

January 21, 2020

LOS ANGELES FIRE DEPARTMENT



RALPH M. TERRAZAS
FIRE CHIEF

December 30, 2019

BOARD OF FIRE COMMISSIONERS
FILE NO. 20-002

TO: Board of Fire Commissioners

FROM: Ralph M. Terrazas, Fire Chief

SUBJECT: FIRST AMENDMENT TO AGREEMENT C-133394 WITH 3Di,
INCORPORATED FOR SOFTWARE DEVELOPMENT AND SUPPORT

FINAL ACTION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

SUMMARY

In April, 2015, the Mayor and City Council approved a joint report by several General Managers (Building and Safety, Engineering, Fire, Planning, Transportation) recommending development of "BuildLA," a unified system for development services, including a common architecture and infrastructure, common business applications, and common support tools (C.F. 15-0316). The common business application platform would streamline and improve the efficiency, transparency, and predictability of the review process.

The Los Angeles Fire Department (LAFD), Fire Prevention and Public Safety Bureau (FPB), has several different computer applications and systems (e.g., Fire Prevention Application; Fire Prevention Operating System; Vegetation Management System (VMS)) for managing its business processes. These applications and systems were developed in-house several years ago, are not based on a common platform, are not integrated, are very inefficient, and have extremely limited capabilities. For example, data cannot be migrated between systems, resulting in potential inconsistencies for such information as property and ownership. To enable the LAFD to initiate development of a Fire Inspection Management System (FIMS), the City Council appropriated \$3 million from the Development Services Trust Fund on June 12, 2017. An FIMS would be a component of and interface with BuildLA.

The VMS had been used by the FPB, Brush Clearance Unit to manage the approximately 165,000 annual inspections of properties located in the Very High Fire Hazard Severity Zone. In 2016, FPB purchased proprietary software from 3Di as a replacement to VMS, in anticipation of the older system no longer being supported. The new system provides enhanced capabilities, and improved the efficiency and accuracy of managing the various brush inspection tasks and processes. In addition to recording and maintaining data on the results of inspections, the application enables administrative tasks, such as sending out notices, creating administrative files, issuing citations, issuing invoices, managing the brush clearance contractor bid process, and managing the appeals process.

In March 2017, LAFD engaged 3Di for further development of its proprietary software to ensure the various aspects of the brush inspection process were completed efficiently, effectively and accurately. The necessary enhancements continued for the 2018 and 2019 brush clearance cycles. It was projected that the systems development requirements would be completed by February 2020.

The ongoing support of this highly specialized, proprietary software system is essential to public safety. The system must be continuously available in order for the LAFD to effectively manage the brush inspection program that is vital to maintaining public safety and reducing the risk of fires in these high fire hazard areas. In order to continue to perform these vital services in an uninterrupted manner, the LAFD determined that there was no suitable alternative available, so 3Di's services were retained to complete the final stages of development and continue support of the system.

On June 28, 2019, the LAFD entered into Agreement C-133394 with 3Di for software development and support. The contract term is for the period from March 1, 2017 through February 28, 2020, for a maximum compensation amount not to exceed \$1,868,521, for software development and maintenance, operations and support services regarding the LAFD's brush inspection program.

On October 16, 2019, the LAFD released Request for Proposals No. 2019-038-006 for an FIMS. Because a new contract for the FIMS will not be executed before February 28, 2020, the agreement with 3Di needs to be extended for one year, through February 28, 2021, in order to avoid a disruption in the maintenance, operations and support services. The compensation to 3Di will continue at \$15,000 per month, for an amount totaling \$180,000 during the one year extension, and for a maximum compensation not to exceed \$2,048,521.

The First Amendment has been reviewed and approved by the City Attorney as to legal form. Pursuant to Los Angeles City Charter Section 373, approval by the City Council is required.

RECOMMENDATIONS

That the Board:

1. Approve and authorize the Fire Chief to execute the First Amendment to Agreement C-133394 between the City and 3Di, Inc. to extend the term to provide the required hosting and maintenance services for one year, from March 1, 2017 through February 28, 2021, for a maximum compensation amount not to exceed \$2,048,521.
2. Transmit the First Amendment to Agreement C-133394 to the Mayor for approval in accordance with Executive Directive No. 3.

FISCAL IMPACT

There is no impact to the General Fund. Funding for this Agreement is available through an appropriation from the Construction Services Trust Fund.

Board report prepared by Scott Porter, Chief Information Officer, Information and Technology Bureau.

