THE PORT
OF LOS ANGELES

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: **JULY 12, 2012**

FROM: **INFORMATION TECHNOLOGY**

SUBJECT: **RESOLUTION NO. _____ - FIRST AMENDMENT TO AGREEMENT NO. 11-2978 BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND TRINUS CORPORATION**

SUMMARY:

The Information Technology (IT) Division is requesting approval of the First Amendment to Agreement No. 11-2978 (Agreement) between the City of Los Angeles Harbor Department (Harbor Department) and Trinus Corporation (Trinus), located in Glendale, California, to provide specialized information technology services for the Construction and Engineering Divisions' specific computer-based systems. On May 19, 2011, the Agreement was approved by the Board of Harbor Commissioners (Board) as a three-year agreement in the amount of $600,000. The proposed First Amendment (Amendment) would increase the total agreement amount by $300,000, for a new total not-to-exceed $900,000. The First Amendment amount will be capitalized in the Capital Improvement Program (CIP) budget. The Agreement expiration date of June 8, 2014 remains the same.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Find that in accordance with the City of Los Angeles Charter Section 1022, work covered under this Amendment can be performed more feasibly by an independent consultant rather than by City employees;

2. Approve the First Amendment to Agreement No. 11-2978 with Trinus Corporation for specialized information technology services to increase the total agreement amount by $300,000 from $600,000 to $900,000;

3. Authorize the Executive Director to execute and the Board Secretary to attest to the proposed First Amendment for and on behalf of the Board; and

4. Adopt Resolution No. _____.

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DISCUSSION:

Background – Prior to the development of the IT Strategic Plan in 2008, other Divisions, including Engineering and Construction, had contracted directly with consultants to develop IT systems to meet their needs because the IT Division's main focus at that time had been to support the Harbor Department's financial systems. Since the development of the IT Strategic Plan, the IT Division has been working in partnership with the other Divisions to centralize IT support and meet their IT needs. Today, the IT Division provides technical support for the Construction and Engineering Divisions with two assigned IT Division staff members. However, additional expertise is required, on an as-needed/on-call basis, because of the many different specialized systems and technology platforms in the Construction and Engineering Divisions. While Harbor Department IT Division staff can support the standard technologies, it is not feasible to support the many specialized systems used by the Construction and Engineering Divisions. IT specialists with proficiency in those technologies are required, usually on an intermittent basis and on short notice.

The Construction and Engineering Divisions' responsibilities include managing, designing, tracking, constructing and overseeing the Harbor Department's Capital Improvement Program (CIP). To perform these responsibilities, specialized computer systems are used, such as the Project Information Control System (PICS), AutoCAD, Buzzsaw, Blue Beam, Facility Map, 3-D software, Cumulus media server, Trimble GeoMatics, Primavera, and structural analysis software.

Progress To Date – Agreement No. 11-2978 with Trinus (Transmittal 1) is used to augment the assigned IT Division staff members with specialized IT services on an as-needed/on-call basis. Substantial progress has been made on the Construction and Engineering Divisions' specialized computer systems. To date, $584,004 of the $600,000 Agreement amount has been expended or work has been authorized, leaving a balance of $15,996. The following services have been provided by Trinus:

- Conversion of the PICS, Construction Payment System (CPS) and the Correspondence Log back-end databases to the Harbor Department standard of SQL Server 2008.

- An assessment and analysis has been completed for the migration of the Microsoft Access 2007 front end interface to Microsoft Access 2010.

- Ongoing technical support including application development, maintenance, enhancement, implementation of bug fixes, and technical documentation for

PICS, the Correspondence Log System, CPS, Construction Data Systems, Library Database, Labor Charge Systems, and Permit Systems.

First Amendment – Staff recommends approval of the First Amendment (Transmittal 2) to the original Agreement No. 11-2978 with Trinus for specialized IT services for the Construction and Engineering Divisions' computer-based systems for the following reasons:

1. To allow Trinus to continue its efforts to complete the current work to upgrade, enhance and improve Construction and Engineering Divisions' specific, computer-based systems resulting in support cost savings, higher reliability and greater systems inter-operability.

2. To complete Phase I of the migration and integration of Microsoft Project 2003 to Microsoft Project 2010 in PICS. The PICS application is dependent on Microsoft Project 2003 functionality and Microsoft Project 2003 will no longer be supported by Microsoft effective April 8, 2014.

3. To develop a utility to convert all project data from Microsoft Access 2003 format to Microsoft Project Server 2010 format, necessary for Phase 2 of the migration.

