



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE  
OPERATIONS CLUSTER**

WILLIAM T FUJIOKA  
Chief Executive Officer

**DATE:** January 31, 2013  
**TIME:** 1:00 p.m.  
**LOCATION:** Kenneth Hahn Hall of Administration, Room 830

**AGENDA**

Members of the Public may address the Operations Cluster on any agenda item by submitting a written request prior to the meeting.  
Three (3) minutes are allowed for each item.

1. Call to order – Martin Zimmerman
  - A) **Board Letter – DPW/ISD SPECIAL PROJECTS: PUENTE HILLS NEW TOWER & COMMUNICATIONS EQUIPMENT BUILDING; HAUSER PEAK NEW TOWER; AND BALD MOUNTAIN NEW TOWER APPROVE REVISED PROJECT BUDGETS AWARD CONSTRUCTION CONTRACTS**  
CEO Capital Projects – Jan Takata or designee
  - B) **Board Letter – INTRODUCTION OF AN ORDINANCE AMENDING CHAPTER 4.12 OF TITLE 4 OF THE LOS ANGELES COUNTY CODE**  
CEO Finance – Sid Kikkawa or designee
  - C) **Board Letter – AGREEMENT WITH RTZ ASSOCIATES INC. FOR THE PROVISION OF AN AREA AGENCY ON AGING (AAA) SOLUTION**  
CSS/CIO – Cynthia Banks and Richard Sanchez or designee(s)
  - D) **Risk Management Presentation**  
Auditor-Controller – Wendy Watanabe or designee
2. Public Comment
3. Adjournment

February 19, 2013

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS:  
INTERNAL SERVICES DEPARTMENT SPECIAL PROJECTS:  
PUENTE HILLS NEW TOWER AND COMMUNICATIONS EQUIPMENT BUILDING  
(SPECS. 7098; CAPITAL PROJECT NO. 69667)  
HAUSER PEAK NEW TOWER (SPECS. 7099; CAPITAL PROJECT NO. 69669)  
BALD MOUNTAIN NEW TOWER (SPECS. 7100; CAPITAL PROJECT NO. 69675)  
APPROVE REVISED PROJECT BUDGETS  
AWARD CONSTRUCTION CONTRACTS  
(FOURTH AND FIFTH DISTRICTS) (3 VOTES)**

**SUBJECT**

This action will revise the total project budgets and award construction contracts for the three Internal Services Department Special projects: Puente Hills New Tower and Communications Equipment Building, and Hauser Peak and Bald Mountain New Towers.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve the revised individual project budgets for the Internal Services Department Special projects: \$3,870,500 for the Puente Hills New Tower and Communications Equipment Building, Capital Project No. 69667; \$946,000 for the Hauser Peak New Tower, Capital Project No. 69669; and \$850,000 for the Bald Mountain New Tower, Capital Project No. 69675.

2. Find that Cal-City Construction, Inc., is the apparent Lowest Responsive and Responsible Bidder for the Internal Services Department Special projects: Puente Hills New Tower and Communications Equipment Building and Hauser Peak and Bald Mountain New Tower projects, and award construction contracts for \$2,569,203 for the Puente Hills site; \$330,511 for the Bald Mountain site; and \$395,966 for the Hauser Peak site, subject to timely submittal to the County of satisfactory baseline construction schedules, acceptable Faithful Performance and Payment for Labor and Material Bonds, and evidence required for insurance.
3. Delegate to the Director of Public Works, or her designee, authority to determine, in accordance with the applicable contract and bid specifications, whether the contractor has satisfied the conditions for contract award, and authorize the Director of Public Works, or her designee, to execute the construction contracts, in the form previously approved as to form by County Counsel, with Cal-City Construction, Inc., and to establish the effective date of the construction contracts, if the Director of Public Works, or her designee, determines that the above conditions are met.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended actions is for the Board to approve the revised total project budgets and award construction contracts for the three Internal Services Department (ISD) Special projects: Puente Hills New Tower and Communications Equipment Building, and Hauser Peak and Bald Mountain New Towers (ISD Special projects).

