

WHEREAS, OGMA Consulting Corporation (OGMA) was awarded Agreement No. 47080-2 by the Los Angeles Department of Water and Power (LADWP) Board of Commissioners on March 20, 2012, for proprietary computer software maintenance, support, and change services for the proprietary Electronic Request-Solicit-Procure (eRSP) system; and

WHEREAS, LADWP has determined that, due to the necessity for ongoing routine maintenance and on- and off-site support for the eRSP system and software change services required for improving, adding to, or extending the functionality of the eRSP system to meet changing operating requirements and other strategic procurement goals and objectives in relation to the future Enterprise Resource Planning system, it is necessary to increase the agreement amount and term and recommends Amendment No. 3 to Agreement No. 47080-2 with OGMA to increase the agreement amount by \$3,694,410 from \$1,791,403 to an amount not-to-exceed \$5,485,813 and extend the term by five years to November 30, 2019; and

WHEREAS, LADWP has determined that it is necessary to increase the agreement term by five years totaling eight years which exceeds the total agreement time period set by ordinance, and in accordance with the City Charter Section 373, City Council approval is required.

NOW, THEREFORE, BE IT RESOLVED that Amendment No. 3 to Agreement No. 47080-2, approved as to form and legality by the City Attorney and on file with the Secretary of the Board is hereby approved.

BE IT FURTHER RESOLVED that the Chief Accounting Employee of the LADWP, upon proper certification, is authorized and directed to draw demands on the Water and the Power Revenue Funds, in accordance with the terms of this amendment to Agreement No. 47080-2 and this resolution.

BE IT FURTHER RESOLVED that the President or Vice President, or the General Manager, or such person as the General Manager shall designate in writing, and the Secretary, Assistant Secretary, or the Acting Secretary of the Board are hereby authorized and directed to execute said amendment for and on behalf of LADWP upon approval by the City Council pursuant to City Charter Section 373.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of the resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held FEB 03 2015


Secretary

APPROVED AS TO FORM AND LEGALITY
MICHAEL N. FEUER, CITY ATTORNEY

SEP 10 2014

BY 
DIRK P. BROERSMA
DEPUTY CITY ATTORNEY

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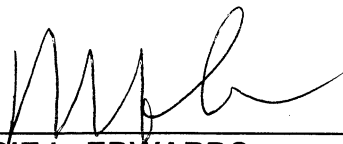


RESOLUTION NO. 015 145
FEB 03 2015

BOARD LETTER APPROVAL



DAVID H. WIGGS
Chief Administrative Officer



MARCIE L. EDWARDS
General Manager

DATE: January 22, 2015

SUBJECT: Amendment No. 3 to Agreement No. 47080-2 With OGMA Consulting Corporation (OGMA) for Proprietary Computer Software Maintenance, Support, and Change Services for the Electronic Request-Solicit-Procure System

SUMMARY

The purpose of this proposed Amendment No. 3 to Agreement No. 47080-2 (Agreement) is to increase the Agreement limit by \$3,694,410 (budgeted) from \$1,791,403 to a new not-to-exceed amount of \$5,485,813 and extend the Agreement term by five years to November 30, 2019. All other terms and conditions of the Agreement will remain unchanged.

The proposed amendment will provide funds for the ongoing routine maintenance and support required for operating the Electronic Request-Solicit-Procure (eRSP) system which processes all requisitions, bids, request for proposals, and purchase orders for the Los Angeles Department of Water and Power (LADWP). The amendment also provides for software changes to ensure that the eRSP system's functionality meets evolving operating requirements and mandatory LADWP and City of Los Angeles procurement policies pending the replacement of LADWP's financial systems.

City Council approval is required according to Charter Section 373.

RECOMMENDATION

It is requested that the Board of Water and Power Commissioners adopt the attached Resolution recommending City Council's approval of the proposed Amendment No. 3 to Agreement No. 47080-2 between LADWP and OGMA as required in Charter Section 373.

