

TRANSMITTAL

To:

THE COUNCIL

Date: **MAY 14 2014**

From:

THE MAYOR

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.



(Ana Guerrero)

ERIC GARCETTI
Mayor



Eric Garcetti, Mayor
Rushmore D. Cervantes, Interim General Manager

Administration Bureau
1200 West 7th Street, 9th Floor, Los Angeles, CA 90017
tel 213.928.9071 | fax 213.808.8999
hcidla.lacity.org

April 21, 2014

Council File:xx-xxxx
Council Districts: Citywide
CAO File No.:
Contacts: Greg Kung, (213) 808-8403

Honorable Eric Garcetti
Mayor, City of Los Angeles
200 North Spring Street, Room 303
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

REQUEST FOR APPROVAL TO EXECUTE AMENDMENTS TO INFORMATION TECHNOLOGY (IT) PROFESSIONAL SERVICES CONTRACTS - 3Di, INC. (C-120168) AND RYDEK COMPUTER PROFESSIONALS (C-120169) FOR THE LOS ANGELES HOUSING AND COMMUNITY INVESTMENT DEPARTMENT'S PROGRAM AND BUSINESS SYSTEMS

SUMMARY

The Los Angeles Housing and Community Investment Department (HCIDLA) hereby respectfully requests authority to execute a Fourth Amendment to the contract C-120168 with 3Di, Inc. and also to the contract C-120169 with Rydek Computer Professionals to continue to provide IT support services to the Department. The contracts are used to hire computer programmers for HCIDLA's business systems programming. The proposed amendment to the contract C-120168 with 3Di, Inc. will increase the contract amount by \$400,000 to a total contract amount of \$2,190,000; and the proposed amendment to the contract C-120169 with Rydek Computer Professionals will increase the contract amount by \$400,000 to a total contract amount of \$1,725,000. The contract amendments are needed to implement the business system projects planned for Fiscal Year 2013-2014 (Attachment A). Please see Attachment B for a copy of the draft contract amendments.

RECOMMENDATIONS

The General Manager of HCIDLA respectfully requests that:

- A. Your office schedule this transmittal before the appropriate Committee(s) of the City Council at the next available meeting(s), and forward it to the City Council for consideration and approval immediately thereafter.

B. The City Council:

1. Authorize the City Controller to:

- a. Transfer appropriations within Fund No. 41M, Systematic Code Enforcement Fee, Department 43 as follows:

From:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
43K411	Unallocated	\$ 200,000

To:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
43K412	Service Delivery	\$ 200,000

- b. Transfer appropriations within Fund No. 440, Rent Stabilization Trust Fund, Department 43 as follows:

From:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
43K411	Unallocated	\$ 100,000

To:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
43K412	Service Delivery	\$ 100,000

- c. Expend funds from the above accounts not to exceed \$300,000 upon proper written demand of the General Manager, or designee on an as needed basis.
2. Authorize the General Manager, HCIDLA, or designee, to prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and Council action in this matter, subject to the approval of the City Administrative Officer (CAO), and request the Controller to implement these instructions.
3. Authorize the General Manager of the HCIDLA, or designee, to execute the contract amendment for 3DI, Inc. (C-120168) and Rydek Computer Professionals (C-120169), subject to the approval of the City Attorney as to form, to increase 3Di, Inc. contract amount by adding \$400,000 to the contract, for a total maximum compensation of \$2,190,000; and to increase Rydek Computer Professionals contract amount by adding \$400,000 to the contract, for a total maximum compensation of \$1,725,000.

C. The Mayor concur with the action of the City Council.

BACKGROUND

On January 1, 2012, HCIDLA executed a contract with 3Di, Inc. and Rydek Computer Professionals for IT professional services through a Request for Proposals. The terms of the contracts are for one year, with the option to renew for two one-year terms. Both contracts are due to expire on December 31, 2015. The Department is currently preparing a Request For Proposal (RFP) to establish new replacement contracts. Charter 1022 Determination has recommended that HCIDLA be permitted to contract for IT professional services because the requested services would be performed more feasibly by contract than by City employees due to the limited duration of the projects, and that HCIDLA does not have sufficient in-house staff to perform the required work.