On August 28, 2012, the Board adopted Mitigated Negative Declarations (MNDs) for the three ISD Special projects; approved revised project budgets; adopted plans and specifications; instructed the Executive Officer to advertise for bids; authorized the Director of Public Works (Director) to execute consultant services agreements with the apparent Lowest Responsive and Responsible Bidder to prepare baseline schedules and schedule of values; delegated to the Director the authority to determine if bids were non-responsive and to reject bids on such basis; and delegated to the Director the authority to award any combination of the three ISD Special projects as long as bids came in within the estimated construction cost of \$1,912,000 for the Puente Hills project; \$457,000 for the Hauser Peak project; and \$435,000 for the Bald Mountain project (\$2,804,000 aggregate).

On October 16, 2012, three bids were submitted from potential proposers. Cal-City Construction Inc. (Cal-City), was determined to be the Lowest Responsive and Responsible Bidder with a bid of \$2,572,403 for the Puente Hills project; \$332,711 for the Bald Mountain project; and \$398,166 for Hauser Peak (\$3,303,280 aggregate, \$499,280 over budget). Since bids came in over budget, we are returning to the Board to award construction contracts for the ISD Special projects. As authorized by the Board on August 28, 2012, consultant services agreements have been executed with Cal-City to prepare baseline construction schedules and schedule of values for a not-to-exceed fee of \$3,200 for the Puente Hills project, and \$2,200 each for the Hauser Peak and Bald Mountain projects. The amount of the agreements will be subtracted from Cal-City's lump sum bid for each project, as previously described in the Instructions to Bidders.

On January 10, 2013, Communication Services, Inc. (CSI), submitted a formal bid protest to the award of a construction contract to Cal-City on the grounds that its bid was non-responsive and/or that it was not a responsible contractor due to the fact it allegedly did not have the minimum experience requirements listed in the invitation for bids. On January 15, 2013, Public Works notified CSI that they had 24 hours to submit any additional relevant information to substantiate their position, and CSI elected not to substantively supplement its protest. On January 17, 2013, an independent review of the protest was undertaken by experienced Public Works staff who was not directly involved with the projects, and it was determined that Cal-City's bid was, in fact, responsive and that Cal-City met the minimum experience requirements and was a responsible bidder. On January 17, 2013, CSI was formally notified of Public Works' decision to deny the protest and to continue with the award of the construction contracts to Cal-City.

As indicated on August 28, 2012, the County of Los Angeles (County) and Sanitation District No. 18 are in the process of negotiating a lease agreement for use of the Rio Hondo site. Once negotiations have been completed, Public Works will return to the Board to adopt plans and specifications and advertise for bids for the Rio Hondo New Tower and Communications Equipment Building, Capital Project (C.P.) No. 69666.

### **Green Building/Sustainable Design Program**

The recommended projects support the Board's Green Building/Sustainable Design Program by using energy efficient light fixtures and mechanical equipment in the Puente Hills New Tower and Communications Equipment Building. This will lead to a reduction in operating costs due to decreased energy consumption.

**Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) by constructing new telecommunications infrastructure that will allow County first-responders to more effectively respond to future emergencies.

**FISCAL IMPACT/FINANCING**

The revised total project budgets for the three ISD Special projects (Puente Hills, Hauser Peak, and Bald Mountain), including plans and specifications, plan check, construction, change orders, consultant services, miscellaneous expenditures, and County services, are estimated at an aggregate of \$5,666,500. The following indicates the revised individual total projects cost estimates (TPCE):

<u>Tower Location</u>	<u>Current TPCE</u>	<u>Revised TPCE</u>
Rio Hondo New Tower and Communications Equipment Building*	\$ 2,467,500	\$ 1,385,000
Puente Hills New Tower and Communications Equipment Building	\$ 2,849,000	\$ 3,870,500
Hauser Peak New Tower	\$ 883,000	\$ 946,000
Bald Mountain New Tower	\$ 852,000	\$ 850,000
Total Cost	\$ 7,051,500	\$ 7,051,500

\*On hold.

