

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to proposed Amendment No. 2 to Agreement No. 47382-5 with Microsoft Corporation for software support on all Microsoft products used by the Los Angeles Department of Water and Power (LADWP).

Recommendation for Council action:

CONCUR with the Board of Water and Power Commissioners' action of July 16, 2013, Resolution No. 014-004, authorizing the execution of Amendment No. 2 to Agreement No. 47382-5 with Microsoft Corporation to increase the expenditure authority by \$889,182, from \$2,751,542 to a total of \$3,640,724 and extend the term an additional three years for a cumulative total term of 11 years, expiring on August 9, 2016 to provide software support on all Microsoft products used by the LADWP.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approval of Amendment No. 2 to Agreement No. 47382-5 will increase the expenditure authority of the LADWP by \$889,182 from the Water and Power Revenue Funds. The proposed Second Amendment complies with the LADWP's adopted Financial Policies. Approval of the proposed Amendment No. 2 will not impact the City's General Fund.

Community Impact Statement: None submitted.

**TIME LIMIT ITEM - SEPTEMBER 24, 2013**

**(LAST DAY FOR COUNCIL ACTION - SEPTEMBER 24, 2013)**

SUMMARY:

On August 7, 2013, your Committee considered a July 22, 2013 Board of Water and Power Commissioners and May 21, 2013 CAO reports relative to proposed Amendment No. 2 to Agreement No. 47382-5 with Microsoft Corporation for software support on all Microsoft products used by the LADWP. According to the CAO, Amendment No. 2 increased the expenditure authority by \$889,182, from \$2,751,542 to a total of \$3,640,724 and extends the contract term an additional three years for a cumulative total of 11 years, expiring on August 9, 2016. The current eight-year Agreement expires on August 9, 2013. After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of Resolution No. 014-004 as detailed in the above recommendation. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<b><u>MEMBER</u></b>	<b><u>VOTE</u></b>
FUENTES:	YES
BLUMENFIELD:	YES
LABONGE:	YES
HUIZAR:	ABSENT
KORETZ:	YES

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**