

0150-11776-0001

**TRANSMITTAL**

TO Janisse Quinones, General Manager Los Angeles Department of Water and Power	DATE  07/25/2025	COUNCIL FILE
FROM The Mayor	COUNCIL DISTRICT All	

**LOS ANGELES DEPARTMENT OF WATER AND POWER PROPOSED BOARD  
RESOLUTION AUTHORIZING A SECOND AMENDMENT TO AGREEMENT NO. 47476  
WITH CGI TECHNOLOGIES AND SOLUTIONS, INC. FOR ENHANCEMENTS,  
MAINTENANCE, AND UPGRADES FOR THE OUTAGE MANAGEMENT (OMS) AND  
MOBILE DISPATCH (DMS) SYSTEMS**

Transmitted for further processing and Council consideration.  
See the City Administrative Officer report attached.



MAYOR

(Carolyn Webb de Macías for)

Attachment  
MWS:PJH:JVW:DLG:JFH:10260011t

**REPORT FROM**

**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**

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Date: July 2, 2025

CAO File No.: 0150-11776-0001

Council File No.:

Council District: All

To: The Mayor

From: Matthew W. Szabo, City Administrative Officer

Reference: Correspondence from the Department of Water and Power dated May 9, 2025; received and referred by the Mayor for a report on May 13, 2025

Subject: **LOS ANGELES DEPARTMENT OF WATER AND POWER PROPOSED BOARD RESOLUTION AUTHORIZING A SECOND AMENDMENT TO AGREEMENT NO. 47476 WITH CGI TECHNOLOGIES AND SOLUTIONS, INC. FOR ENHANCEMENTS, MAINTENANCE, AND UPGRADES FOR THE OUTAGE MANAGEMENT AND MOBILE DISPATCH SYSTEMS**

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**RECOMMENDATIONS**

That the Mayor:

1. Approve the Los Angeles Department of Water and Power proposed Board Resolution authorizing a Second Amendment to Agreement No. 47476 with CGI Technologies and Solutions, Inc. increasing the current agreement amount of \$10,255,945 by \$930,202, including a contingency amount of \$214,662, for a term of March 29, 2018 through March 28, 2026 and a new total not-to-exceed amount of \$11,186,147 for enhancements, maintenance, and upgrades of the Outage Management and Mobile Dispatch Systems;
2. Authorize and direct, upon proper certification, the Chief Accounting Employee to draw demands on the Power Revenue Fund over the term of the Amendment to the Agreement and the accompanying Resolution; and
3. Return the proposed Resolution to the Los Angeles Department of Water and Power for further processing, including Council consideration.

**SUMMARY**

The Los Angeles Department of Water and Power (LADWP, Department) requests authority to execute a proposed Second Amendment to Agreement No. 47476 With CGI Technologies and Solutions, Inc. (CGI) for enhancements, maintenance, and upgrades to the Outage Management (OMS) and Mobile Dispatch Systems (MDS).

The OMS is the primary system for capturing, managing, and recording all power outage events reported to LADWP through the Customer Contact Center or the automated Interactive Voice Response System. The MDS allows field crews to capture all related events that occur in the field and report the status of the outage incident as service is restored. Both systems utilize proprietary software owned by CGI. Technical support services to modify and enhance the systems have been provided by CGI pursuant to sole source Agreement No. 47476 awarded to the firm in 2018 under Administrative Code Section 10.5(e)(10). Maintenance and enhancement of the systems is only available from the firm.

The proposed Second Amendment includes additional funding to develop and implement enhancements to the OMS and MDS systems to meet the mission critical strategic planning objectives driven by lessons learned from recent storm events in the Los Angeles area (Level 3 Wind and Rain Storm, Tropical Storm Hillary). The Amendment also addresses requests from the Mayor and Council to make key improvements in the customer experience.

The proposed Amendment increases the Agreement's not-to-exceed amount by \$715,540 and adds a contingency amount of \$214,662 increasing the not-to-exceed amount by \$930,202 from \$10,255,945 to \$11,186,147, ratifies the existing term of the Agreement as March 29, 2018 through March 28, 2026, and incorporates the new work into the Agreement Fee Schedule and Statement of Work. The amended maximum expenditure amount has been budgeted by the Department.

The City Attorney has approved the proposed Second Amendment as to form. In accordance with Charter Section 373 and the Los Angeles Administrative Code Section 10.5(e)(10), the proposed Amendment requires City Council approval because the total term of the agreement is greater than five years. This Office has reviewed the request and recommends approval.

## **BACKGROUND**

Outage Management System or OMS is the primary system for the capture, management, and recording of all power outage events reported to LADWP through Customer Contact Center representatives or through the automated interactive Voice Response System. The real time tracking, analysis, and grouping of all reported incidents and the identification of the number of affected customers is provided by OMS. The integration of OMS with MDS is provided allowing Electric Trouble dispatchers to seamlessly dispatch routine and emergency incidents to Electric Trouble (ET) field crews.

Field crews capture all related events that occur in the field and report the status on outage incidents as progress is made utilizing MDS. Together, OMS and MDS or Mobile Dispatch System serve as the primary communications tool between ET dispatchers and field crews for the dispatch and restoration of outage incidents in a safe, efficient, and reliable manner.