The higher bid in the Puente Hills New Tower and Communications Equipment Building project is primarily attributed to higher site development costs than were previously anticipated. The cost increases will be offset by cost savings achieved in the Hauser Peak and Bald Mountain New Tower projects and in potential scope reductions in the Rio Hondo New Tower and Communications Equipment Building project. The total aggregate cost for the four ISD Special projects will remain within the \$7,051,500 aggregate, previously approved by the Board on November 3, 2010.

There is sufficient funding in C.P.s 69667, 69669, and 69675 to fully fund the projects.

The revised project Schedule and Budget Summaries are included in the Attachment.

### **Operating Budget Impact**

ISD does not anticipate increased maintenance costs for the improved sites in Fiscal Year 2012-13. Maintenance costs may increase in future fiscal years if capacity increases are requested by Fire, Sheriff, Emergency Medical Services, or other departments and agencies utilizing the site infrastructures. Future maintenance cost increases will be funded by communication site maintenance fees collected from the users of the sites.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The contracts contain terms and conditions supporting the Board's ordinances and policies, including, but not limited to: County Code Chapter 2.200, Child Support Compliance Program; County Code Chapter 2.202, Contractor Responsibility and Debarment; County Code Chapter 2.203, Contractor Employee Jury Service Program; County Code Chapter 2.206, Defaulted Property Tax Reduction Program; Board Policy 5.050, County's Greater Avenues for Independence and General Relief Opportunities (GAIN/GROW); Board Policy 5.060, Reporting of Improper Solicitations; Board Policy 5.110, Contract Language to Assist in Placement of Displaced County Workers; and Board Policy 5.135, Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law).

Applicable law, including the State Public Contract Code, requires the County to award a construction contract to the apparent Lowest Responsive and Responsible Bidder, which refers to the firm that: (1) submits the lowest-priced bid; (2) is deemed by the County to be "responsive" to specific criteria under the solicitation, including, but not limited to, licensure, bonding, and insurance requirements; and (3) is determined by the County to be a "responsible" bidder by exhibiting the quality, fitness, capacity, experience, and trustworthiness to satisfactorily perform the work required under the bid solicitation.

As part of the contract award to the Lowest Responsive and Responsible Bidder, Cal-City was required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the contractors State License Board labor law/payroll violations, and debarment actions. As provided for in Board Policy 5.140, the information reported by the contractor was considered before making a recommendation to award.

Per the Board's Civic Art Policy adopted on December 15, 2009, the proposed projects are exempt from the Civic Art fee because they are infrastructure work.

### **ENVIRONMENTAL DOCUMENTATION**

On August 28, 2012, the Board adopted final MNDs for the three ISD Special projects and found that the Bald Mountain New Tower project will have no effect on fish and wildlife. On August 28, 2012, Public Works filed a Certificate of Fee Exemption with the Registrar-Recorder/County Clerk in accordance with Section 711.4 of the California Fish and Game Code for the Bald Mountain New Tower project and a Notice of Determination for each project in accordance with Section 21152(a) of the California Public Resources Code.

### **CONTRACTING PROCESS**

A standard contract, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses that provide for contract termination, renegotiation, and hiring qualified displaced County employees will be included in the contracts.

On August 28, 2012, the Board adopted plans and specifications for the ISD Special projects and instructed the Executive Officer of the Board of Supervisors to advertise for construction bids. On October 16, 2012, Public Works received three bids (bid results included in Attachment B). Cal-City was found to be the apparent Lowest Responsive and Responsible Bidder.

As authorized by the Board on August 28, 2012, consultant services agreements for the preparation of baseline construction schedules and schedule of values have been executed with Cal-City.

As required by the Board, language has been incorporated into the projects' specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees that they may be eligible for the Federal Earned Income Credit under the Federal income tax law (Federal Income Tax Law, Internal Revenue Service Notice 1015).

As requested by the Board on February 3, 1998, this contract opportunity was listed on the Doing Business With Us website.

