

0150-08516-0004

TRANSMITTAL

TO
The Council

DATE
5/22/18

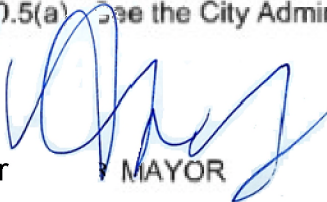
COUNCIL FILE NO.

FROM
The Mayor

COUNCIL DISTRICT

**Third Amendment to Contract No. C-113622 with Gatekeeper Systems
For Software Maintenance and Enhancement Services of
Field Automation for Sanitation Trucks (FAST) Application**

Approved and transmitted for your consideration. The Council has 60 days from the date of the receipt to act, otherwise the Third Amendment will be deemed approved pursuant to Los Angeles Administrative Code Section 10.5(a). See the City Administrative Officer report attached.



(Ana Guerrero) for MAYOR

RHL-WKP:06180141t

Report From
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Analysis of Proposed Contract
(\$25,000 or Greater and Longer than Three Months)

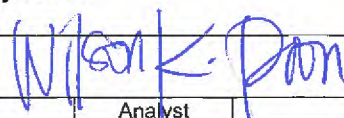
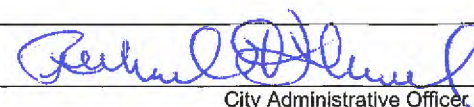
To: The Mayor	Date: 05-22-18	C.D. No. ALL	CAO File No.: 0150-08516-0004				
Contracting Department/Bureau: Public Works/Bureau of Sanitation		Contact: Dan Seto, (323) 342-6288					
Reference: Transmittal from the Board of Public Works dated December 18, 2017; referred for report on December 18, 2017.							
Purpose of Contract: To provide software maintenance and enhancement services of Field Automation for Sanitation Trucks (FAST) application and related NaviGate products installed in Sanitation wastewater collection vehicles.							
Type of Contract: () New contract (X) Amendment, Contract No. C-113622		Contract Term Dates: Three years, retroactively effective from June 1, 2017 through May 31, 2020. The Third Amendment will extend the cumulative term of the contract from nine years to 12 years.					
Contract/Amendment Amount: \$520,000							
Proposed amount \$520,000 + Prior award(s) \$1,600,000 = Total \$2,120,000							
Source of funds: Sewer Construction and Maintenance Fund.							
Name of Contractor: Gatekeeper Systems							
Address: 1010 E. Union Street, Suite 205, Pasadena, CA 91106							
	Yes	No	N/A	Contractor has complied with:	Yes	No	N/A
1. Council has approved the purpose	X			8. Business Inclusion Program	X		
2. Appropriated funds are available	X			9. Equal Benefits Ordinance	X		
3. Charter Section 1022 findings completed			X	10. First Source Hiring Ordinance	X		
4. Proposals have been requested			X	11. Contractor Responsibility Ordinance			X
5. Risk Management review completed	X			12. Slavery Disclosure Ordinance	X		
6. Standard Provisions for City Contracts included	X			13. Bidder Certification CEC Form 50	X		
7. Workforce that resides in the City: 0%				14. Prohibited Contributors (Bidders) CEC Form 55	X		
* Applicable to contracts of \$1,000,000 or more				15. CA Iran Contracting Act of 2010*	X		

RECOMMENDATION

That the Council authorize the Bureau of Sanitation to execute the proposed Third Amendment to Contract No. C-113622 with Gatekeeper Systems to provide software maintenance and enhancement services of Field Automation for Sanitation Trucks (FAST) application and related NaviGate products.

SUMMARY

The Board of Public Works (Board), on behalf of the Bureau of Sanitation (Bureau), requests authority to execute the Third Amendment to Contract No. C-113622 with Gatekeeper Systems (Gatekeeper) for software maintenance and support services for the Bureau's Field Automation for Sanitation Trucks (FAST) application and related NaviGate products. The proposed Third Amendment will extend the term of the contract by an additional three years, from June 1, 2017 through May 31, 2020, and increase the cumulative term of the contract from nine years to 12 years. The Third Amendment will also increase the total maximum compensation by \$520,000, from \$1.6 million to \$2.12 million. In accordance with Los Angeles Administrative Code Section 10.5(b), Council approval is required to execute the proposed Third Amendment as the cumulative term of the contract exceeds three years.

