

***AMENDED TO STRIKE OUT BOS's sole discretion in recommendation #1
Amend extension and must come back to Board**

BPW-2024-0309
AS AMENDED**

DEPARTMENT OF PUBLIC WORKS

BUREAU OF SANITATION
BUREAU OF CONTRACT ADMINISTRATION
JOINT BOARD REPORT NO. 1
MAY 24, 2024

ADOPTED BY THE BOARD
PUBLIC WORKS OF THE CITY
of Los Angeles California
AND REFERRED TO THE CITY COUNCIL
MAY 24 2024
AND REFERRED TO THE MAYOR

Executive Officer
Board of Public Works

CD: ALL

AUTHORITY TO AWARD AND EXECUTE A SOLE-SOURCE PERSONAL SERVICES CONTRACT WITH GATEKEEPER SYSTEMS FOR SOFTWARE MAINTENANCE AND ENHANCEMENT SERVICES TO FIELD AUTOMATION FOR SANITATION TRUCKS APPLICATION AND RELATED NAVIGATE PRODUCTS AND INTEGRATIONS (W.O. #S10IGSSO AND W.O. #S11IGSSC)

RECOMMENDATIONS

1. Approve and forward this report with transmittals to the Mayor and City Council (Council) with the request that the Board of Public Works (Board) be authorized to execute a sole-source personal services contract with Gatekeeper Systems for software maintenance and enhancement services to the NaviGate suite of products and its interfaces used by LA Sanitation and Environment (LASAN). The term of the contract is for five (5) years with two (2) renewal options of three (3) years to be exercised at LASAN's sole discretion, with a cost not to exceed \$2,529,000 including LASAN exercising the two (2) renewal options for a total term of the contract for eleven (11) years.
2. Upon the Mayor's and Council's authorization, the President or two (2) members of the Board will execute the contract.

TRANSMITTALS

1. Copy of the proposed Personal Services Contract between the City of Los Angeles and Gatekeeper Systems.
2. Copy of the Business Inclusion Program waiver issued by the Mayor's Office of Budget & Innovation on July 7, 2021.

DISCUSSION

Background

Field Automation for Sanitation Trucks (FAST) was implemented in September 2003 to provide LASAN's North and South Conveyance Systems Divisions (CSDs) with a paperless work management system accessible from the field. FAST is a web-based application which uses the off-the-shelf modules from the suite of proprietary products called NaviGate by Gatekeeper Systems. FAST is integrated with LASAN's asset management system. This integration allows the use of robust features such as maintenance scheduling to generate hundreds of thousands of work orders each year. FAST enables deploying those work orders electronically and capturing valuable condition, cleaning, and timekeeping information from the field crews back to the asset management system for analysis, reporting, and planning.

Sole-Source Contract

NaviGate software modules are proprietary products of Gatekeeper Systems, and maintenance and enhancements of these products is also proprietary and available solely through Gatekeeper Systems. The NaviGate application is designed so that the modules work together seamlessly and additional modules can be implemented as needed to support additional or new business requirements.

This sole-source contract will be used to provide software maintenance, consulting expertise, enhancements, and support services for the NaviGate products and its interfaces. Failure to keep this application operating properly would severely impact LASAN's North and South Conveyance Systems Divisions, who rely on FAST to perform their daily field operations. Enhancements to the FAST application will further improve productivity, increase response to customer service calls, and allow us to take advantage of the capabilities of this state-of-the-art technology.

Project Scope

The Project scope will cover services of Gatekeeper Systems to provide system maintenance and enhancements for the NaviGate suite of products. The services will include, but not be limited to the following:

- Software maintenance and support services, including, but not limited to:
 - Software upgrades
 - Defect corrections
 - Technical support

- Enhancements to the NaviGate Software, including, but not limited to:
 - Purchase of additional NaviGate modules to incorporate additional business process
 - Software configuration
 - Reports
 - Integrations
 - Tuning
 - Programming
 - Technical Training and documentation.

- Integration support, including, but not limited to:
 - Configuration
 - Tuning
 - Modifications
 - Programming
 - Documentation

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- Project management duties, including, but not limited to:
 - Planning
 - Developing schedules
 - Project status reports
 - Coordinating resources and activities.