ALTERNATIVES CONSIDERED

The following alternatives to the proposed amendment were considered:

- A. Continue using the eRSP software without maintenance and support, or the ability to enhance.
- B. Replace the eRSP system with the procurement functionality built into the future financial system replacement (also referred to as an Enterprise Resource Planning [ERP] system).
- C. Increase the Agreement amount and extend the term with the approval of Amendment No. 3 to Agreement No. 47080-2 to continue with maintenance and support from OGMA.

Alternative A is not a viable option because eRSP is a proprietary system. While LADWP owns a perpetual license to operate the eRSP System, LADWP does not own the source code. Only OGMA, the software manufacturer, can modify the source code and provide the necessary support. Without the support of OGMA, LADWP and its bidders are at risk of not being able to process and complete purchasing transactions electronically to procure the materials and services necessary to support LADWP operations. This alternative could adversely impact LADWP's ability to procure goods and services to provide safe and reliable water and power as eRSP currently processes all LADWP requisitions, bids, request for proposals, and purchase orders.

Alternative B may be a viable option; however, the ERP system completion is most likely beyond the term of Amendment No. 3. Currently, the ERP system project is in the very early stages and the system integrator (SI), under a separate contract, has not been selected. When the SI is in place, an analysis will be performed to determine whether the eRSP system should be interfaced to the ERP system or replaced by the procurement functionality built into the ERP system. LADWP anticipates that the earliest completion date of these analysis activities will be mid-2017, and that the system interface or replacement will be beyond the term of Amendment No. 3.

Alternative C is the best option because regardless of which direction the ERP system project takes, LADWP will need OGMA's involvement. If LADWP decides to interface the eRSP system to the ERP system, OGMA will be required to work with the SI to design, develop, and implement the interface. Conversely, if the ERP system will replace the eRSP system, LADWP will need OGMA to work with the SI on the associated transition and data conversion activities. As such, the implementation of the future ERP system is dependent on Amendment No. 3.

If the replacement of the eRSP system by the ERP system is completed during the term of Amendment No. 3, LADWP has the right to terminate this Agreement with OGMA without cause and is only obligated to pay for services rendered prior to the termination. Any unused fees for routine maintenance and support will be refunded to LADWP.

FINANCIAL INFORMATION

The table below indicates the breakdown of costs:

	Current Maximum Expenditure	Requested Amendment No. 3	Amended Maximum Expenditure
Original Period (Contract No. 49024-2; 4 months 13 days)	\$150,000		\$150,000
Amendment No. 1 (2 years, 7 months and 17 days; renumbered to Agreement No. 47080-2)	\$1,198,903		\$1,348,903
Amendment No. 2 (No time extension)	\$442,500		\$1,791,403
Amendment No. 3 (5 years)		\$3,694,410	\$5,485,813
Agreement Total			\$5,485,813

The proposed Amendment No. 3 will extend the existing Agreement term to November 30, 2019.

BACKGROUND

In 2006, LADWP released Request for Proposal (RFP) No. RFP123-07 for the design, development, and implementation of an electronic procurement system. As a result of this competitive process, LADWP established Agreement No. 47693-8 with Sierra Systems. In September 2008, Sierra Systems implemented the first phase of the eRSP system, a proprietary all-electronic procurement system, for LADWP. Subsequently, in April 2011, Sierra Systems implemented the second and final phase of the eRSP system. Since then, LADWP has been utilizing the eRSP system for processing of internal requisitions, external online bidding and solicitations, issuance and renewal of contracts, purchase orders, and sub-purchase orders.

In December 2011, LADWP established Contract No. 49024-2 with OGMA, Sierra Systems' software subcontractor and manufacturer of the proprietary eRSP software, for on-site advanced support and software change services for a term of four months and 13 days and for an amount of \$150,000.

Amendment No. 1 to Contract No. 49024-2 was subsequently approved by the Board on March 20, 2012, via Board Resolution No. 012-197, extending the contract term to November 30, 2014, and increasing the contract limit by \$1,198,903 to \$1,348,903. In addition to providing for support, Amendment No. 1 provided for an interface between the eRSP system and the Maximo Asset Management (Maximo) system, an interface between the eRSP system's reporting capabilities with LADWP's enterprise reporting tools, and elimination of the legacy mainframe back-end purchasing system. Amendment No. 1 renumbered Contract No. 49024-2 to Agreement No. 47080-2.