 WKP Analyst 06180141	 City Administrative Officer
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The Bureau's Wastewater Collection System Division (WCSD) is responsible for cleaning the City's 7,600 mile sewer system and maintaining the system's infrastructure and pumping stations. The Bureau utilizes the Enterprise Maintenance Planning and Control (EMPAC) system to manage work orders, track and order warehouse parts, track maintenance activities, and streamline maintenance related purchases. The FAST application is a web-based, field data access component to EMPAC that allows WCSD field crews to receive and close work orders and prepare reports in the field, which reduces the amount of paperwork and allows supervisors to track work progress in real-time. The FAST application is also integrated with Geographic Information System (GIS) maps, which links EMPAC assets to actual field locations, searchable by street address or intersection. The FAST application provides real-time work status information that allows supervisors to more effectively coordinate work and deploy resources.

On March 3, 2008, the Board authorized the Bureau to execute Contract No. C-113622 with Gatekeeper as a sole source contract for a period of three years and a cost ceiling of \$1.1 million. On June 14, 2011, the Council (C.F. 11-0881) authorized the Bureau to execute the First Amendment to extend the contract for an additional three years and increase the cost ceiling by \$500,000, from \$1.1 million to \$1.6 million. On June 17, 2014, the Council (C.F. 14-0576) authorized the Bureau to execute the Second Amendment to extend the term for an additional three years with no adjustment to the cost ceiling. The proposed Third Amendment will extend the term for an additional three years and increase the cost ceiling by \$520,000, from \$1.6 million to \$2.12 million. The Bureau is currently replacing EMPAC with an updated version of the product called Ellipse and the Third Amendment is required for Gatekeeper to re-integrate FAST with the new Ellipse system.

Summary of Third Amendment Changes

The Third Amendment will not change the scope of work and method of compensation. Gatekeeper will continue to provide maintenance, enhancement, and support services for the FAST application. The changes included in the Third Amendment are as follows:

- Article 4 is amended to reflect the increased cost ceilings for software maintenance services by \$195,000, from \$1,000,000 to \$1,195,000, and software enhancement services by \$325,000, from \$500,000 to \$825,000.
- Articles 6 and 19 are amended to update the City's designated project manager.
- Article 7 is amended to update the terms of the agreement, which will be effective from June 1, 2017 through May 31, 2020.
- Article 12 is amended to provide an updated link to the City's Insurance Requirements Sheet.
- Article 16 is amended to reflect updates to the City's mandatory provisions pertaining to non-discrimination in employment.
- Article 28 is amended to reflect updates to the City's Living Wage Ordinance and Service Contractor Worker Retention Ordinance provisions.
- Article 36 is amended to reflect updates to the City's Slavery Disclosure Ordinance provisions.

- Article 40 is amended to reflect updates to the City's First Source Hiring Ordinance provisions.
- Article 42 is amended to include compliance with the Iran Contracting Act of 2010.
- Article 43 is added to include compliance with the City Contractors' Use of Criminal History for Consideration of Employment Applications Ordinance.

Contracting Compliance Requirements

The Personnel Department determined that City employees cannot perform the work and that the proposed work is exempt from Charter Section 1022 requirements. The NaviGate software and the components are proprietary products of Gatekeeper Systems and the maintenance of these products is available solely from Gatekeeper Systems.

On May 2, 2006, the Mayor's Office waived the Minority, Women, and Other Business Enterprise (MBE/WBE/OBE) Subcontractor Outreach Program requirements. Pursuant to Section 10.40.4(b) of the Contractor Responsibility Ordinance, Gatekeeper is exempt from the provisions of the Contractor Responsibility Ordinance as the NaviGate software system is a proprietary product and only available from a single source. Gatekeeper has complied with all of the City's contracting provisions and the proposed Third Amendment has been reviewed and approved by the City Attorney as to form.

FISCAL IMPACT STATEMENT

There is no General Fund impact as sufficient funds are available within the Sewer Construction and Maintenance Fund to support the costs of the proposed Third Amendment. In the 2017-18 Adopted Budget, \$100,000 was provided in the Sewer Construction and Maintenance Fund's Sanitation Expense and Equipment Account for this purpose and in the 2018-19 Adopted Budget, there is \$450,000 provided in the same account for the costs of the Third Amendment as well as other wastewater systems technical support services. Consistent with the City's Financial Policies, the contract includes a Financial Liability Clause, which limits the City's annual financial obligation to the amount provided in the City's Annual Budget, which is subject to Mayor and Council approval.