4. To enable the PICS Program Schedule function allowing program managers to track and evaluate all projects for which they are responsible, eliminating double work. This is Phase 3 of the data migration of Microsoft Project 2003 to Microsoft Project Server 2010 features and functionality.

5. To provide continued technical support for application development, maintenance and enhancement of various project related computer-based systems.

The requested increase from the original Agreement amount is primarily because more funds than originally anticipated have been spent on as-needed specialized technical support services. Both IT Division staff members assigned to the Engineering and Construction Divisions transferred to the Department of Water and Power in the past eight months, which was after the original Agreement was established. Both positions have now been backfilled. However, the as-needed specialized technical services available from this Agreement were used to provide coverage during the time that each position was vacant, and the services continue to be used to provide knowledge transfer to the newly hired staff.

Also, the IT Division was not involved with the original development of the Engineering and Construction Division systems over the past two decades and limited technical documentation was available. Therefore, the original Agreement's scope of work was based on high-level business functionality and the original amount was estimated based on these requirements. The actual detailed work required is more complex and more time consuming than originally estimated. The retro-fit of computer software to support business processes' functionality requires additional changes that were not originally identified.

The requested First Amendment amount is sufficient to complete the required work under this Agreement. No additional amendment will be requested for the duration of this Agreement.

In the long-term, it is anticipated that a combination of Harbor Department staff and outside contractors will continue to be necessary to support the systems and meet the future requirements of the Engineering and Construction Divisions, including for specialized, proprietary, peak, and knowledge transfer work.

Benefits - The Amendment will provide the following benefits which are consistent with the IT Strategic Plan:

1. Enterprise-wide desktop standardization: A common hardware/software platform will provide a more predictable and stable computing environment. Currently, the enterprise-wide environment is a mix of operating systems, office computing suites, and project management applications.

2. Standardized technology platforms: The services provided under the Agreement will complete the migration of more complex specialized systems to standard technology platforms that are easier to maintain and support.

3. Better customer support: The existing IT Division On-call IT Services agreements are intended for the broader scope of general IT services and are therefore not feasible for more complex services. Due to the complexity of the integrated systems, highly specialized knowledge is necessary to deliver quick solutions. This agreement will be used to augment IT Division staff with specialized knowledge to provide all the needed support.

4. Staff training: IT Division staff will learn new skills by working side-by-side with the Trinus staff. This knowledge transfer will give IT Division staff the knowledge and experience needed to continue managing the projects into the future.

Continuing the use of Microsoft Project 2003 past the support date would impact support in a negative way. The Harbor Department would no longer receive assistance from Microsoft if problems arose with PICS, which would negatively impact the financial reporting on all Capital Improvement Projects.

Small Business Enterprise Participation - Trinus is a certified Small Business Enterprise; and therefore, one hundred percent of this Agreement will apply towards the Harbor Department's SBE objective. Trinus is based in Glendale, California.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of an Amendment to an Agreement with Trinus for specialized information technology services to increase the total agreement amount. The term of the Agreement will remain the same. As an administrative activity, the Director of Environmental Management has determined the proposed action is exempt from the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

Spending under the proposed Amendment to increase the contract amount will support three one-year equivalent jobs (two direct and one secondary) for the five county region.

FINANCIAL IMPACT:

Approval of the proposed First Amendment will increase the Agreement authority by $300,000 for a revised total agreement authority of $900,000. Of this $300,000 additional funding requested under the proposed Amendment, $200,000 has been requested to be budgeted in the Fiscal Year (FY) 2012/2013 capital budget, upon Board approval, in Account No. 54310, Center 1000, Program 000. It is expected that the remainder of this additional authority amount requested under the subject Amendment will be expended as follows upon approval by the Board in each subsequent fiscal year as part of the annual budget adoption process:

Fiscal Year	Agreement Amount	Amendment Amount	Total Amount
2011/2012	$200,000	-	$200,000
2012/2013	$200,000	$200,000	$400,000
2013/2014	$200,000	$100,000	$300,000
		Total Not-to-Exceed Amount	**$900,000**

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A Termination for Non-Appropriation of Funds Clause, (also known as a Funding-Out-Clause) is included in the Agreement.

CITY ATTORNEY:

The Office of the City Attorney has reviewed this Amendment as to form and legality.

TRANSMITTALS:

1. Agreement No. 11-2978
2. First Amendment to Agreement No. 11-2978

CA Approval: ___ **(initials)**
FIS Approval: ___ **(initials)**

LANCE KANESHIRO
Chief Information Officer

MOLLY CAMPBELL
Deputy Executive Director

APPROVED:

GERALDINE KNATZ, Ph.D.
Executive Director

JMC
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