These contracts are used to hire computer programmers for the development of the Department's critical business systems. The staffing resource and technical expertise provided by these contracts are necessary for the continued development of these systems. HCIDLA has the following major business systems: 1) The Housing Information Management System (HIMS) is a suite of web applications used to support the Department's Housing Development operations. It manages a housing loan portfolio of about 5,000 loans worth over \$1 billion and track the housing development of hundreds of projects. 2) The Code, Compliance and Rent Information Systems (CCRIS) is also a suite of web applications, which supports the Systematic Code Enforcement Program (SCEP) operation and the Rent Stabilization Ordinance (RSO) operation. The CCRIS manages code enforcement inspections of about 750,000 rental units and track the Rent Stabilization cases for 500,000 units in the City of Los Angeles. The system is also responsible for the billing and collections of SCEP and RSO fees worth over \$50 million annually.

SCOPE OF WORK

The continued development and enhancement of CCRIS and HIMS are critical to the operation of the Department. The contract programmers hired via these contracts provide the programming human resource and technical skills HCIDLA needs to continue these efforts. Attachment A lists all the systems projects to be developed by the contractors via the requested contract amendments.

FUNDING

The following funding sources in the existing HCIDLA approved budget have been identified for the amendments of these contracts.

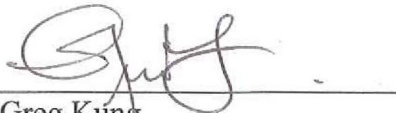
Fund Name	Fund Number	Account Number	Budget Authority (Council File)	Amount
Code Enforcement Trust Fund	41M	43K412	See Recommendation B above	\$200,000
Rent Stabilization Trust Fund	440	43K412	See Recommendation B above	\$100,000
Code Enforcement Trust Fund	41M	43K412	FY 2013-14 2nd FSR CF 13-0600-S147	\$90,000
Rent Stabilization Trust Fund	440	43K412	FY 2013-14 2nd FSR CF 13-0600-S147	\$90,000
Housing Opportunities for Persons with AIDS (HOPWA)	569	43K444	39 th Con Plan (CF 12-1607-S8)	\$125,000
HOME Grant	561	43L412	40 th Con Plan (CF 13-1395)	\$102,260
Lead Grant Nine	53Q	43G902	Lead Hazard Reduction Program (CF 10-1140-S1)	\$50,000
Total				\$757,260

HCIDLA uses these contracts to obtain contract programming services via a competitive selection process established by ITA. The terms of the contracts do not require HCIDLA to expend the full amount of the contracts. If the Department is unable to fully fund them due to any reason, the Department may choose to stop using the contracts at any time without penalty.

FISCAL IMPACT

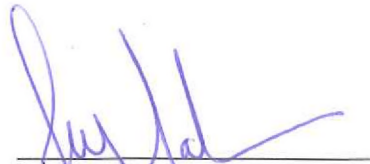
All funding is authorized grant funds or fee funds in HCIDLA's Fiscal Year 2013-2014 budget, the 39th Consolidated Plan budget and the 40th Consolidated Plan budget. Therefore, there is no impact to the General Fund.

Prepared by:



Greg Kung
Director of Systems
Systems Division
HCIDLA

Reviewed by:



Luz Santiago
Assistant General Manager,
Administration Bureau
HCIDLA

Approved by:



Rushmore Cervantes
Interim General Manager
HCIDLA

RC:LS:GK

Attachment A

Systems projects to be performed by the amendment contracts.

- a) Lead Hazard Reduction Grant Compliance Monitoring – Develop functions in the Code Compliance and Rent Information System (CCRIS) and the Housing Information Management System (HIMS) to carry out the Lead Grant compliance requirement for post-hazard control and monitoring. Automated work flow will be developed to allow Code Inspectors to identify properties that had received lead remediation and alert Lead program staff if lead-based paint hazards are identified by the Inspectors.
- b) Homeless Management Information System (HMIS) – Implement the HMIS system to track homeless populations in the HOPWA program
- c) CCRIS – develop the following functions
 - i. Home Property Inspection Module – Ability to manage HOME-funded property inspections which have a different inspection schedule than SCEP.
 - ii. California Public Request Act Module – Ability to define document types in CCRIS that can be released to the public and manage CPRA requests and reports.
 - iii. Complete the REAP module enhancement and provide on-going support
 - i. To eliminate the problems resulting from the creation of duplicate REAP cases from the same property
 - ii. Provide better UI (user interface) and reporting
 - iii. Automate manual processes
 - iv. Implement Utility Maintenance Program (UMP) requirements
 - iv. Administrative Module to automate numerous administrative functions
 - i. Employee asset inventory
 - ii. Mileage tracking
 - iii. Employee reassignments and rotation
 - iv. Training management
 - v. Employee information management
- d) Housing Information Management System (HIMS) – Systems enhancement for HIMS to support online Housing Development business process.