Subsequent to the Board approval of Amendment No.1, costs associated with new and important strategic initiatives occurred necessitating an increase in funding. Those strategic initiatives included the interface between the eRSP system and the Maximo system, interfacing the eRSP system's reporting capabilities with the LADWP enterprise reporting tools, and eliminating the legacy mainframe back-end purchasing system. In the case of the interface to Maximo, some of the work was anticipated and included in Amendment No. 1 but additional funding was necessary due to an increase in the scope and complexity of the business requirements which were not fully known at the time. Examples included the following:

- The way LADWP employee information, narrative ordering information, material catalog information, and Maximo asset management work order information is exchanged between Maximo and the eRSP system.
- Complex business rules governing the way revisions and amendments to purchase orders (PO) and sub-purchase order (SPO) are handled in eRSP in order to observe Maximo business rules.
- Validation of accounting codes identified on a PO and SPO in eRSP against the Maximo Receiving Store identified on said PO and SPO.

As a result, LADWP requested Board approval of Amendment No. 2 to increase the agreement limit by \$442,500 to \$1,791,403. There was no time extension and all other Agreement terms and conditions remained the same. The Board approved Amendment No. 2 on December 3, 2013 by Board Resolution No. 014-102.

The proposed Amendment No. 3 will provide funds for on-going maintenance and support required for software changes to ensure that the eRSP system's functionality meets evolving operating requirements and mandatory LADWP and City of Los Angeles procurement policies.

Below is the breakdown of the costs for each of the aforementioned types of services over the term of the Agreement:

Fiscal Year	Type of Service			Comments
	Routine Maintenance and Offsite Support	Advanced Onsite Support	Software Changes	
11/12	\$101,260	\$83,490	\$181,586	Changes: Local Business Preference Program, Business Assistance Virtual Network bid advertisement interface, portion of Maximo system interface
12/13	\$168,000	\$143,520	\$230,400	Changes: Portion of Maximo interface, Bid Response attachment checklist
13/14	\$176,400	\$259,200	\$227,957	Changes: Portion of Maximo interface; increase in maintenance due to Maximo implementation
14/15	\$199,000	\$214,000	\$250,000	Changes: Implementation and stabilization of the Maximo interface and various strategic initiatives to be determined by organizational goals/objectives

Fiscal Year	Type of Service			Comments
	Routine Maintenance and Offsite Support	Advanced Onsite Support	Software Changes	
15/16	\$209,000	\$218,000	\$150,000	Changes: Interface eRSP with Accounts Payable (AP) 3-way match and AP batch processes and various strategic initiatives to be determined by organizational goals/objectives
16/17	\$218,000	\$222,000	\$500,000	Changes: Portion of ERP interface/replacement, various strategic initiatives to be determined by organizational goals/objectives
17/18	\$228,000	\$226,000	\$400,000	Changes: Portion of ERP interface/replacement, various strategic initiatives to be determined by organizational goals/objectives
18/19 ¹	\$239,000	\$230,000	\$250,000	Changes: Complete ERP interface/replacement implementation, various strategic initiatives to be determined by organizational goals/objectives; increase in maintenance due to ERP implementation
19/20 ²	\$0	\$98,500	\$62,500	Changes: Post ERP implementation support (if "interface"), various strategic initiatives to be determined by organizational goals/objectives
Subtotal	\$1,538,660	\$1,694,710	\$2,252,443	
TOTAL:			\$5,485,813	

Table Notes:

¹ If the eRSP system is replaced within the term of Amendment No. 3, LADWP has the right to terminate the Agreement with OGMA without cause and is only obligated to pay for services rendered prior to the termination. Any unused fees for routine maintenance and offsite support will be refunded to LADWP.

² Only July 1, 2019 to November 30, 2019 is included in Amendment No. 3. The annual payment for routine maintenance and support for this period is paid in fiscal year 18/19 since the annual periods are aligned with the Agreement's effective and expiration dates, not LADWP's annual fiscal year dates.

