,000	3.95%	\$126,000	3.44%	\$30,000	\$156,000	2.75%
TOTAL	\$231,200	7.25%	\$231,200	6.31%	\$140,000	\$371,200	6.55%

WBE SUBCONTRACTING

WBE SUBCONTRACTOR	ORIGINAL CONTRACT (CONTRACT AMOUNT \$5,664,000*)		PARTICIPATION THROUGH DECEMBER 2012 (CONTRACT AMOUNT \$3,664,000)		PROJECTED PARTICIPATION DUE TO PROPOSED \$2,000,000 AMENDMENT (PROPOSED CONTRACT AMOUNT \$5,664,000)		
	COMMITTED AMOUNT	PERCENT OF CONTRACT	ACTUAL AMOUNT	PERCENT OF CONTRACT	PROPOSED \$ IN AMENDMENT	REVISED TOTAL SUB AMOUNT	REVISED PERCENT OF CONTRACT
Azimuth Consulting, Inc.	\$42,500	1.33%	\$42,500	1.16%	\$100,000	\$142,500	2.52%
TOTAL	\$42,500	1.33%	\$42,500	1.16%	\$100,000	\$142,500	2.52%

*The final approved Agreement amount was reduced from \$5,664,000 to \$3,664,000.

CONTRACT AND VENDOR HISTORY

Contract History					
Contract/ PO No.	Contractor	Term of Contract	Start Date	Ending Date	Contract Amount
47909	3Di	3 Years	1-12-10	1-11-13	\$3,664,000

Vendor History					
Contract/ PO No.	Contract Description	Term of Contract	Start Date	Ending Date	Contract Amount
47909	Internet Website Upgrade and Redesign	3 Years	1-12-10	1-11-13	\$3,664,000
49009	Environmental Management Web System (EMWS) Upgrade	11 Months	9-26-11	8-25-12	\$145,000

ENVIRONMENTAL DETERMINATION

In accordance with the California Environmental Quality Act (CEQA), it has been determined that professional implementation services is 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. 1 to Agreement No. 47909 with 3Di.

MG:TN:vnc

Attachments

e-c/att: Ronald O. Nichols

Richard M. Brown

Aram Benyamin

James B. McDaniel

Philip Leiber

Gary Wong

Gwendolyn W. Williams

Sharon Grove

Matthew M. Lampe

Mona Guirguis

AMENDMENT NO. 1 TO AGREEMENT NO. 47909

BETWEEN
THE CITY OF LOS ANGELES DEPARTMENT OF WATER AND POWER
AND
3Di Incorporated

This Amendment No. 1 to Agreement No. 47909 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 3Di Incorporated (Consultant), a California corporation with a principal place of business at 3 Pointe Drive, Suite 307, Brea, California 92821. Individually, LADWP and Consultant are referred to under this Amendment as "Party" and collectively as the "Parties."

WITNESSETH

WHEREAS, effective January 12, 2010, the parties entered into Agreement No. 47909 (which together with all amendments thereto is hereinafter referred to as the "Agreement") for the Consultant to provide LADWP with assistance to redesign and upgrade the corporate website; and

WHEREAS, the Contract provides for amendment; and

WHEREAS, LADWP is proposing Amendment No. 1; the Amendment will increase the duration of the Agreement by three (3) years January 12, 2013 to January 11, 2016 for a total Agreement term of 72 months.

NOW, THEREFORE, the parties hereby agree to amend Agreement No. 47909 as follows:

AMENDMENT

1. **Section 12. Fees, Invoices and Payment, Subsection a) Fees** is amended as follows:

a) **Fees**. The total compensation that may be paid to the Contractor by the LADWP for complete and satisfactory performance of services under the Agreement shall not exceed \$5,664,000 plus applicable expenses, taxes, and performance bond costs.

2. **Section 13. Term and Termination** is amended to increase the contract duration and reads as follows:

a) **Term**. The term of this Agreement ("Term") shall commence upon the Effective Date, as specified in Exhibit C – Definitions item I, and shall expire six (6) years thereafter, unless earlier termination as hereinafter provided. Performance shall not begin until the Contractor has obtained LADWP approved insurance required therein.

3. **Section 23. General, Subsection e) Notices** is amended to update the contract administrator as follows:

Los Angeles Department of Water and Power

Mona T. Guirguis
Contract Administrator
111 N. Hope Street, Room 239
Los Angeles, California 90012

4. Except as herein amended above, all other terms and conditions of Agreement No. 47909 shall remain in full force and effect.
5. 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. 1 to Agreement 47909.

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

3DI INCORPORATED


By: _____ MIHIR DESAI, VICE PRESIDENT
FOR RAJIV DESAI
Chief Executive Officer

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

NOV 18 2012

BY _____ DIRK BROERSMA
DEPUTY CITY ATTORNEY