Attachment B – Draft Amendments

FOURTH AMENDMENT
TO AGREEMENT NUMBER C-120168 OF CITY OF LOS ANGELES CONTRACT
BETWEEN
THE CITY OF LOS ANGELES
AND
3DI INC.
A California Corporation

THIS FOURTH AMENDMENT to Agreement Number C-120168 of City of Los Angeles Contract is made and entered into, by and between the City of Los Angeles, hereinafter referred to as the City, and **3Di, Inc.**, hereinafter referred to as the Contractor.

WITNESSETH

WHEREAS, the City and the Contractor have entered into an Agreement wherein Contractor shall provide certain services, said Agreement effective January 1, 2012 and subsequently amended, which together with all amendments thereto shall hereinafter be referred to as the Agreement; and

WHEREAS, Section **§505** of the Agreement provides for amendments to the Agreement; and

WHEREAS, the City and the Contractor are desirous to amending the Agreement as authorized by the City Council and the Mayor (Council File Number xx-xxxx adopted by City Council and concurred by the Mayor on xxx xx, 2014) which authorize the General Manager of the Los Angeles Housing and Community Investment Department to prepare and execute an amendment to the Agreement for the purpose of: (a) adding an additional funds in the amount of Four Hundred Thousand Dollars (\$400,000) for a new total of Two Million One Hundred Ninety Thousand Dollars (\$2,190,000); and (b) making such other changes as are required in connection with the forgoing, all as detailed elsewhere in this Agreement; and

WHEREAS, this Amendment is necessary and proper to continue and/or complete certain activities authorized under the Agreement.

NOW, THEREFORE, the City and the Contractor agree that the Agreement be amended effective xxx xx, 2014 as follows:

FOURTH AMENDMENT

- §1. Amend Section 3, "Payment" Subsection §301, "Compensation and Method of Payment" Paragraph C, "Total Contract Expenditure", by deleting the maximum total compensation amount of One Million Seven Hundred Ninety Thousand Dollars (\$1,790,000) and replacing with the new total dollar amount of Two Million One Hundred Ninety Thousand Dollars (\$2,190,000).

This amendment adds an additional Four Hundred Thousand Dollars (\$400,000) for a new total of Two Million One Hundred Ninety Thousand Dollars (\$2,190,000).

- §3. Except as herein amended, all terms and conditions of the Agreement shall remain in full force and effect.

- §4. This Amendment is executed in three (3) duplicate originals, each of which is deemed to be an original. This Amendment includes four (4) pages which constitute the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM AND LEGALITY:

Executed this __ day of _____, 2013

MICHAEL N. FEUER, City Attorney

For: THE CITY OF LOS ANGELES

Rushmore Cervantes
Interim General Manager
Housing and Community Investment
Department

By: _____
Deputy / Assistant City Attorney

By: _____

Date: _____

Executed this __ day of _____, 2013

ATTEST:

For: **3Di, Inc.**
A California Corporation

HOLLY L. WOLCOTT, City Clerk

By: _____

By: _____
Deputy City Clerk

Print name: _____

Title: _____

Date: _____

By: _____

Print name: _____

Title: _____

(Contractor's Corporate Seal or Notary)

City Business License Number: 0000495437-0002-8

Internal Revenue Service Number: 33-0647719

Council File Number	Contract/Amendments	Dates
CF 11-1963	Original	02/01/2012
14.8	1 st Amendment	01/01/2013
CF 11-1963	2 nd Amendment	01/18/2013
14.8	3 rd Amendment	01/01/2014
CF xx-xxxx	4 th Amendment	Xx/xx/2014

