

0150-08516-0003

TRANSMITTAL

TO
The Council

DATE
MAY 05 2014

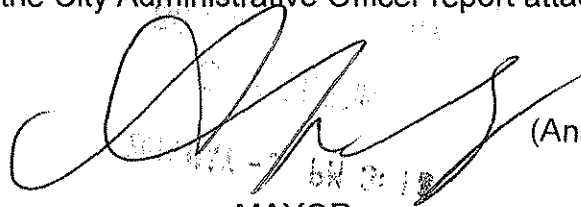
COUNCIL FILE NO.

FROM
The Mayor

COUNCIL DISTRICT
All

**Second Amendment to Contract No. 113622
With Gatekeeper Systems for Software Maintenance and
Support Services for the Bureau of Sanitation
Field Automation for Sanitation Trucks (FAST) System**

Approved and forwarded for your consideration.
See the City Administrative Officer report attached.


(Ana Guerrero)
MAYOR

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


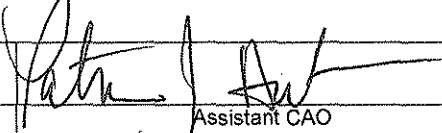
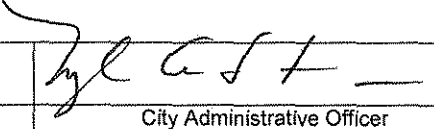
To: Mayor	Date: 04-30-14	C.D. No. All	CAO File No.: 0150-08516-0003
Contracting Department/Bureau: Public Works/Sanitation		Contact: Anita Fernandez, (323) 342-6288	
Reference: Transmittal from the Board of Public Works dated January 13, 2014; referred for report January 15, 2014.			
Purpose of Contract: To provide software maintenance and support services for the Field Automation for Sanitation Trucks (FAST) system.			
Type of Contract: () New contract (X) Amendment		Contract Term Dates: Three years effective from June 1, 2014 through May 31, 2017	
Contract/Amendment Amount: \$0			
Proposed amount \$ 0 + Prior award(s) \$ 1,600,000 = Total \$ 1,600,000			
Source of funds: Sewer Construction and Maintenance Fund No. 760			
Name of Contractor: Gatekeeper Systems			
Address: 1010 East Union Street, Suite 205, Pasadena, CA 91106			
	Yes	No	N/A*
1. Council has approved the purpose	X		
2. Appropriated funds are available	X		
3. Charter Section 1022 findings completed			X
4. Proposals have been requested			X
5. Risk Management review completed	X		
6. Standard Provisions for City Contracts included	X		
7. Workforce that resides in the City: 0%			
8. Contractor has complied with:			
	Yes	No	N/A*
a. Equal Employmt. Oppty./Affirm. Action	X		
b. Good Faith Effort Outreach**			X
c. Equal Benefits Ordinance	X		
d. Contractor Responsibility Ordinance			X
e. Slavery Disclosure Ordinance	X		
f. Bidder Certification CEC Form 50	X		
*N/A = not applicable ** Contracts over \$100,000			

COMMENTS

The Board of Public Works (Board), on behalf of the Bureau of Sanitation (Bureau), requests authority to execute the Second Amendment to a contract with Gatekeeper Systems (Gatekeeper) for software maintenance and support services for the Bureau's Field Automation for Sanitation Trucks (FAST) system. The proposed Second Amendment will extend the term of the contract by an additional three years, from June 1, 2014 through May 31, 2017, for a total of nine years. In accordance with Los Angeles Administrative Code Section 10.5(b), Council approval is required to execute the proposed Second Amendment as the term of the contract exceeds three years.