The proposed contract will require City Council approval according to Charter Section 373. A copy of the City Administrative Officer (CO) report dated December 29, 2014, is attached.

ENVIRONMENTAL DETERMINATION

In accordance with the California Environmental Quality Act (CEQA), it has been determined that provisions of professional services to provide support and refinement of a computer system is exempt pursuant to the General Exemption described in CEQA Guidelines, Section 15061(b)(3). General Exemptions apply in situations where it can be seen with reasonable certainty that there is no potential that the activity in question may have a significant effect on the environment.

CITY ATTORNEY

The Office of the City Attorney reviewed and approved the Amendment and Resolution as to form and legality.

ATTACHMENTS

- Procurement Summary
- Resolution
- CAO Report
- Amendment No. 3 to Agreement No. 47080-2 With OGMA

PROCUREMENT SUMMARY

1.	Recommended Vendor(s): OGMA Consulting Corporation
2.	Procurement Type: Sole-Source
3.	Procurement Details: A. Contract Status: Amendment to existing Agreement B. Bid Advertisement Date: N/A C. Pre-Bid Conference Date: N/A D. Number of Downloads of Solicitation: N/A E. Number of Bids/Proposals Received: N/A F. Protest Received: No
4.	Buyer Assigned: Marlene Barbero
5.	Contract Administrator: Andrew Herd
6.	LADWP System: CAO
7.	Contact Person for Item: Matthew M. Lampe, Chief Information Officer

A. Summary of Bids Received/Evaluation Rating Summary of Proposals

Not applicable for contract amendment.

B. Evaluation of Bid/Proposal/Cooperative Agreement

Not applicable for contract amendment.

C. Contract/Vendor History

Contract History					
Contract/ PO No.	Contractor	Term of Contract	Start Date	Ending Date	Original Contract Amount
49024-2	OGMA	4 months, 13 days	12/01/2011	4/13/2012	\$150,000.00
Amendment No. 1 to Contract No. 49024-2 (New Agreement No. 47080-2)	OGMA	3 years	12/01/2011	11/30/2014	\$1,348,903.00
Amendment No. 2 to Agreement No. 47080-2	OGMA	3 years	12/01/2011	11/30/2014	\$1,791,403.00
Vendor History					
Contract/ PO No.	Contract Description	Term of Contract	Start Date	Ending Date	Contract Amount
49024-2	Proprietary computer software advanced on-site support and change services	4 months, 13 days	12/01/2011	4/13/2012	\$150,000.00
Amendment No. 1 to Contract No. 49024-2 (Agreement No. 47080-2)	Proprietary computer software maintenance, on- and off-site support, and change services	3 years	12/01/2011	11/30/2014	\$1,348,903.00
Amendment No. 2 to Agreement No. 47080-2	Proprietary computer software maintenance, on- and off-site support, and change services	3 years	12/01/2011	11/30/2014	\$1,791,403.00

D. Local Business Preference Program (LBPP)

Not applicable for contract amendment.

E. Additional Outreach Efforts Taken

Not applicable for contract amendment.

F. Small Business Enterprise (SBE)/Disabled Veterans Business Enterprise (DVBE)/Minority Business Enterprise (MBE)/Woman Business Enterprise (WBE)/Other Business Enterprise (OBE) Subcontracting Participation

It is projected that OGMA will meet and exceed the committed subcontracting participation amount under Amendment No. 2 to Agreement No. 47080-2. Under Amendment No.3 to Agreement No. 47080-2, OGMA will subcontract \$1,227,500 of the proposed amendment amount to Vistec Consulting Inc.