Said Agreement is the 4rd Amendment of Agreement Number C-120168 of City Contracts

Draft Amendment

FOURTH AMENDMENT
TO AGREEMENT NUMBER C-120169 OF CITY OF LOS ANGELES CONTRACT
BETWEEN
THE CITY OF LOS ANGELES
AND
COMPUTER PROFESSIONALS UNLIMITED, INC. DBA
RYDEK COMPUTER PROFESSIONALS

THIS FOURTH AMENDMENT to Agreement Number C-120169 of City of Los Angeles Contract is made and entered into by and between the City of Los Angeles, hereinafter referred to as the City, and COMPUTER PROFESSIONALS UNLIMITED, INC. DBA RYDEK COMPUTER PROFESSIONALS, hereinafter referred to as the Contractor.

WITNESSETH

WHEREAS, the City and the Contractor have entered into an Agreement wherein Contractor shall provide certain services, said Agreement effective January 1, 2012 and subsequently amended, which together with all amendments thereto shall hereinafter be referred to as the Agreement; and

WHEREAS, Section 505 of the Agreement provides for amendments to the Agreement; and

WHEREAS, the City and the Contractor are desirous to amending the Agreement as authorized by the City Council and the Mayor (Council File Number xx-xxxx adopted by City Council and concurred by the Mayor on xxx xx, 2014) which authorize the General Manager of the Los Angeles Housing and Community Investment Department to prepare and execute an amendment to the Agreement for the purpose of: (a) adding an additional funds in the amount of Four Hundred Thousand Dollars (\$400,000) for a new total of One Million Seven Hundred Twenty-five Thousand Dollars (\$1,725,000); and (b) making such other changes as are required in connection with the forgoing, all as detailed elsewhere in this Agreement; and

WHEREAS, this Amendment is necessary and proper to continue and/or complete certain activities authorized under the Agreement.

NOW, THEREFORE, the City and the Contractor agree that the Agreement be amended effective xxx xx, 2014 as follows:

FOURTH AMENDMENT

- §1. Amend Section 301A Compensation by deleting the total dollar amount of One Million Three Hundred Twenty-Five Thousand Dollars (\$1,325,000) and replacing with the new total dollar amount of One Million Seven Hundred Twenty-Five Thousand Dollars (\$1,725,000).

This amendment adds an additional Four Hundred Thousand Dollars (\$400,000) for a new total amount of One Million Seven Hundred Twenty-Five Thousand Dollars (\$1,725,000).

- §2. Except as herein amended, all terms and conditions of the Agreement shall remain in full force and effect.

- §3. This Amendment is executed in three (3) duplicate originals, each of which is deemed to be an original. This Amendment includes four (4) pages which constitute the entire understanding and agreement of the parties.

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IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM:
MICHAEL N. FEUER, City Attorney

Executed this _____ day of _____, 2014

By _____
Deputy/Assistant City Attorney

For: THE CITY OF LOS ANGELES

RUSHMORE CERVANTES
Interim General Manager

Los Angeles Housing and Community Investment

Date _____
Department

ATTEST:

By _____

HOLLY L. WOLCOTT, Interim City Clerk

By _____
Deputy City Clerk

Executed this _____ day of _____, 2014

Date _____

For: COMPUTER PROFESSIONALS

UNLIMITED, INC. DBA RYDEK
COMPUTER PROFESSIONALS

A CALIFORNIA FOR PROFIT CORPORATION

(Contractor's Corporate
Seal or Notary)

By _____

CONTRACTOR
NAME: ROBERT DECK
Its President

Date: _____

By _____

NAME: ADAM REINHARDT
Its: Corporate Secretary

Date: _____

City Business License Number: 0000933289-0001-5

Internal Revenue Service Number: 95-4680364

Said Agreement is Number C-120169 of City Contracts Amendment 4

CAO/Council File Number	Contract/Amendments	Dates
XX-XXXX	4 th Amendment	Xx/xx/xxxx
14.8	3 rd Amendment	01/01/2014
12-0049	2nd Amendment	02/06/13
14.8	1 st Amendment	01/01/2013
11-1963	Original Contract	02/01/2012