BUSINESS INCLUSION PROGRAM (BIP)

On January 12, 2011, the Mayor issued Executive Directive No. 14, which created the BIP. This program provides Minority Business Enterprise (MBE), Woman Business Enterprise (WBE), Small Business Enterprise (SBE), Emerging Business Enterprise (EBE), Disabled Veteran Business Enterprise (DVBE), and Other Business Enterprise (OBE) firms an equal opportunity to compete for, and participate in, City contracts. However, since Gatekeeper Systems does not subcontract to or otherwise license any firm to perform maintenance services for NaviGate proprietary software, this project provides no opportunities for subcontractor participation. As such, a BIP Outreach waiver was obtained from the Mayor's Office of Budget & Innovation, Chief Procurement Officer Team on July 7, 2021 (Transmittal No. 2).

LOCAL BUSINESS PREFERENCE (LBP) PROGRAM

Los Angeles Administrative Code Division 10, Chapter 1, Article 4, Section 10.25 adopted the Local Business Preference (LBP) Program, which was designed to increase local employment and expenditures in the local private sector. At the time of project advertisement, businesses that qualified as a Local Business Enterprise (LBE) may be granted an eight percent reduction of their Bid amount solely for Bid evaluation purposes. If the LBE is also a Local Small Business (LSB) and/or Local Transitional Employer (LTE), they may be granted an additional two percent reduction for each of those certifications, up to a total of twelve percent. Businesses that qualify as a LBE, but neither as a LSB and/or a LTE, may be granted a one percent reduction, up to a maximum of two percent for each of those certifications, for every ten percent of their bid that is to be performed by a LSB and/or a LTE subcontractor. Additionally, all non-LBE Businesses may be granted a one percent reduction, up to a maximum of five percent, of their Bid amount solely for Bid evaluation purposes, for every ten percent of their bid that is to be performed by a LBE, LSB, and/or a LTE subcontractor. However, as this is a sole source contract, the LBP Program does not apply.

(Continued on next page)

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Community-Level Contracting (CLC)

As part of the City's CLC initiative led by the Department of Public Works (DPW) as per the CLC Board Motion issued on May 19, 2021, LASAN seeks to help make City contracting more accessible and equitable by providing small contractors the opportunity to work directly with the City as Prime contractors on smaller, more manageable projects. LASAN staff evaluated the work to be performed under this opportunity and determined the project is not a candidate for CLC due to the sole-source/proprietary nature of the work.

Cost

The estimated cost of the software maintenance services provided under this contract is not to exceed \$2,529,000, covering five (5) years and two (2) renewal options of three (3) years for a total contract term of eleven (11) years. Discretionary funds in the amount of \$945,000 are being requested for emergency fixes and potential changes to the FAST/LASAN's Asset Management System integration software due to anticipated LASAN's Asset Management System upgrades. The total cost of this contract is estimated to be \$2,529,000, covering the five (5) years and two (2) renewal options of three (3) years for a total contract term of eleven (11) years covered by this agreement. The breakdown of the cost estimate is illustrated as follows.

Table 1

ITEM	ESTIMATED COST
Maintenance for eleven (11)-year period including two (2) optional three (3)-year renewal periods	\$1,584,000
Systems enhancement, including, but not limited to the following: <i>Field Inspection Module</i> <i>Illicit Discharge Investigation Module</i> <i>Redlining Module</i> <i>Pumping Plant Maintenance</i> <i>De-couple FAST and EMPAC</i>	\$825,000
Integration Support	\$100,000
Project Management and on-site support	\$20,000
TOTAL	\$2,529,000

Charter Section 1022

The CAO issued the 1022 determination report on June 6, 2023 and determined that there was an insufficient number of City staff to perform the work proposed to be contracted.

Approved as to Form

The proposed contract has been approved as to form by the Office of the City Attorney.