MBE Subcontracting

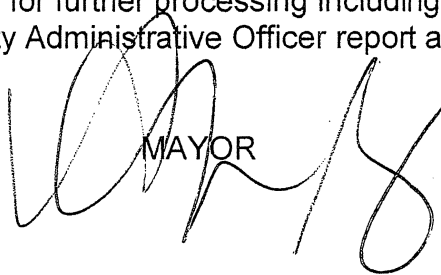
MBE SUBCONTRACTOR	AMENDMENT NO. 2 (CONTRACT AMOUNT \$1,791,403)		PARTICIPATION THROUGH JULY 31, 2014 (CONTRACT AMOUNT \$1,791,403)		PROJECTED PARTICIPATION DUE TO PROPOSED \$3,694,410 AMENDMENT (PROPOSED CONTRACT AMOUNT \$5,485,813)		
	COMMITTED AMOUNT	PERCENT OF CONTRACT	ACTUAL AMOUNT	PERCENT OF CONTRACT	PROPOSED \$ IN AMENDMENT	REVISED TOTAL SUB AMOUNT	REVISED PERCENT OF CONTRACT
Vistec Consulting Inc.	\$417,010	23.3%	\$458,410	25.6%	\$1,227,500	\$1,644,510	30.0%

SBE: None
DVBE: None
WBE: None
OBE: None

RECEIVED

JAN 12 2015

ITS EXECUTIVE OFFICE

TRANSMITTAL		0150-10296-0000
TO Marcie L. Edwards, General Manager Department of Water and Power	DATE JAN 05 2014	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT	
<p>PROPOSED THIRD AMENDMENT TO CONTRACT NO. 47080-2 BETWEEN THE LOS ANGELES DEPARTMENT OF WATER AND POWER AND OGMA CONSULTING CORPORATION</p> <p>Approved and transmitted for further processing including Council consideration. See the City Administrative Officer report attached.</p> <p style="text-align: center;"> MAYOR (Ana Guerrero)</p>		

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: December 29, 2014

CAO File No.: 0150-10296-0000

Council File No.:

Council District:

To: The Mayor

From: Miguel A. Santana, City Administrative Officer *MS*

Reference: Communication from the Department of Water and Power dated October 10, 2014; referred by the Mayor for report on October 20, 2014

Subject: **PROPOSED THIRD AMENDMENT TO CONTRACT NO. 47080-2 BETWEEN THE LOS ANGELES DEPARTMENT OF WATER AND POWER AND OGMA CONSULTING CORPORATION**

SUMMARY

The Department of Water and Power (DWP; Department) requests approval of a proposed resolution authorizing the Third Amendment to Contract No. 47080-2 (Agreement) with OGMA Consulting Corporation (OGMA) to provide proprietary computer software maintenance, support and change services for the Electronic Request-Solicit-Procure (eRSP) system. The eRSP system processes all requisitions, bids, request for proposals and purchase orders for the DWP. Approval of the proposed Agreement will increase the expenditure authority by \$3,694,410, from \$1,791,403 to a total not-to-exceed amount of \$5,485,813, and extend the Agreement term for an additional five years for a cumulative total term of eight years, expiring in November 2019.

The DWP executed the original Agreement (Contract No. 49024-2) in December, 2011, with a total expenditure authority of \$150,000 and a four months and 13 day term, expiring in May 2012. The purpose of the original Agreement was to provide proprietary computer software maintenance, support and change services for the eRSP system. Subsequently, Amendment No. 1, renumbered to Agreement No. 47080-2, was approved by the Board, extending the term by two years, seven months and 17 days and increasing the maximum expenditure by \$1,198,903 to a total not to exceed \$1,348,903. The Second Amendment added \$442,500 to the Agreement but did not increase the term.

ALTERNATIVES CONSIDERED

The DWP considered the following alternatives to the proposed amendment:

- A. Continue use of the eRSP software without maintenance and support, or the ability to enhance;

- B. Replace the eRSP system with the procurement functionality built into the future financial system replacement; or
- C. Increase the Agreement amount and extend the term with the approval of Amendment No. 3 to Agreement No. 47080-2 to continue with maintenance and support from OGMA Consulting Corporation.

The third alternative was selected as the best option. This option will provide the DWP with funding for on-going maintenance and support required for software changes to ensure that the eRSP system's functionality meets evolving operational requirements and mandatory DWP and City of Los Angeles procurement policies.

