

# TRANSMITTAL

To:

**THE COUNCIL**

Date:

NOV 05 2014

From:

**THE MAYOR**

**TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.**



**ERIC GARCETTI**  
Mayor

(Ana Guerrero)



Eric Garcetti, Mayor  
Rushmore D. Cervantes, General Manager

Administration Bureau  
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October 27, 2014

Council File No.: 14-0853  
CAO File No.: 0220-00540-1097  
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OFFICE OF THE MAYOR  
RECEIVED  
2014 OCT 29 AM 11:55  
CITY OF LOS ANGELES

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

Attention: Mandy Morales, Legislative Coordinator

**TRANSMITTAL: REQUEST FOR APPROVAL TO EXECUTE TWO NEW INFORMATION TECHNOLOGY (IT) PROFESSIONAL SERVICES CONTRACTS WITH SELECTED CONTRACT PROGRAMMER VENDORS, RYDEK COMPUTER PROFESSIONALS AND 3Di, INC.**

**SUMMARY**

The Los Angeles Housing and Community Investment Department (HCIDLA) requests approval to execute two new IT professional services contracts. The two contracts are with **RYDEK COMPUTER PROFESSIONALS** and **3Di, INC.** The terms of the contracts will commence on or about January 1, 2015, for one-year, with an option to renew for two one-year extensions, not to exceed a total of three years, subject to the contractors' performance, availability of funding and approval by the Mayor and City Council. These contracts will be used to hire contract programmers for the development of the following departmental business systems:

- 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 over 5,000 loans worth over \$1.8 billion and tracks hundreds of housing development projects. The system also collects housing loan payments worth over \$30 million annually.

- 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 780,000 rental units and tracks Rent Stabilization cases for 600,000 units in the City of Los Angeles.
- The Billings Information and Management System (BIMS) is an online, web-based, customer interface and portal for property owners to pay their bills, apply for exemptions, print Billing & Collections related forms, and access their Rent Registration Certificates. The system is responsible for the billing and collections of SCEP and RSO fees worth over \$50 million annually.

**RECOMMENDATIONS**

The General Manager of the Los Angeles Housing and Community Investment Department (HCIDLA) respectfully requests that:

1. 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.
2. The City Council:
  - A. AUTHORIZE the General Manager, HCIDLA, or designee to negotiate and execute two new contracts with Rydek Computer Professionals and 3Di, Inc., for IT professional services in substantial conformance with attachments A: “Scope of work”, B: “Draft Professional Services Agreement”, and subject to the following: a) funding availability; b) satisfactory Contractor performance; c) Department need; d) compliance with all applicable Federal, State and City regulatory requirements; e) approval of the City Attorney as to form; and, f) adherence with City contracting requirements. Each contract amount is not to exceed \$1,500,000. The term of each contract is for one year, starting January 1, 2015, with the option to extend for two additional one-year terms.

<b>Contract Vendor</b>	<b>1 Year Contract Amount</b>
<b>Rydek Computer Professionals</b>	\$1,500,000
<b>3Di, Inc.</b>	\$1,500,000

- B. AUTHORIZE the City Controller to expend funds for the contracts between the City of Los Angeles and the selected vendors, Rydek Computer Professionals and 3Di, Inc., from the following funding sources in the existing budget:

<u>Fund/Dept. No.</u>	<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
41M/43	43L412	Service Delivery	\$1,875,000
440/43	43L412	Service Delivery	\$625,000

569/43	43L412	Service Delivery	\$125,000
561/43	43L412	Service Delivery	\$102,260
815/43	43L412	Service Delivery	\$102,260
Total:			\$2,829,520

## **BACKGROUND**

HCIDLA currently utilizes contract programmers via existing contracts to supplement internal information technology (IT) staff in the development of the departmental business application systems. The use of contract programmers is critical to the operation of the Department as they provide the temporary staffing resource needed to complete systems projects, and they contribute to the projects specialized technical skills that the Department may not have. The existing 3-year contracts are due to expire on December 31, 2014. On August 25, 2014, HCIDLA released a Request for Proposal (RFP) for as-needed Information Technology (IT) Professional Services. As a result of the RFP, two qualified vendors, 3Di, Inc, and Rydek Computer Professionals, were selected. By selecting more than one vendor, the Department would create competition between them when selecting contract programmers to work on a project.

As previously stated, the purpose of these contracts is to hire IT contract programmers for the development of HCIDLA's enterprise business systems including the HIMS, CCRIS and BIMS.

The continued development and enhancement of HIMS and CCRIS are critical to the operation of the Department. The contract programmers hired via these contracts provides the programming human resource and technical skills HCIDLA needs to continue these efforts.

In addition to the planned projects (Attachment A) in Fiscal Year 2014-2015, the report findings from the Office of the City Administrative Officer (CAO) Charter Section 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.