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Other City Policies and Requirements

Gatekeeper Systems shall comply with all City requirements including

- Non-Discrimination/Equal Employment Practices/Affirmative Action
- Living Wage and Worker Retention Ordinances
- Equal Benefits Ordinance
- Business Tax Registration Certificate
- Child Support Obligations Ordinance
- Insurance and Performance Bond Requirements
- Slavery Disclosure and Disclosure of Border Wall Contracting Ordinances
- Americans with Disabilities Act
- Municipal Lobbying Ordinance
- Los Angeles Residence Information
- City of Los Angeles Contract History
- Non-Collusion Affidavit
- First Source Hiring Ordinance
- Contractor Bidder Campaign Contribution and Fundraising Restrictions
- Iran Contracting Act of 2010
- City Contractors' Use of Criminal History for Consideration of Employment Applications Ordinance
- COVID-19 Requirements
- Contractor Data Reporting

CONTRACTOR RESPONSIBILITY ORDINANCE

This contract with Gatekeeper is exempt from compliance with the requirements specified in the City of Los Angeles's Contractor Responsibility Ordinance #173677, [Article 14, Chapter 1, Division 10, L.A.C.C.], per Sec.10.40.4, Exemptions, (b) (6) Contracts where the goods or services are proprietary or only available from a single source.

CONTRACTOR PERFORMANCE EVALUATION

In accordance with Article 13, Chapter 1, Division 10 of the City of Los Angeles Administrative Code, the appropriate City personnel responsible for quality control of this personal services contract shall submit Contractor Performance Evaluation Reports to the Bureau of Contract Administration upon completion of this contract.

Headquarters Address and Workforce Information

The headquarters of Gatekeeper Systems is 99 E C Street, Suite 209, Upland, CA. Gatekeeper Systems employs 7 people, of which 1 resides in the City of Los Angeles.

Contract Administration

Responsibility for the administration of this contract will be with the Information and Control Systems Division of LASAN.

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PROJECT REVIEW BY DIRECTOR (PRD) APPROVAL

This contract was approved by PRD on June 15, 2022, in the amount of \$2,529,000.

STATUS OF FINANCING

There is no impact to the General Fund. The total funding for this project is not to exceed \$2,529,000. Funding in the amount of \$100,000 is available in Budget Fiscal Year 2023-24, Fund No. 760, Sewer Operations & Maintenance Fund, Department No. 50, Appropriation Account No. 50YX82, PW-Sanitation Expense and Equipment. The remaining funding will be budgeted within the Fund No. 760, Sewer Operations & Maintenance Fund.

Funds and appropriations for future fiscal years are not yet identified and existing appropriations may change based on available cash balances. Therefore, funds and appropriations will be determined by the Director and General Manager of LASAN.

Funding as of the date of this Board Report has been verified and approved by the Director of the Office of Accounting subject to terms and conditions and cash availability described above.

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments to the Contractor unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract.

The Contractor agrees that any services provided by the Contractor, purchases made by the Contractor or expenses incurred by the Contractor in excess of the appropriation(s) shall be free and without charge to the City and the City shall have no obligation to pay for the services, purchases or expenses. The Contractor shall have no obligation to provide any services, provide any equipment, or incur any expense in excess of the appropriation, amount(s) until the City appropriates additional funds for this Contract.

FUTURE ACTIONS

Upon authorization by the Council and the Mayor, the Board will execute the contract with Gatekeeper.

(Signature page follows)

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Respectfully submitted,



BARBARA ROMERO
Director and General Manager
Bureau of Sanitation

COMPLIANCE REVIEW PERFORMED
AND APPROVED BY:



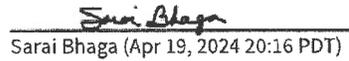
Lynda McGlinchey (May 9, 2024 15:48 PDT)

LYNDA McGLINCHEY, Program Manager II
Office of Contract Compliance
Bureau of Contract Administration



JOHN L. REAMER, JR.
Inspector of Public Works
Bureau of Contract Administration

REVIEWED AND APPROVED BY:



Sarai Bhaga (Apr 19, 2024 20:16 PDT)

SARAI BHAGA, Chief Financial Officer
Bureau of Sanitation
Date: _____

APPROVED AS TO FUNDS:



MIGUEL DE LA PEÑA, Director
Office of Accounting
760/50/50YX82 \$100,000
Date: 5/10/2024

Prepared by:
Dan Seto, ICSD
(323) 342-6288