*Original Agreement with CGI for OMS and MDS Support* – On March 13, 2018, the Board of Airport Commissioners (Board) approved Resolution No. 018 168 awarding Agreement No. 47476 to CGI for a term of three years at an amount not to exceed \$4,000,945. The Agreement provided for successful implementation of a major software upgrade that delivered enhanced system functionality providing customers with more up-to-date outage information during major storms.

*First Amendment to the Agreement with CGI* – On January 26, 2021, the Board approved Resolution No. 021 132 authorizing a First Amendment to Agreement No. 47476 extending the term by five years, adding to the agreement scope, and increasing the contract amount by \$6,255,000 for a not-to-exceed amount of \$10,255,945.

*Integration of OMS and MDS with Other LADWP Systems* – Following the approval of the First Amendment, upgrades to the OMS/MDS led to enhancements to and integration with the Distribution Automation System. Other enhancements have also been completed involving Outbound Dialer, ET Website, OMS/Geographical Information System Integration, and OMS Database Hardware Migration.

*Proposed Second Amendment to Agreement with CGI* – The Second Amendment addresses the mission critical objectives outlined in LADWP's 2023-2026 Strategic Plan to improve customer service by accepting and applying customer inputs, to modernize infrastructure, and to promote open and transparent communication with customers and stakeholders related to system outages.

The proposed Amendment also addresses lessons learned from recent storm events in the Los Angeles area (e.g., Level 3 Wind and Rain Storm, Tropical Storm Hillary) by enabling better communication with customers. Proposed enhancements and upgrades will improve internal and public facing systems to provide clear, concise, and consistent power outage data, thereby enhancing customer experience and satisfaction and communication between stakeholders.

Technically, the proposed Amendment will enable the integration of new technologies such as Advanced Metering Infrastructure and Distribution Automation equipment to provide the critical data needed to allow LADWP to make more effective decisions in responding to future power outage events. The proposed Amendment also responds to requests from the Mayor and Council to transform the customer experience in response to the lessons learned during the February 2023 Electric Trouble Response Level 3 Storm.

*Agreement Terms and Conditions Modified by Second Amendment* – The proposed Second Amendment modifies Agreement terms and conditions as follow:

- The Agreement Term is ratified as eight years from the date of execution of the original Agreement (March 29, 2018 through March 28, 2026).
- The total compensation that may be paid to CGI by LADWP for services provided under the Agreement shall not exceed \$11,186,147.
- The Exhibit C, Fees Schedule is replaced with Exhibit C, Fee Schedule, Revision 2.
- The Exhibit H, Statement of Work is replaced with Exhibit H, Statement of Work, Revision 2.
- All other terms and conditions of the Agreement remain the same.

*Performance of CGI on Existing and Prior Agreements* – The performance of CGI has been satisfactory under the current and prior agreements.

*Financial Impact of Proposed Second Amendment* – The proposed Second Amendment will increase the Agreement's not-to-exceed amount by \$715,540 and add a contingency amount of \$214,662 increasing the not-to-exceed amount by \$930,202 from \$10,255,945 to \$11,186,147. The new Agreement maximum expenditure amount has been budgeted by the Department.



*Alternatives Considered* – There are no viable alternatives to the proposed Second Amendment. The Department does not have the technical expertise to maintain and enhance the OMS and MDS systems. Since the current agreement does not expire until March 28, 2026, and CGI is the sole provider of its proprietary software, a new competitive solicitation for the development and implementation of required OMS and MDS system enhancement is not possible at this time.

## **CITY COMPLIANCE**

*California Environmental Quality Act (CEQA)* – The LADWP has determined, subject to Board approval, that this action is exempt from CEQA pursuant to Section 15060(c)(2) which states that an activity is not subject to CEQA if it will not result in a direct or reasonably foreseeable indirect physical change in the environment. Since the proposed Amendment to the Agreement is for software maintenance services, it will not result in any direct or reasonably foreseeable indirect physical change in the environment and is not subject to CEQA.

*Charter Section 1022* – Pursuant to Charter Section 1022, the Department determined that the required expert and professional services can be performed more feasibly by an independent contractor than by City employees. The OMS and MDS are proprietary software systems owned by CGI. The technical support services to perform the required changes to the OMS and MDS software must therefore be provided by CGI.

The City Attorney has approved the proposed Amendment as to form. In accordance with Charter Sections 373, and 371(e)(10), the Amendment requires City Council approval because the total term of the agreement is greater than five years. Our Office has reviewed the request and recommends approval.

## **FISCAL IMPACT STATEMENT**

Approval of the proposed Second Amendment to Agreement No. 47476 with CGI Technologies and Solutions, Inc., increasing the current agreement amount of \$10,255,945 by \$930,202, including a contingency amount of \$214,662, for a new total not-to-exceed amount of \$11,186,147 will have no impact on the General Fund. Approval of the proposed increase in the Agreement's not-to-exceed amount is budgeted in the Power Revenue Fund. The recommendations in this report comply with the Los Angeles Department of Water and Power's adopted Financial Policies.

Attachment – May 9, 2025 Correspondence from LADWP, Proposed Resolution, and Amendment

MWS:PJH:JVW:DLG/JFH:10260011