The contract requires the contractor to pay its employees applicable prevailing wages in accordance with the California Labor Code.

The Honorable Board of Supervisors  
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Cal-City's Community Business Enterprise participation data and 3-year contracting history with the County are on file with Public Works.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There will be no negative impact on current County services or projects during the performance of the recommended services. The existing three project sites will remain operational during construction of the improvements.

**CONCLUSION**

Please return one adopted copy of this letter to the Chief Executive Office, Capital Projects Division; ISD, Telecommunications Branch; and Public Works, Project Management Division II.

Respectfully submitted,

WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:GF  
JFK:sj

Attachments (2)

c: Executive Office, Board of Supervisors  
Auditor-Controller  
Chief Executive Office  
County Counsel  
Internal Services Department  
Department of Public Social Services (GAIN/GROW)

**ATTACHMENT A**

**DEPARTMENT OF PUBLIC WORKS:  
INTERNAL SERVICES DEPARTMENT SPECIAL PROJECTS:  
PUENTE HILLS NEW TOWER AND COMMUNICATIONS EQUIPMENT BUILDING  
(SPECS. 7098; CAPITAL PROJECT NO. 69667)  
HAUSER PEAK NEW TOWER (SPECS. 7099; CAPITAL PROJECT NO. 69669)  
BALD MOUNTAIN NEW TOWER (SPECS. 7100; CAPITAL PROJECT NO. 69675)  
APPROVE REVISED PROJECT BUDGETS  
AWARD CONSTRUCTION CONTRACTS  
(FOURTH AND FIFTH DISTRICTS) (3 VOTES)**

**I. PROJECT SCHEDULE \***

<b>Project Activity</b>	<b>Scheduled Completion Date</b>	<b>Revised Completion Date</b>
Project Needs Assessment	08/30/10**	N/A
Environmental Documents	01/19/12**	N/A
Design		
Construction Documents	12/14/11**	N/A
Jurisdictional Approvals	03/15/12**	N/A
Construction Bid and Award	10/25/12**	02/19/13
Construction		
Substantial Completion	08/26/13	12/12/13
Project Acceptance	11/18/13	02/11/14

\*Schedule is applicable to all three projects, as they will be carried out concurrently.

\*\*Indicates a completed activity.

**II. PROJECT BUDGET SUMMARY**  
**Puente Hills New Tower and Communications Equipment Building**

<b>Budget Category</b>	<b>Project Budget</b>	<b>Impact of This Action</b>	<b>Revised Project Budget</b>
Construction			
Low Bid Contract	\$ 1,739,000	\$ 834,000	\$ 2,573,000
Bid Contingency (10%)	\$ 191,000	(\$ 191,000)	\$ 0
Change Orders (10%)	\$ 173,000	\$ 84,000	\$ 257,000
Utility Connections	\$ 60,000	\$ 10,000	\$ 70,000
Subtotal	\$ 2,163,000	\$ 737,000	\$ 2,900,000
Consultant Services			
Deputy Inspection	\$ 15,000	\$ 30,000	\$ 45,000
Hazardous Materials (Methane Proposal)	\$ 7,000	\$ 4,000	\$ 11,000
Geotech/Soils Test	\$ 3,000	\$ 0	\$ 3,000
Material Testing	\$ 10,000	\$ 30,000	\$ 40,000
Cost Estimating	\$ 7,000	\$ 0	\$ 7,000
RF Energy Testing	\$ 5,000	\$ 0	\$ 5,000
Pre-Construction Bird Survey & Monitoring	\$ 18,000	\$ 0	\$ 18,000
Archeologist	\$ 2,000	\$ 0	\$ 2,000
Title Reports	\$ 5,000	\$ 0	\$ 5,000
Environmental (CEQA/NEPA)	\$ 61,000	\$ 0	\$ 61,000
Paleontologist	\$ 9,000	\$ 0	\$ 9,000
Subtotal	\$ 142,000	\$ 64,000	\$ 206,000

