



THE PORT
OF LOS ANGELES

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: MAY 28, 2014

FROM: PORT POLICE

SUBJECT: RESOLUTION NO. _____ - FIRST AMENDMENT TO AGREEMENT NO. 13-3137 WITH CONVERGINT TECHNOLOGIES LP FOR SECURITY SYSTEM MAINTENANCE, REPAIR, INSTALLATION, AND INTEGRATION, ON AN AS-NEEDED BASIS

SUMMARY:

On June 18, 2013, the City of Los Angeles Harbor Department (Harbor Department) entered into Agreement No. 13-3137 (Agreement) with Convergent Technologies LP (Convergent), Orange, California, to assist with the maintenance, repair, replacement, installation, and integration of equipment related to Harbor Department security systems. The Agreement is for a one-year term with two, one-year renewal options. The first one-year renewal option is expected to be exercised in June 2014. This project is being partially funded (\$3,000,000 fully reimbursable) with grant funding from the Fiscal Year 2012 Port Security Grant Program (FY 2012 PSGP).

The proposed First Amendment (Amendment) will address the following issues that have been identified over the course of the first year of the Agreement: 1) correct an omission in Exhibit B (Fee Schedule) to reflect payment of other direct costs (ODC) retroactive to the original contract date; and 2) change Convergent's name from Convergent Technologies LP to Convergent Technologies LLC. All remaining terms and conditions of Agreement No. 13-3137 will remain in full force and effect. There will be no changes to the amount or term of the Agreement.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Approve the First Amendment to Agreement No. 13-3137 between the City of Los Angeles Harbor Department and Convergent Technologies LLC;
2. Authorize the Executive Director to execute and the Board Secretary to attest to the Amendment; and
3. Adopt Resolution No. _____.

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SUBJECT: RESOLUTION NO. _____ - AWARD OF CONTRACT TO CONVERGINT

DISCUSSION:

Background and Context – At its meeting on June 6, 2013, the Board approved Agreement No. 13-3137 (Transmittal 1) between the Harbor Department and Convergent for a one-year Agreement with two one-year renewal options, in the amount of \$4,000,000. To date, \$1,341,398 has been invoiced, with a remaining Agreement balance of \$2,658,601. Of the amount invoiced to date, \$340,783 remains unpaid due, in part, to a lack of specific ODC language in the Fee Schedule. At the end of the FY 2014, \$2,000,000 is expected to be expended with \$2,000,000 to be reimbursed under the aforementioned grant.

The Harbor Department expects to exercise the first renewal option on or about June 8, 2014; thus it is important to immediately resolve any outstanding invoicing or reimbursement issues.

Need for Amendment – Convergent has been satisfactorily performing the work outlined in the Agreement; however, numerous invoice submissions have been rejected by the Harbor Department's Auditor due to the exclusion of any language in the Fee Schedule that allows Convergent to be reimbursed for ODCs such as "use of equipment." This language was inadvertently removed during the drafting of the Agreement.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of a First Amendment (Transmittal 2) to Agreement No. 13-3137 with Convergent to modify the fee schedule and change the company name. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II Section 2 (f) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

Approval of the proposed Amendment will have no employment impact. Spending under the original Agreement was evaluated to support 93 direct and 27 secondary one-year equivalent jobs for the five-county region at Board approval.

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FINANCIAL IMPACT:

Approval of the proposed First Amendment does not require additional funding. The amendment allows for reimbursement of prior ODC and Non-Disclosure Agreement related charges. Our records reflect that these charges amount to \$50,816.

Outstanding Invoices Total	Labor/Other Approved Charges	ODCs/NDA Charges
\$340,783	\$289,967	\$50,816

Funding in the amount of \$2,000,000 has been budgeted in Port Police Division FY 13/14 Operating Budget, Center 0412, Program 640, Account 54286. Upon Board approval, funding for future fiscal years will be requested as part of the annual budget process. At FY 2014 end, it is expected that all \$2,000,000 will have been expended, with \$2,000,000 reimbursed under the aforementioned grant.

The Harbor Department's obligation to pay any amount due thereunder for any City fiscal years after the current fiscal year is contingent upon the legislative appropriation of funds for the purpose. The City's fiscal year ends on June 30. Accordingly, anything to the contrary notwithstanding, the City may terminate any contract and its future monetary obligations thereunder, effective as of the end of any fiscal year.

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CITY ATTORNEY:

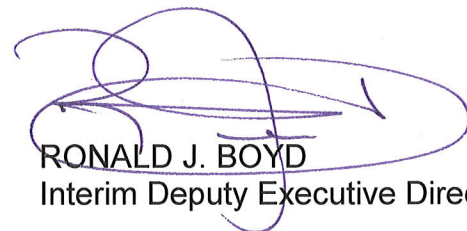
The Office of the City Attorney has reviewed and approved the First Amendment to Agreement No. 13-3137 as to form and legality.

TRANSMITTALS:


1. Agreement No. 13-3137
2. First Amendment to Agreement No. 13-3137

FIS Approval:  (initials)
CA Approval:  (initials)


MICHAEL R. HILLMANN
Assistant Chief of Police


RONALD J. BOYD
Interim Deputy Executive Director

APPROVED:


GARY LEE MOORE, P.E.
Interim Executive Director

RJB:JT:rkq

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