Attachment

**FIRST AMENDMENT TO AGREEMENT C-133394
BETWEEN
THE CITY OF LOS ANGELES
AND
3Di, INCORPORATED
FOR
SOFTWARE DEVELOPMENT AND SUPPORT**

THIS FIRST AMENDMENT to Agreement C-133394 (hereinafter referred to as "Agreement") is made and entered into by and between the City of Los Angeles, a municipal corporation (hereinafter referred to as "City"), acting by and through the Los Angeles Fire Department (hereinafter referred to as "Fire Department" or "LAFD"), and 3Di, Incorporated, a California corporation (hereinafter referred to as "Contractor"), with reference to the following:

WHEREAS, the LAFD, Fire Prevention Bureau (FPB) uses several different computer applications and other systems that are not based on a common platform for managing its various business processes; and

WHEREAS, the lack of integration of these systems results in, among other things, numerous inefficient processes and potential errors in identifying important data such as property and owner information, used by FPB personnel to effectively fulfill its fire prevention responsibilities; and

WHEREAS, development of an integrated Fire Inspection Management System (FIMS) to implement a common business application platform to support all current and future FPB inspection and enforcement activities and processes would address the deficiencies of the older disparate systems; and

WHEREAS, the implementation of a common business application platform is consistent with the objectives of the Citywide BuildLA Project adopted by Mayor and Council in April 2015 (C.F. 15-0316); and

WHEREAS, the Brush Clearance Unit (BCU) performs approximately 165,000 annual inspections of properties located in the Very High Fire Hazard Severity Zone (VHFHSZ); and

WHEREAS, in 2016, the LAFD purchased from Contractor proprietary software to enhance the capabilities, efficiency and accuracy of brush inspection processes in anticipation of the aging in-house systems no longer being supported; and

WHEREAS, the LAFD depends on the use of this highly customized software system to complete these inspections and to perform the required administrative tasks associated with managing these inspection programs such as sending notices, creating

administrative files, issuing citations, issuing invoices, managing the brush clearance contractor bidding process, and managing the appeals process; and

WHEREAS, this brush inspection system will be integrated into and interface with an FIMS and the Citwide BuildLA application platform; and

WHEREAS, the LAFD depends on the continued availability and ongoing support of this highly specialized, proprietary software in order to manage these inspection programs that are vital to maintaining public safety and reducing the risk of fires in these high fire hazard areas; and

WHEREAS, the LAFD identified the need for further software development services by Contractor to ensure the effective, efficient and accurate completion of the 2017, 2018 and 2019 brush inspection processes; and

WHEREAS, the Contractor is a professional services and software development company with over 20 years of experience developing software of similar size and complexity for other City departments and other municipalities located throughout the U.S.; and

WHEREAS, pursuant to Charter Section 1022, the City has found that this service can be performed more economically or feasibly by an independent contractor than by City employees; and

WHEREAS, the City has determined the Contractor's services must be retained for an appropriate term and compensation amount to reflect the complexities in developing and implementing the required Fire Prevention Bureau systems; and

WHEREAS, a threat to public safety exists if there is a disruption in services currently provided for by Contractor; and

WHEREAS, it is not reasonably practicable or in the City's interest to contract with another vendor at this time due to the possibility of a disruption in services and significant risk to public safety; and

WHEREAS, on June 28, 2019, the City and Contractor entered into Agreement C-133394, for software development and support, from March 1, 2017 through February 28, 2020, and for a maximum compensation amount not to exceed \$1,868,521; and

WHEREAS, on October 16, 2019, the LAFD released RFP No. 2019-038-006 for an FIMS, but because a new contract for the FIMS will not be approved and executed before February 28, 2020, the Agreement with the Contractor needs to be extended in order to avoid a disruption in services currently provided by the Contractor; and

WHEREAS, the parties now desire in this First Amendment to extend the term of Agreement C-133394 from March 1, 2017 through February 28, 2021, with the cost of the maintenance, operations and support continuing at \$15,000 per month, for a maximum compensation amount for this Agreement not to exceed \$2,048,521.

NOW, THEREFORE, in consideration of the promises, representations, covenants and agreements provided below, the parties agree as follows:

1. TIME OF PERFORMANCE

Section 3.1, Time of Performance, is hereby amended to read as follows:

The term of the Agreement shall commence as of the date of execution by all parties, and shall end no later than February 28, 2021, subject to the termination provisions herein.

2. RATIFICATION

Section 3.2, Ratification, is hereby amended to add the following:

To the extent that the Contractor may have provided services prior to the execution of this Agreement at the City's request and due to the immediate needs of the LAFD, the City hereby ratifies and accepts those services performed in accordance with the terms and conditions of this Agreement.

Except as amended by this FIRST AMENDMENT, all other provisions of Agreement C-133394 shall remain in full force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized representatives.

THE CITY OF LOS ANGELES

3Di, Inc., a California Corporation

By: _____
Ralph M. Terrazas
Fire Chief

By*: _____
Mihir Desai
Vice President

Date: _____

Date: _____

APPROVED AS TO FORM:
MICHAEL N. FEUER, City Attorney

By**: _____

Name: _____

By: _____
Samuel Petty
Deputy City Attorney

Title: _____

Date: _____

Date: _____

ATTEST:
HOLLY L. WOLCOTT, City Clerk

By: _____
Deputy City Clerk

Date: _____

NOTE: If Contractor is a corporation, two signatures are required.

* The signature of President, Chairman of the Board, or Vice President is required here; and

** an additional signature of Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer is also required for the Corporation.

City Agreement Number: C-133394-1