Background

The Bureau's Wastewater Collection System Division (WCSD) is responsible for maintaining the City of Los Angeles' (City) sewer system. The Bureau utilizes the Enterprise Maintenance Planning and Control (EMPAC) system to plan and coordinate work orders to maintain and repair the sewer system. The Bureau also utilizes the Bureau of Engineering's Geographical Information System (GIS) sewer maps to determine the location of work orders. The FAST system is a web-based application that is integrated with the GIS sewer maps and EMPAC system, which provides an interface for WCSD field crews to track the status of work orders in real time. This integration allows WCSD

 EMM	Analyst	06140086	 Patricia J. Aut Assistant CAO	 City Administrative Officer
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supervisors to maintain overall situational awareness and better direct and manage their resources in the field. The FAST system uses Gatekeeper's proprietary NaviGate software to perform this work.

On March 3, 2008, the Board of Public Works authorized the Bureau to execute Contract No. 113622 with Gatekeeper as a sole source contract for a period of three years and a cost ceiling of \$1,100,000. On June 14, 2011, the Council authorized the Bureau to execute the First Amendment to extend the contract for a period of three years and increase the cost ceiling by \$500,000 for a total of \$1,600,000 (C.F. 11-0881). Routine maintenance for the NaviGate system costs \$100,000 annually. The current ceiling includes costs to pay for routine annual maintenance as well as for as-needed systems enhancement, integrations support, field support services and on-site support. The Bureau has expended \$565,500 under this contract ceiling to date, and sufficient savings are available under the current ceiling to support the costs of the contract for an additional three years.

The contract will expire on May 31, 2014 and the Second Amendment will extend the contract for an additional three years with no increase to the cost ceiling. This extension will provide the Bureau sufficient time to issue a Request for Information (RFI) to determine if there are other contractors available to support an upgraded FAST system. The Bureau is planning to upgrade their FAST and EMPAC systems as the current software is nearing the end of its useful life. An RFI will inform the Bureau about the current market for applications similar to NaviGate, and whether or not it would be beneficial to the City bid on the competitive market for an upgraded system.

Summary of Second Amendment Changes

The Second Amendment will not change the scope of work, method of compensation or cost ceiling. Gatekeeper will continue to provide system maintenance, enhancement and support services to the system. The changes included in the Second Amendment are as follows:

- Article 7 was amended to extend the term of the agreement from June 1, 2014 to May 31, 2017 unless terminated as provided under Article 8 or extended by amendment to the Contract.
- Article 10 was amended to reflect the Contractor's updated hourly billing rates.
- Article 12 was amended to update indemnification language stating that the Contractor must provide full payment of in house and outside counsel for any litigation costs that may be incurred by the City in the event of legal proceedings against the Contractor, except for in the event of active negligence or willful misconduct by the City. The Article was also amended to provide instruction for filing insurance paperwork online.
- Article 24 was amended to include language specifying that all causes of action pertaining to the contract must be filed in the appropriate state or federal court located within Los Angeles County, regardless of residence.
- Article 42 was added to include compliance requirements pursuant to Charter Section 470(c)(12), prohibiting Contractor campaign contributions to elected City officials, candidates or committees controlled by and elected City official or candidates.

Contracting Compliance Requirements

The Personnel Department determined that City employees cannot perform the work for these contract services and therefore a 1022 Determination is not required. The software NaviGate and its 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 exempted this contract from the City of Los Angeles Minority, Women and Other Business Enterprise (MBE/WBE/OBE) subcontractor outreach requirement. Per 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 applicable City procedures, laws and policies. The City Attorney has reviewed and approved this amendment as to form.

RECOMMENDATION

That the Council authorize the Board of Public Works to execute the proposed Second Amendment to extend the term of the contract with Gatekeeper Systems, Incorporated, by three years, from June 1, 2014 through May 31, 2017.

FISCAL IMPACT STATEMENT

There is no fiscal impact to the General Fund. Sufficient funds are available in the Sewer Construction and Maintenance Fund to support the 2013-14 costs of the proposed Second Amendment. Funding for future years will be provided through the City's annual budget, which is subject to Mayor and Council approval. The contract makes no guarantee of work and all work will be issued on an as-needed basis. The recommendation in this report complies with the City's Financial Policies as ongoing revenue will support ongoing expenditures.