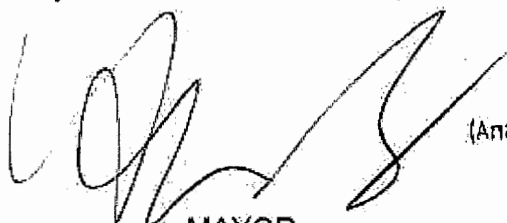


Power Engineering
Division

POWER SYSTEM

FEB 11 2015

EXECUTIVE OFFICE

TRANSMITTAL		0150-10344-0000
TO Marcie L. Edwards, General Manager Department of Water and Power	DATE FEB 10 2015	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT	
<p>AGREEMENT NO. 47290-5 FOR OSMOSE FASTGATE GATEWAY SOFTWARE MAINTENANCE PROGRAM WITH OSMOSE UTILITIES SERVICES, INC.</p> <p>Approved and transmitted for further processing including Council consideration. See the City Administrative Officer report attached.</p> <p> (Ana Guerrero) MAYOR</p>		

MAS:MCD:06150100T

CAO 649-d

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: February 6, 2015

CAO File No.: 0150-10334-0000

Council File No.:

Council District:

To: The Mayor

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

Reference: Communication from the Department of Water and Power dated December 12, 2014; referred by the Mayor for report on January 7, 2015

Subject: **PROPOSED AGREEMENT NO. 47290-5 BETWEEN THE LOS ANGELES DEPARTMENT OF WATER AND POWER AND OSMOSE UTILITY SERVICES, INC.**

SUMMARY

The Department of Water and Power (DWP; Department) requests approval of a proposed resolution authorizing the Agreement No. 47290-5 (Agreement) with Osmose Utilities Services, Inc., (Osmose) to provide continuing maintenance, support, escrow services and as-needed professional services for Osmose proprietary software, FastGate. The term of this Agreement is for three years with four one-year renewable options for an amount not to exceed \$1,296,500.

The DWP executed the previous Agreement with Osmose, Resolution No. 008-186, in 2008. For the past seven years, FastGate was utilized to translate electric distribution circuit data from the GeoSpatial Electric System (GES) data model to a format compatible to import into the Outage Management System (OMS). Relying on this information, electric trouble dispatchers are able to diagnose the source and location of power outages and power quality issues and dispatch repair crews accordingly. The OMS is a critical link to the Electrical Trouble Section's daily operations in maintaining reliable and high quality power to DWP's customers.

Continuing with Osmose, the sole-source provider of the DWP FastGate software is essential. They provide proprietary services, own the source code necessary to make changes to the software, and provide proprietary support for enhancements and fixes to the core software and system interfaces.

DWP is in the process of implementing a new geographical data model for its power system. Once that occurs, the software will no longer be needed. The DWP states that the new project to replace FastGate software will commence in March 2015. The anticipated completion of the transition is projected in the fourth year of this Agreement. Therefore, if the timetable is met in the four years, DWP would not need to renew the Agreement for the fifth through seventh year options.

Services	Fixed price for three-year period	Four one-year renewable options	Total
Standard Software Maintenance Services	(Yr. 1) \$97,300	(Yr. 4) \$97,300	\$681,100
	(Yr. 2) \$97,300	(Yr. 5) \$97,300	
	(Yr. 3) \$97,300	(Yr. 6) \$97,300	
		(Yr. 7) \$97,300	
Escrow Services	(Yr. 1) \$2,200	(Yr. 4) \$2,200	\$15,400
	(Yr. 2) \$2,200	(Yr. 5) \$2,200	
	(Yr. 3) \$2,200	(Yr. 6) \$2,200	
		(Yr. 7) \$2,200	
Proprietary New Software and Upgrade Tasks	\$400,000	(Yr. 4) \$50,000	\$600,000
		(Yr. 5) \$50,000	
		(Yr. 6) \$50,000	
		(Yr. 7) \$50,000	
Total Agreement	\$698,500	\$598,000	\$1,296,500

Pursuant to Charter Section 373 and the Los Angeles Administrative Code Section 10.5, 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.

RECOMMENDATIONS

That the Mayor:

1. Authorize the execution of Agreement No. 47290-5 with Osmose Utilities Services, Inc., to provide Osmose FastGate Gateway Software Maintenance Program for a contract term of three years with four one-year renewable options not to exceed \$1,296,500; and,
2. Return the proposed resolution to the Department for further processing, including Council consideration.

FISCAL IMPACT STATEMENT

Approval of the Department request will increase the expenditure authority by \$1,296,500 over seven years 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.