## **REQUEST FOR PROPOSALS (RFP) PROCESS**

On August 25, 2014, HCIDLA released an RFP to solicit proposals from interested organizations/firms to provide Information Technology Professional Services. The RFP was posted on the Los Angeles Business Assistance Virtual Network (LABAVN), with a link to the RFP listed on the HCIDLA's website and advertised in local newspaper(s). Current contractors were notified as well.

The proposers were required to meet the following eligibility conditions:

1. Have a minimum of five years of direct and/or related experience in administering part or all of the services solicited;
2. Demonstrate expertise in direct placement of qualified personnel in IT professional services;
3. Have a minimum of three years relevant public sector experience;
4. Are qualified to conduct business in the State of California and in good standing with applicable regulatory oversight agencies;
5. If a corporation or limited liability company, the proposer must be in good standing with the California Secretary of State;
6. Have not been determined to be non-responsible or been debarred by the City pursuant to the Contractor Responsibility Ordinance;
7. Have not been debarred by the federal government, State of California or local government; and,
8. If the proposer has contracted with the State of California or the City of Los Angeles, it does not have an outstanding debt that has not been repaid or for which a repayment agreement plan has not been implemented.

The criteria for evaluating proposals shall include the following:

<b>Area</b>	<b>Description</b>	<b>Points</b>
1	QUALITY AND CAPABILITY Projects implemented and track record	40
2	QUALIFICATIONS OF CONTRACTOR STAFF Experienced in administering personnel placement	30
3	BREADTH AND DEPTH OF CONTRACTOR EXPERIENCE Number and size of organizations served	15
4	COSTS Direct and Indirect Costs	15
	<b>Total Points</b>	<b>100</b>

Thirteen proposals were received in response to the RFP. During the preliminary review, eleven proposals were deemed responsive and submitted to the evaluators for scoring while the remaining two did not pass the threshold screening. The evaluation team consisted of three HCIDLA staff, which were selected to reflect different perspectives and expertise. Each proposal was evaluated on its own merit for content, responsiveness, clarity, relevance, cost and strict adherence to the instructions in the RFP.

The table below shows the final scores of the two selected contractors.

<b>Proposer</b>	<b>Score (100 Maximum Points Possible)</b>
3Di, Inc.	93 points
Rydek Computer Professionals	87 points

Both contractors garnered the highest scores and were selected to be awarded the contracts, subject to approval and negotiations. The nine other applicants received letters of non-selection and were invited to participate in future contracting opportunities in the City.

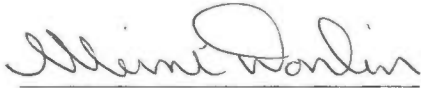
One appeal letter was received from Management Applications, Inc. (MAI) and was presented to an Appeals Panel for consideration. The appellant was given five (5) minutes to make an oral presentation via conference call, followed by the Department's response to the appeal and a discussion by the Panel members. At the conclusion of the hearing, the Panel upheld the original score awarded to MAI.

**FISCAL IMPACT**

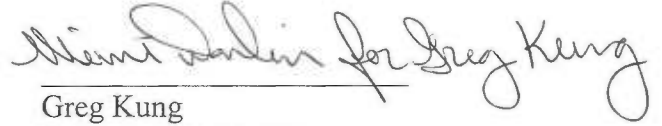
There is no impact on the General Fund. All funding is authorized grant funds or special funds in HCIDLA's Fiscal Year 2014-2015 budget.

Prepared by:

Approved by:



Mimi Donlin  
Senior Systems Analyst II  
Systems Division



Greg Kung  
Director of Systems  
Systems Division

Reviewed by:

Approved by:



Luz Santiago  
Assistant General Manager



Rushmore D. Cervantes  
General Manager

RC:LS:GK

- Attachment A: Scope of Work
- Attachment B: Draft Professional Services Contract
- Attachment C: Bidder's Conference Attendance Sheet
- Attachment D: Review Panel Score Summary

**Attachment A – Scope of Work**

The projects identified for FY 2014–15 include the following with project scopes that are subject to change based on the needs of the City:

- a) Code, Compliance and Rent Information System (CCRIS) –  
Redesign and develop CCRIS 2.0 to replace the existing version of CCRIS. CCRIS 2.0 will replace the existing system with newer technologies and add new business and technology requirements that are not supported by the current system. Below is a list of features to be included in CCRIS 2.0.

