

WHEREAS, Workday, Inc. (Workday) was awarded Agreement No. 47652 (Agreement) by the Los Angeles Department of Water and Power (LADWP) Board of Water and Power Commissioners (Board) on March 9, 2021, for the purchase of cloud-based Enterprise Resource Planning (ERP) software as a service subscription (SaaS) license, integration/implementation services, and ongoing maintenance and support services as part of an ERP system project utilizing a cooperative arrangement with the City of Los Angeles, Information Technology Agency under City Contract No. 135368; and

WHEREAS, the Agreement was awarded for a term of five years and a not-to-exceed amount of \$131,582,518 (budgeted); and

WHEREAS, the \$131,582,518 not-to-exceed amount included a 25 percent contingency amount of \$26,316,504 for unforeseen professional and subscription services related to the general scope of the Agreement; and

WHEREAS, LADWP and Workday agreed to Change Order No. 1 to utilize \$21,781,136 of the contingency amount for the purpose of extending both phases of the ERP system project schedule by one year and later agreed to Change Order No. 2 to utilize \$201,885 of the contingency amount to add an unforeseen subscription service, leaving \$4,333,483 remaining in the contingency amount; and

WHEREAS, the Board adopted Amendment No. 1, pursuant to Resolution No. 025 107 on December 10, 2024, to reallocate \$12,294,432 in optional professional and subscription services that were deemed not necessary to the contingency, resulting in a remaining contingency amount of \$16,627,915, without extending the term or increasing the not-to-exceed amount of the Agreement; and

WHEREAS, LADWP and Workday agreed to utilize \$14,783,047 of the contingency amount for the purpose of extending the human resources and payroll phase of the ERP system project schedule by six months and to add one year of post-go-live application management services, leaving \$1,844,868 remaining in the contingency amount; and

WHEREAS, the Board adopted Amendment No. 2, pursuant to Resolution No. 025 025 on August 26, 2025, to increase the not-to-exceed amount by \$26,361,545—from \$131,582,518 to \$157,944,063 (budgeted)—in order to extend the professional services for the financial management phase of the ERP system project through the current Agreement term, and to replenish the contingency amount for unforeseen expenses, while preparing this Amendment No. 3 (Amendment) to extend the term and the not-to-exceed amount to complete the financial management phase that will require City Council approval; and

WHEREAS, LADWP recommends approval of the Amendment to the Agreement to increase the term by three years—from five years to eight years—and increase the not-to-exceed amount by \$27,823,336—from \$157,944,063 to \$185,767,399 (budgeted)—in order to complete the financial management phase of the ERP system project, provide for post-go-live application management services, cover three additional years of required subscription services, and authorize some subsequent optional professional and subscription services that LADWP is considering after the financial management phase; and

WHEREAS, the term of the Agreement exceeds the total contract period set by ordinance and in accordance with City Charter Section 373, City Council approval is required.

NOW, THEREFORE, BE IT RESOLVED that the Amendment to the Agreement, approved as to form and legality by the City Attorney and filed with Secretary of the Board, is hereby approved.

BE IT FURTHER RESOLVED that pursuant to City Charter Section 1022, the Board finds that the expert and professional services can be performed more feasibly by an independent contractor due to the nature of the specific skills, knowledge, and abilities necessary to perform said services.

BE IT FURTHER RESOLVED that the Chief Accounting Employee of LADWP, upon proper certification, is authorized and directed to draw demands on the Power and Water Revenue Funds, in accordance with the terms of this Amendment to the Agreement and this Resolution.

BE IT FURTHER RESOLVED that the President or Vice President, or the General Manager, or such person as the General Manager shall designate in writing, and the Secretary, Assistant Secretary, or the Acting Secretary of the Board are hereby authorized and directed to execute said Amendment for and on behalf of LADWP upon approval by the City Council pursuant to City Charter Section 373.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of the Resolution adopted by the Board of the City of Los Angeles at its meeting held Nov 18, 2025.

APPROVED AS TO FORM AND LEGALITY
HYDEE FELDSTEIN SOTO, CITY ATTORNEY

September 22, 2025



BY _____

Philip Lam
Deputy City Attorney



Secretary