The Department is in the early stages of a complete replacement of their Enterprise Resource Planning (ERP) system, with the eRSP system being one module of the total overhaul. The ERP system replacement is in the very early stages with the system integrator (SI) not in place yet. Once the SI is in place, analysis will be performed to determine if the eRSP should be interfaced to the ERP system or replaced by the procurement functionality built into the ERP system. The DWP anticipates this occurring no earlier than mid-2017, with system replacement occurring beyond the term of this Amendment. If the replacement of the eRSP system by the ERP system is completed before the end of this Amendment's full term, the DWP has the right to terminate this Agreement with OGMA without cause and be only obligated to pay for services rendered prior to the termination.

Pursuant to Charter Section 373, for long term contracts, and the Los Angeles Administrative Code Section 10.5, "Limitation 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 as to form and legality.

RECOMMENDATION

That the Mayor and City Council authorize the execution of the Third Amendment to Contract No. 47080-2 with OGMA Consulting Corporation, that (1) increases the expenditure authority by \$3,694,410, from \$1,791,403 to a total not-to-exceed amount of \$5,485,813, and (2) extends the contract term an additional five years for a cumulative total term of eight years, expiring in November 2019, to provide proprietary computer software maintenance, support and change services for the Electronic Request-Solicit-Procure system.

FISCAL IMPACT STATEMENT

Approval of the Department request will increase the expenditure authority by \$3,694,410 from the Power Revenue Fund. The proposed Agreement complies with the Department's adopted Financial Policies. Approval of the proposed resolution will not impact the City 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:MCD:06150045

**AMENDMENT NO. 3 TO AGREEMENT 47080-2 BETWEEN THE CITY OF
LOS ANGELES DEPARTMENT OF WATER AND POWER AND
OGMA CONSULTING CORPORATION**

THIS AMENDMENT NO. 3 to Agreement 47080-2 is made and entered into by and between the City of Los Angeles acting by and through the Los Angeles Department of Water and Power (LADWP), a municipal corporation, and OGMA Consulting Corporation (Contractor) are referred to under this Amendment as "Party" and collectively as the "Parties."

WHEREAS, Contractor was awarded Purchase Order No. 49024-2 by the LADWP General Manager on December 1, 2011 for four (4) months and 13 days for \$150,000.00 for advanced on-site support and change services for the proprietary Electronic Request-Solicit-Procure (eRSP) system; and

WHEREAS, on March 20, 2012, the LADWP Board of Water and Power Commissioners (Board) approved Amendment No.1 to Purchase Order No. 49024-2 (new Agreement No. 47080-2) to increase the agreement amount by \$1,198,903.00, extend the agreement term by two (2) years seven (7) months and 17 days to November 30, 2014, and expand the scope of work to include routine maintenance and off-site support services; and

WHEREAS, on December 3, 2013, the LADWP Board approved Amendment No.2 to Agreement No. 47080-2 to increase the agreement amount by \$442,500.00 for unanticipated cost associated with important strategic initiatives; and

WHEREAS, LADWP has determined that it is necessary to increase the agreement amount and term for ongoing routine maintenance and on- and off-site support as well as software change services necessary to improve, add to, or extend the functionality of the eRSP system, and recommends Amendment No. 3 to Agreement No. 47080-2 to increase the agreement amount by \$3,694,410.00 from \$1,791,403.00 to an amount not-to-exceed \$5,485,813.00 for the additional term of five (5) years to November 30, 2019.

NOW THEREFORE, BE IT RESOLVED the Parties hereby agree to amend Agreement No. 47080-2 as follows:

1. Section 1, Definition q) Effective Date will now read:

““Effective Date” for the amendment shall mean the first date upon which all of the following shall have occurred: (a) the amendment has been signed by LADWP by the person authorized by LADWP to sign on its behalf and also signed by the Contractor’s authorized representative; (b) the amendment has been approved by the Los Angeles City Council and/or the Board, as applicable, or by the City Council’s and/or the Board’s officer or employee

authorized to give such approval; and (c) the Office of the City Attorney has indicated in writing its approval of the amendment as to form and legality.”