<b>CCRIS 2.0 new functionality</b>	<b>Description</b>
Online services	Consolidate and standardize online services for the public to make it easier for our customers to conduct business with us online.
Enhanced user interface and workflow	A more efficient user interface and automated workflow engine to automate the business process.
Performance Data Transparency	Provide transparency to the fee programs and meet the Mayor’s goal in publishing performance data to the public.
TRIP module	Ability for Tenant Relocation Inspection Program (TRIP) inspector and administrative staff to manage inspection and track cases.
HOME property, Residential Hotel, REAP and Hearing shortened cycle inspection module	Ability to accommodate inspection schedule of other programs, which have a different inspection schedule than SCEP.
REAP Billing	Manage REAP Billing and REAP Escrow accounts. This function is currently in CCRIS and needs to be moved to the Billing Information Management System (BIMS) and needs to be enhanced to efficiently bill and track REAP related charges and REAP escrow accounts.
Ellis Property Tracking	Tracking and handling Ellis properties (properties that have been withdrawn from the rental market per the Ellis Act).
Subpoena Module	Ability to query all CCRIS documents related to a specific case or property including notices, work logs and documents. The queue will compile all data electronically and archive the results as a package for record requests. Currently this process is a manual search of each case or property, and documents are sometimes missed, which leads to a lack of compliance with Court Orders.
CPRA Module	Ability to define/control document types that can be released to the public and manage CPRA requests and reports. Make frequently requested public information online for easier access.
Admin Module	Ability to track inspectors’ training schedule, certificates, licenses, leaves, schedule/rotation.



Dashboard to show outstanding tasks based on logged-on user.	Configurable dashboard to allow staff to manage workload and for supervisors to manage staff work assignments and monitor case activities.
Court Liaison Unit (CLU) Inspection module	Ability to track all case activity of inspections of cases sent to the City Attorney's office. The CLU case type will ensure additional inspections or complaints do not interfere with an ongoing legal action.
Residential Hotel Inventory	Tracking and handling of residential hotel properties.
Tenant Habitability Program review automation	Automate the paper process of reviewing Tenant Habitability applications.
Automated Referral to Outside Agencies	Development of automated referral to outside agencies (LA County Health, LADBS, Healthy Homes, Lead).
Scheduling Upgrade	Scheduling upgrade to prevent double booking within CCRIS.
Mileage Statement automation	Automation of mileage statement and integration with City PaySr for mileage reimbursement.
Security Module	Ability to control read/write access per Module and Function based user role assignment.
Standardize Letters/Notices generation	Use one technology for letters and notices generation. Allow staff to modify template wording and output letters/notices to Word format.
Document Management	Better management of pictures, notices, letters to allow for quick search and retrieval.
Reporting	Support custom ad-hoc reporting to allow users to create their own customized reports.
Friendly and intuitive interface	Improve user experience with friendly and intuitive screen layouts. Easy to navigate.
Property Profile Management	Centralized property profile display and management.
Enhance CCRIS case workflow	Enhance CCRIS case routing control to handle when, who, and to whom cases can be routed.
Error Handling and Worklog	Better error handling to allow staff to schedule even when a depending component is down (e.g. Gmail). Add audit worklog to track case workflow.
MobileCCRIS Cloud	Move MobileCCRIS service to Cloud to reduce interruption to inspectors' work due to City network/server down problem.
Interactive Web-Payment Portal	Allow property owners to perform all billing transactions related to SCEP and RSO programs.
Ownership Database	Improve the database containing ownership data to better track transactions and bills owed by property owners.

Records Management System	There's an urgent need to improve the existing document management system for the Department to better scan and manage paper documents to allow staff to expedite research, provide better customer service and allow customers to see these documents online.
Call-Log Automation	Integration with the call-center system to allow customer service staff to track customer requests regardless of the source system.
Ability to issue bills based on ownership information	Invoices to be issued to the property owners for any outstanding fees owed, which would also allow them to make online payments for these fees.
Ability to mail an invoice to several addresses	This feature will reduce the chance of property owners not receiving annual bills.
Upgrade Programming to Identify RSO Exceptions	Current billing business rule captures properties built prior to October 1978 as subject to the Rent Stabilization Ordinance (RSO). The enhanced BIMS programming will capture RSO properties that have been demolished and rebuilt within five years (Ellis Act) as subject to RSO.

- b) Billings Information Management Systems (BIMS) – Develop and enhance the following:
  - i. Billing for the Rent Escrow Account Program (REAP)
  - ii. Mobile application to process BIMS payments
  - iii. Enhance property ownership database to improve the accuracy of identifying account owners.
  
- c) Housing Information Management System (HIMS) – Provide support and enhancement to the following modules:
  - i. Implement a new Homeless Management Information System (HMIS) for the Housing Opportunity For Persons with AIDS (HOPWA) Program for better case management and client record tracking and to fulfill the U. S. Department of Housing and Urban Development's (HUD) record keeping requirement.
  - ii. Project Development, loan servicing to enhance data analysis, reporting and online services.

**Attachment B:  
Draft Professional Services Contract**

CITY OF LOS ANGELES  
HOUSING AND COMMUNITY INVESTMENT DEPARTMENT

Agreement No. \_\_\_\_\_

Project /Program Title: Information Technology Professional Services Contract

Contractor: 3 Di, Inc.

Doing Business As: \_\_\_\_\_

Type of Organization: \_\_\_\_\_

City Business License Number: \_\_\_\_\_

State Corporate Number: \_\_\_\_\_

D-U-N-S® Number: \_\_\_\_\_