

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: August 31, 2016

CAO File No. 0150-10307-0002

Council File No. 14-0853

Council District: Citywide

To: The Mayor  
The Council

From: Miguel A. Santana, City Administrative Officer 

Reference: Housing and Community Investment Department transmittal dated August 3, 2016; Received by the City Administrative Officer on August 9, 2016; Additional information received August 15, 2016

Subject: **HOUSING AND COMMUNITY INVESTMENT DEPARTMENT REQUEST TO EXECUTE SECOND AMENDMENTS TO INFORMATION TECHNOLOGY PROFESSIONAL SERVICES CONTRACTS WITH 3Di, INC AND RYDEK COMPUTER PROFESSIONALS**

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### RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Authorize the General Manager, Housing and Community Investment Department (HCID), or designee, to:
  - a. Execute the proposed Second Amendments to Contract C-125235 with 3Di, Inc. (3Di) and Contract C-125234 Rydek Computer Professionals (Rydek) for the continued provision of contract programming services, to extend the contract term by one year from January 1, 2017 through December 31, 2017, and to increase the compensation amount for 3Di by \$3,093,027 for a revised total compensation amount not to exceed \$5,687,547 and increase compensation for Rydek by \$1,904,899 for a revised total compensation amount not to exceed \$4,223,991, in substantial conformance with the draft amendments in Attachment B to the HCID transmittal dated August 3, 2016, subject to the approval of the City Attorney as to form and legality, and compliance with the City's contract requirements;
  - b. 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, and request the Controller to implement these instructions.

2. Authorize the Controller to:

- a. Establish a new account 43N900, Contract Programming – Systems Upgrades, within Foreclosure Registry Fund 56V/43 and appropriate \$180,000 in that account; and,
- b. Expend funds from the above fund and account, in an amount not to exceed \$180,000, upon proper written demand of the General Manager, HCID, or designee.

## **SUMMARY**

The Housing and Community Investment Department (HCID) request authority to execute Second Amendments to contracts with 3Di, Inc. (3Di) (C-125235) and Rydek Computer Professionals (Rydek) (C-125234) for the continued provision of on-call information technology (IT) professional services to HCID, including the enhancement of the Housing Information Management System to meet accessibility requirements for housing development, retrofits and occupancy monitoring. The proposed Second Amendments will extend the term for both contracts by one year from January 1, 2017 through December 31, 2017 and increase compensation for Contract C-125235 with 3Di by \$3,093,027 for a new total compensation amount not to exceed \$5,687,547 and increase compensation for Contract C-125234 with Rydek by \$1,904,899 for a new total compensation amount not to exceed \$4,223,991. Additionally, HCID requests an appropriation in the amount of \$180,000 from the Foreclosure Registry Fund to be used to finance the proposed contract amendments. There is no impact to the General Fund. This Office concurs with the recommendations of the Department.

The Personnel Department completed a Charter Section 1022 determination on May 30, 2014, and found that the requested IT professional services could be performed more feasibly by contractors than by City employees because of the intermittent and on-call nature of the work and that the work exceeds staffing availability.

## **FISCAL IMPACT STATEMENT**

There is no impact to the General Fund. The recommendations in this report comply with City Financial Policies in that the recommended contract amendments will be supported by grant and fee funds and all contractual services expenditures from the General Fund will be reimbursed by various grant and fee funds.

*MAS:NSC:02170025C*