2. Section 12, Paragraph a) Total Compensation will now read:

“The total compensation that can be paid to the Contactor by LADWP for the complete and satisfactory performance of the Services under this Agreement shall not exceed five million, four hundred eighty five thousand, eight hundred and thirteen dollars (\$5,485,813.00). Expenditure of these funds will be managed pursuant to **EXHIBIT A - STATEMENT OF WORK.**”

3. Section 13, Paragraph a) Term will now read:

“The term of this Agreement (“Term”) commenced on December 1, 2011, the effective date of Purchase Order 49024-2 (new Agreement No. 47080-2), and shall terminate on November 30, 2019, inclusive, upon the Effective Date of the amendment unless modified by said amendment, as specified in **SUBSECTION 1 (Q) (“DEFINITIONS - EFFECTIVE DATE”)** of this Agreement, unless terminated earlier, subject to the termination provisions herein. Performance shall not begin until the Contractor has obtained approval of insurance.”

4. Section 24, Paragraph a) Dispute Resolution, the table titled “Dispute Resolution Ladder” will now read:

Dispute Resolution Ladder			
Level	LADWP Supply Chain Services	LADWP Information Technology Services	Contractor
Three	Director of Supply Chain Services	Chief Information Officer	President
Two	Supply Services Manager II	Information Systems Manager	President
One	Supply Services Manager I	Contractor Administrator	Principal or President

5. Section 24, Paragraph f) Notices will now read:

“All notices or reports permitted or required under this Agreement shall be in writing and shall be delivered by personal delivery or by certified or registered mail, return receipt requested, and shall be deemed given upon personal delivery or five (5) days after deposit in the mail. Any such notice or report directed to LADWP shall be delivered to:

Mr. Andrew Herd
Contract Administrator
111 North Hope Street, Room 234
Los Angeles, California 90012-5701

With a Copy To:

Chief Assistant City Attorney
111 North Hope Street, Room 340
Los Angeles, California 90012-5701

Any such notice or report directed to the Contractor shall be delivered to:

Mr. Terence Curtis
President
OGMA Consulting Corp.
Suite 14 – 3318 Oak Street
Victoria, BC V8X 1R1

Either Party, by written notice, may designate different or additional person(s) or different addresses.”

6. Items 4.1.4 through 4.1.8 are added to Exhibit A – Statement of Work, sub-Section 4.1 Annual Routine Maintenance and Routine Support Periods as follows:

4.1.4 **Period Four** shall be invoiced with a coverage date beginning immediately after 12:00 A.M. on December 1, 2014 and ending on November 30, 2015, inclusive, for a total coverage period of 365 calendar days.

4.1.5 **Period Five** shall be invoiced with a coverage date beginning immediately after 12:00 A.M. on December 1, 2015 and ending on November 30, 2016, inclusive, for a total coverage period of 366 calendar days (2016 is a leap year).

4.1.6 **Period Six** shall be invoiced with a coverage date beginning immediately after 12:00 A.M. on December 1, 2016 and ending on November 30, 2017, inclusive, for a total coverage period of 365 calendar days.

4.1.7 **Period Seven** shall be invoiced with a coverage date beginning immediately after 12:00 A.M. on December 1, 2017 and ending on November 30, 2018, inclusive, for a total coverage period of 365 calendar days.

