

COMMUNICATION FROM CHAIR AND MEMBER, ENERGY AND ENVIRONMENT COMMITTEE relative to proposed First Amendment to Contract No. C-115890 with ABB, Inc. (ABB) for system maintenance and support services for the Bureau of Sanitation (BOS) Wastewater Distributed Control Systems at Donald C. Tillman (DCT) and Los Angeles/Glendale (LAG) Water Reclamation Plants.

Recommendation for Council action:

AUTHORIZE the Board of Public Works, on behalf of the BOS, to execute the First Amendment to Contract No. C-115890 with ABB to extend the term by an additional five years (for a total term of ten years), retroactively from October 1, 2014 through September 30, 2019, and increase the cost ceiling by \$1 million, from \$2 million to \$3 million.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no General Fund impact and sufficient funds are available within the Sewer Construction and Maintenance Fund to support the first year costs of the proposed First Amendment. Funding for the subsequent years of the First Amendment will be provided through the City's annual budget process and subject to Mayor and Council approval. The recommendation contained in the November 3, 2014 CAO report complies with the City's Financial Policies as ongoing revenue will support ongoing expenditures.

Community Impact Statement: None submitted.

TIME LIMIT FILE - JANUARY 5, 2015

(LAST DAY FOR COUNCIL ACTION - DECEMBER 16, 2014)

Summary:

On December 3, 2014, the Chair and one member of the Energy and Environment Committee considered a November 3, 2014 CAO report relative to proposed First Amendment to Contract No. C-115890 with ABB for system maintenance and support services for the BOS Wastewater Distributed Control Systems at DCT and LAG Water Reclamation Plants. According to the CAO, the BOS's Water Reclamation Plants contain automated and mechanized systems for certain aspects of the water reclamation process. These systems are used for automation, monitoring, and control of treatment operations. In 1999 and 2006, ABB installed a proprietary control system, Synchrony Control Systems, at DCT LAG, respectively. Since 2008, the City has purchased a long term subscription plan to provide uninterrupted maintenance support for both locations, which includes support services, system updates, license renewals, and contingencies for spare parts to keep the systems viable through the end of their useful life.

On July 29, 2009, the Council authorized the BOS to execute Contract No. C-115890 as a sole source contract for a period of five years and a cost ceiling of \$2 million (Council File No. 07-4058). The five-year term expired on September 30, 2014. On October 20, 2014, the Board of Public Works approved a Letter of Agreement (LOA) to continue operations through December 31, 2014. To date, \$739,459 has been expended under the current contract ceiling.

The First Amendment will extend the contract for an additional five years, retroactively from October 1, 2014 through September 30, 2019. The BOS is currently in the process of rolling out the Los

Angeles Wastewater Integration Network System (LAWINS) to replace all control systems at the five wastewater collection and treatment facilities (Council File No. 11-1844). Honeywell Control Systems is in the first phase of installing the system. The BOS estimates that the DCT and LAG replacement systems will not be completed until 2018. The five year extension provided in the First Amendment will allow the Bureau to secure support services from ABB until the time the LAWINS projects replaces the control systems at DCT and LAG.

After further consideration and having provided an opportunity for public comment, the Committee Chair moved to recommend approval of the proposed First Amendment as contained in the November 3, 2014 CAO report and detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

COUNCILMEMBER FELIPE FUENTES, CHAIR

ENERGY AND ENVIRONMENT COMMITTEE

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

ARL
12/3/14

-NOT OFFICIAL UNTIL COUNCIL ACTS-