**II. PROJECT BUDGET SUMMARY**  
**Puente Hills New Tower and Communications Equipment Building**  
**(continued)**

<b>Budget Category</b>	<b>Project Budget</b>	<b>Impact of This Action</b>	<b>Revised Project Budget</b>
Miscellaneous Expenditures			
Printing	\$ 3,000	\$ 0	\$ 3,000
Jurisdictional Review/Plan Check/Permit	\$ 22,000	\$ 6,000	\$ 28,000
County Services			
Code Compliance and Quality Control Inspections	\$ 57,000	\$ 26,000	\$ 83,000
Design Services	\$ 217,000	\$ 13,000	\$ 230,000
Contract Administration	\$ 11,000	\$ 7,000	\$ 18,000
Project Management	\$ 180,000	\$ 118,500	\$ 298,500
Secretarial	\$ 13,000	\$ 7,000	\$ 20,000
Document Control	\$ 9,000	\$ 11,000	\$ 20,000
Project Technical Support	\$ 20,000	\$ 20,000	\$ 40,000
Consultant Contract Recovery	\$ 1,000	\$ 4,000	\$ 5,000
Office of Affirmative Action	\$ 11,000	\$ 8,000	\$ 19,000
Subtotal	\$ 519,000	\$ 214,500	\$ 733,500
<b>Total</b>	<b>\$ 2,849,000</b>	<b>\$ 1,021,500</b>	<b>\$ 3,870,500</b>

**III. PROJECT BUDGET SUMMARY**  
**Hauser Peak New Tower**

<b>Budget Category</b>	<b>Project Budget</b>	<b>Impact of This Action</b>	<b>Revised Project Budget</b>
<b>Construction</b>			
Low Bid Contract	\$ 415,000	(\$ 16,000)	\$ 399,000
Bid Contingency (10%)	\$ 42,000	(\$ 42,000)	\$ 0
Change Orders (10%)	<u>\$ 46,000</u>	<u>(\$ 6,000)</u>	<u>\$ 40,000</u>
Subtotal	\$ 503,000	(\$ 64,000)	\$ 439,000
<b>Consultant Services</b>			
Deputy Inspection	\$ 15,000	\$ 0	\$ 15,000
Hazardous Materials	\$ 2,000	\$ 0	\$ 2,000
Material Testing	\$ 7,000	\$ 0	\$ 7,000
Cost Estimating	\$ 0	\$ 5,000	\$ 5,000
Paleontologist	\$ 8,000	\$ 0	\$ 8,000
Pre-Construction Bird Survey & Monitoring	\$ 17,000	\$ 0	\$ 17,000
Environmental (CEQA/NEPA)	\$ 49,000	\$ 0	\$ 49,000
Archeologist	<u>\$ 2,000</u>	<u>\$ 0</u>	<u>\$ 2,000</u>
Subtotal	\$ 100,000	\$ 5,000	\$ 105,000
<b>Miscellaneous Expenditures</b>			
Printing	\$ 1,000	\$ 0	\$ 1,000
Jurisdictional Review/Plan Check/Permit	\$ 9,000	\$ 15,000	\$ 24,000
<b>County Services</b>			
Code Compliance and Quality Control Inspections	\$ 21,000	\$ 19,000	\$ 40,000
Design Services	\$ 36,000	\$ 14,000	\$ 50,000
Contract Administration	\$ 10,000	\$ 2,000	\$ 12,000
Project Management	\$ 175,000	\$ 50,000	\$ 225,000
Secretarial	\$ 9,000	\$ 3,000	\$ 12,000
Document Control	\$ 5,000	\$ 5,000	\$ 10,000
Project Technical Support	\$ 9,000	\$ 12,000	\$ 21,000
Consultant Contract Recovery	\$ 1,000	\$ 1,000	\$ 2,000
Office of Affirmative Action	<u>\$ 4,000</u>	<u>\$ 1,000</u>	<u>\$ 5,000</u>
Subtotal	\$ 270,000	\$ 107,000	\$ 377,000
<b>Total</b>	<b>\$ 883,000</b>	<b>\$ 63,000</b>	<b>\$ 946,000</b>