- 4.1.8 **Period Eight** shall be invoiced with a coverage date beginning immediately after 12:00 A.M. on December 1, 2018 and ending on November 30, 2019, inclusive, for a total coverage period of 365 calendar days.
7. Exhibit A – Statement of Work, sub-Section 4.5 Refund for Early Termination, will now read:
- “If this Agreement is terminated before November 30, 2019 in accordance with SECTION 13 (“TERM AND TERMINATION”), any unused fees for Routine Maintenance and Routine Support Services, prorated for the unused portion of the annual period in calendar days, shall be promptly refunded to LADWP.”
8. Exhibit A - Attachment 1, LADWP Task Management System, sub-Section 1.1 Task Assignment Authorization, will now read:
- “The LADWP Contract Administrator (CA) pursuant to **SUBSECTION 24(F) (“NOTICES”)** is the Contractor’s primary LADWP contact regarding all matters related to Task Assignments. While the Agreement will be administrated by LADWP Information Technology Services (ITS), all Task Assignments will be jointly authorized by both ITS and Supply Chain Services (SCS) pursuant to the following levels of authority:”
9. Exhibit A - Attachment 1, LADWP Task Management System, sub-Section 1.1.1 Task Assignments \$50,000 or Under, will now read:
- “Task Assignments or Changes Orders for Task Assignments, where the estimated person-hour expenditures and/or not-to-exceed amount do not exceed fifty thousand dollars (\$50,000), shall be jointly authorized by the ITS CA and a SCS representative at the level of Supply Services Manager I or above.”
10. Exhibit A - Attachment 3, Fee Schedule, Section 1.0 Annual Fees for Routine Maintenance and Routine Support Services will now read:
- “The Contractor agrees to continuously provide the Routine Maintenance and Routine Support Services as defined in **SUBSECTION 1 (NN) (“ROUTINE MAINTENANCE”)** and **SUBSECTION 1 (OO) (“ROUTINE SUPPORT”)**, respectively, and **EXHIBIT A - STATEMENT OF WORK SECTION 4.0 (“ROUTINE MAINTENANCE AND ROUTINE SUPPORT SERVICES”)**, according to the minimum service level expectations set forth in **EXHIBIT F – ROUTINE MAINTENANCE AND ROUTINE SUPPORT** for the following fixed costs throughout the Term of this Agreement.

Annual Period	Coverage Dates	Calendar Days	Fixed Cost
1	Beginning immediately after 12:00 A.M. on April 14, 2012 and ending on November 30, 2012, inclusive	231	\$115,060.00
2	Beginning immediately after 12:00 A.M. on December 1, 2012 and ending on November 30, 2013, inclusive	365	\$187,320.00
3	Beginning immediately after 12:00 A.M. on December 1, 2013 and ending on November 30, 2014, inclusive	365	\$176,400.00
4	Beginning immediately after 12:00 A.M. on December 1, 2014 and ending on November 30, 2015, inclusive	365	\$199,000.00
5	Beginning immediately after 12:00 A.M. on July 1, 2015 and ending on November 30, 2016, inclusive	366	\$209,000.00
6	Beginning immediately after 12:00 A.M. on July 1, 2016 and ending on November 30, 2017, inclusive	365	\$218,000.00
7	Beginning immediately after 12:00 A.M. on July 1, 2017 and ending on November 30, 2018, inclusive	365	\$228,000.00
8	Beginning immediately after 12:00 A.M. on July 1, 2018 and ending on November 30, 2019, inclusive	365	\$239,000.00

11. Exhibit E, Invoice Criteria, sub-Section 1.10 will now read:

“Approval signature blocks for the LADWP and Contractor representatives identified in **SUBSECTION 24(F) (“NOTICES”)** of this Agreement (must be signed by the Contractor representative prior to submittal to LADWP)

Completed invoices shall be mailed in triplicate to:

Andrew Herd
Contract Administrator
111 North Hope Street, Room 234
Los Angeles, California 90012-5701

Alternately, completed invoices can be emailed to:

Andrew.Herd@ladwp.com

12. Change the Contract Administrator in the eRSP system to: Andrew Herd

13. Change the Transmittal Point in the eRSP system to: 16830

IN WITNESS WHEREOF, the signatories hereto represent that they are authorized to enter into this Third Amendment to Agreement No. 47080-2.

DEPARTMENT OF WATER AND POWER
OF THE CITY OF LOS ANGELES BY
BOARD OF WATER AND POWER COMMISSIONERS OF
THE CITY OF LOS ANGELES

By: _____
MARCIE L. EDWARDS
General Manager

Date: _____


APPROVED AS TO FORM AND LEGALITY
MICHAEL N. FEUER, CITY ATTORNEY

SEP 10 2014

And: _____
BARBARA E. MOSCHOS
Board Secretary

BY _____
DIRK P. BROERSMA
DEPUTY CITY ATTORNEY

OGMA Consulting Corporation

By: _____

TERENCE CURTIS
President

Date: _____
Oct 24. 2014