

REPORT FROM

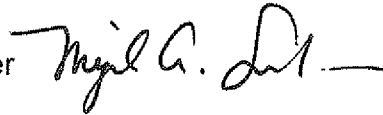
OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: May 6, 2013

CAO File No. 0150-09983-0000
Council File No.
Council District:

To: The Mayor
The City Council

From: Miguel A. Santana, City Administrative Officer



Reference: Transmittal from the Department of Water and Power dated March 12, 2013

Subject: **Resolution No. 013-204 for Proposed Agreement No. 47145-3 between the Department of Water and Power and CGI Technologies and Solutions, Inc.**

SUMMARY

The Department of Water and Power (DWP; Department) requests approval of Resolution No. 013-204 which authorizes the proposed sole-source Agreement No. 47145-3 (Agreement) with CGI Technologies and Solutions Inc. (CGI) to provide ongoing services for the Outage Management System (OMS) / Mobile Dispatch System (MDS), to maintain, enhance, and provide proprietary products and services including software, technical support, and training. The proposed Agreement replaces a previous agreement which expired on March 17, 2013, and ratifies the proposed Agreement as of March 18, 2013. Approval of the proposed Agreement will provide expenditure authority up to \$5,442,690 over a five-year term that includes two one-year extension options expiring March 17, 2018. The Mayor's Office granted a waiver to the requirements of Executive Directive No. 4 on February 12, 2013.

In accordance with Charter Section 373, for long term contracts, and the Los Angeles Administrative Code Section 10.5, "Limitations and Power to Make Contracts," City Council approval is required because the cumulative length of the agreement exceeds three years. The City Attorney has approved the proposed resolution and Agreement as to form and legality.

The OMS/MDS is an integral component of the Electric Trouble daily operations which enables the reliable delivery of power to customers. DWP states, OMS/MDS is the Power System's equivalent to the 911 Emergency Notification System. When Power System problems occur, the OMS allows the Department to: direct work and site location automatically to field crews through laptop computers in a graphical form; record DWP activity performed and job status (in real-time); and, provide Customer Service Representatives with job status to provide customers with outage and repair information on a 24 hour basis.

The Department first contracted with CGI (formerly known as: Hydro-Quebec; M3i Systems) in November 1990, for an Outage Management System (OMS) for the Power System in response to two departmental audits and a Council direction to implement a work force management program. In 1999, the system was upgraded with a graphical front end and embedded graphics engine and Y2K

certification was obtained. In April 2003, a Mobile Dispatch System (MDS) was added to the Outage Management System to integrate laptop computers in DWP vehicles with automatic real-time wireless data from the DWP Electric Trouble Center. Real-time data is considered information received or communicated immediately.

Including the proposed Agreement No. 47145-3, the following table illustrates the funding and contract periods for the Department's related contracts with CGI, Inc.:

<u>Contracting History with CGI</u>			
Agreement No.	Term	Contract Amount	Purpose
10685	11/90 to 11/93	\$2,956,203	OMS Implementation / Maintenance
10480	11/93 to 10/96	\$434,034	Maintenance
P.O. 45131	11/96 to 10/97	\$45,810	Maintenance
P.O. 41651	11/97 to 10/98	\$85,000	Maintenance
P.O. 41651-8	1/98 to 7/99	\$85,000	Software Upgrade
P.O. 45119	10/98 to 10/99	\$66,170	Maintenance
P.O. 40402-0	10/99 to 1/00	\$74,501	Maintenance
10644-0	1/00 to 12/02	\$622,378	Maintenance
47020-1	5/01 to 5/04	\$2,737,299	MDS Implementation / Maintenance
P.O. 45176-4	4/04 to 8/04	\$149,000	Maintenance
19071-4	4/04	\$125,000	One Month Training
47375-5	2/05 to 2/08	\$7,549,714	Maintenance
49052-8	2/08 to 3/08	\$122,000	Maintenance
47723-8	3/08 to 3/13	\$6,900,130	Maintenance
	SUB TOTAL	\$20,412,677	
<i>47145-3 Proposed</i>	<i>3/13 to 3/18</i>	<i>\$5,442,690</i>	<i>Maintenance</i>
	GRAND TOTAL	\$25,855,367	

CONTRACTING COMPLIANCE

The Department made a Charter Section 1022 determination that concluded that these services can more feasibly be performed by outside contractor, CGI Technologies and Solutions Inc., because DWP neither owns nor can modify the proprietary software owned by CGI. The original contract with CGI, a sole source provider, was executed in 1990. According to DWP, CGI has performed in an acceptable manner with respect to its obligations for all previous agreements.

The above mentioned aspects of the proposed resolution, agreement, and this report, are based upon revised information received from the Department subsequent to the initial request submittal.

MBE/WBE SUBCONTRACTING

The proposed Agreement is for proprietary software maintenance and services that will be exclusively performed by the contractor. As a result, subcontracting services are not required on the proposed contract.

RECOMMENDATION

That the Council approve, subject to concurrence by the Mayor, Resolution No. 013-204 authorizing sole-source Agreement No. 47145-3 with CGI Technologies and Solutions Inc., to provide ongoing services for the Outage Management System / Mobile Dispatch System with expenditure authority up to \$5,442,690 over a five-year term that includes two one-year extension options expiring March 17, 2018.

FISCAL IMPACT STATEMENT

Approval of the proposed resolution provides expenditure authority up to \$5,442,690 from the DWP Power Revenue Fund. The proposed Agreement complies with the Department's adopted Financial Policies. Approval of the proposed resolution will have no impact on the City's General Fund.

TIME LIMIT FOR COUNCIL ACTION

Pursuant to Charter Section 373, "Long Term Contracts Approved by Council," and the Los Angeles Administrative Code Section 10.5, "Limitation and Power to Make Contracts," unless the Council takes action disapproving a contract that is longer than three years within 60 days after submission to Council, the contract shall be deemed approved.

MAS:RPR:10130138