**IV. PROJECT BUDGET SUMMARY**  
**Bald Mountain New Tower**

<b>Budget Category</b>	<b>Project Budget</b>	<b>Impact of This Action</b>	<b>Revised Project Budget</b>
<b>Construction</b>			
Low Bid Contract	\$ 395,000	(\$ 62,000)	\$ 333,000
Bid Contingency (10%)	\$ 40,000	(\$ 40,000)	\$ 0
Change Orders (10%)	\$ 44,000	(\$ 11,000)	\$ 33,000
Utility Connections	\$ 0	\$ 0	\$ 0
Subtotal	\$ 479,000	(\$ 113,000)	\$ 366,000
<b>Consultant Services</b>			
Deputy Inspection	\$ 15,000	\$ 0	\$ 15,000
Archeologist	\$ 2,000	\$ 0	\$ 2,000
Geotech/Soils Test	\$ 1,000	\$ 0	\$ 1,000
Material Testing	\$ 8,000	\$ 0	\$ 8,000
Cost Estimating	\$ 0	\$ 5,000	\$ 5,000
Topographic Survey	\$ 4,000	\$ 0	\$ 4,000
Environmental (CEQA/NEPA)	\$ 49,000	\$ 0	\$ 49,000
Paleontologist	\$ 9,000	\$ 0	\$ 9,000
Subtotal	\$ 88,000	\$ 5,000	\$ 93,000
<b>Miscellaneous Expenditures</b>			
Printing	\$ 2,000	\$ 0	\$ 2,000
<b>Jurisdictional Review/Plan Check/Permit</b>	\$ 11,000	(\$ 1,000)	\$ 10,000
<b>County Services</b>			
Code Compliance and Quality Control Inspections	\$ 22,000	\$ 18,000	\$ 40,000
Design Services	\$ 37,000	\$ 13,000	\$ 50,000
Contract Administration	\$ 11,000	\$ 1,000	\$ 12,000
Project Management	\$ 171,000	\$ 54,000	\$ 225,000
Secretarial	\$ 10,000	\$ 5,000	\$ 15,000
Document Control	\$ 5,000	\$ 5,000	\$ 10,000
Project Technical Support	\$ 11,000	\$ 9,000	\$ 20,000
Consultant Contract Recovery	\$ 1,000	\$ 1,000	\$ 2,000
Office of Affirmative Action	\$ 4,000	\$ 1,000	\$ 5,000
Subtotal	\$ 272,000	\$ 107,000	\$ 379,000
<b>Total</b>	<b>\$ 852,000</b>	<b>(\$ 2,000)</b>	<b>\$ 850,000</b>

February 19, 2013

**ATTACHMENT B**

**DEPARTMENT OF PUBLIC WORKS:  
INTERNAL SERVICES DEPARTMENT SPECIAL PROJECTS:  
PUENTE HILLS NEW TOWER AND COMMUNICATIONS EQUIPMENT BUILDING  
(SPECS. 7098; CAPITAL PROJECT NO. 69667)  
HAUSER PEAK NEW TOWER (SPECS. 7099; CAPITAL PROJECT NO. 69669)  
BALD MOUNTAIN NEW TOWER (SPECS. 7100; CAPITAL PROJECT NO. 69675)  
APPROVE REVISED PROJECT BUDGETS  
AWARD CONSTRUCTION CONTRACTS  
(FOURTH AND FIFTH DISTRICTS) (3 VOTES)**

The proposed Internal Services Department (ISD) Special projects: Puente Hills New Tower and Communications Equipment Building, and Hauser Peak and Bald Mountain New Towers (ISD Special projects) will mitigate and alleviate the existing communications tower space congestion and will meet the current ISD design guidelines for telecommunications standards by installing a new communications tower at each of the three sites. A new communications equipment building will be provided at the Puente Hills site to support tower usage.

**Bid Opening Date:** October 16, 2012

**Bid Summary:** Please see attached table.

**Financial Information:**

Public Works' fair construction cost estimate for the base bid was \$2,804,000 aggregate (\$1,192,000 for the Puente Hills New Tower and Communications Equipment Building; \$457,000 for Hauser Peak New Tower; and \$435,000 for the Bald Mountain New Tower). On October 16, 2012, three bids were received, and Cal-City Construction, Inc., was determined to be the lowest Responsive and Responsible Bidder with a bid of \$2,572,403 for the Puente Hills New Tower and Communications Equipment Building; \$332,711 for the Bald Mountain New Tower; and \$398,166 for the Hauser Peak New Tower (\$3,303,280 aggregate).

The proposed contract is to be issued to Cal-City Construction, Inc., upon timely submitting to the County satisfactory baseline construction schedules, acceptable Faithful Performance and Payment for Labor and Material Bonds, and evidence required for insurance for the ISD Special projects is \$2,572,403 for the Puente Hills New Tower and Communications Equipment Building; \$398,166 for Hauser Peak New Tower; and \$332,711 for the Bald Mountain New Tower; minus \$3,200 for the Puente Hills New Tower and Communications Equipment Building project; and \$2,200 each for the Hauser Peak and Bald Mountain New Towers projects to prepare baseline construction schedules and schedule of values that will be subtracted from Cal-City Construction, Inc.'s lump sum bid for each project.



# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA  
Chief Executive Officer

Board of Supervisors  
GLORIA MOLINA  
First District  
MARK RIDLEY-THOMAS  
Second District  
ZEV YAROSLAVSKY  
Third District  
DON KNABE  
Fourth District  
MICHAEL D. ANTONOVICH  
Fifth District

February 19, 2013

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 W. Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**INTRODUCTION OF AN ORDINANCE AMENDING CHAPTER 4.12 (BUDGET  
PROCEDURE) OF TITLE 4 (REVENUE AND FINANCE) OF THE LOS ANGELES  
COUNTY CODE  
(ALL DISTRICTS) (3 VOTES)**

**SUBJECT**

Recommendation to amend County Code Chapter 4.12 (Budget Procedure), to conform with changes made to the County Budget Act and modifying the deadline for approval of tax rates to the first Board meeting of September.

**IT IS RECOMMENDED THAT THE BOARD:**

Approve for introduction the accompanying ordinance amending Chapter 4.12 of Title 4 (Revenue and Finance) of the Los Angeles County Code to conform with changes made to the County Budget Act and modifying the deadline for approval of tax rates to the first Board meeting of September.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The *County Budget Act (Government Code section 29000)*, which provides the general provisions and requirements concerning county budget matters, was amended by Local Government Omnibus Act of 2009 and 2011. In January 2012, the State Controller, who is responsible for prescribing uniform accounting and budget procedures for counties, revised its County Budget Manual to account for updates to the County Budget Act along with changes to governmental accounting standards.

*"To Enrich Lives Through Effective And Caring Service"*

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Intra-County Correspondence Sent Electronically Only***

The ordinance incorporates the changes made to the County Budget Act. These changes include replacing Proposed budget with Recommended budget and revised deadlines for Recommended budget publication and final budget adoption. In addition, obsolete sections are removed. All revisions conform to the guidelines in the County Budget Act with the exception of section 4.12.110 Resolution Fixing Tax Rates. In order to ensure the timely issuance of property tax bills to taxpayers, it is recommended that tax rates be computed and submitted for your Board's approval no later than the first Board meeting of September. It is within the County's discretion to be more restrictive than the deadlines specified in the County Budget Act.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommended action is consistent with principles of the Countywide Strategic Plan Goal 1 – Operational Effectiveness.

### **FISCAL IMPACT/FINANCING**

Approval of the recommendation to adopt the ordinance will have no fiscal impact.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Government Code sections 29002, 30200, and 53065 require the State Controller to prescribe uniform accounting procedures to counties for the development of the annual County budget. These provisions are set forth in Sections 29000 through 29144 of the Government Code and are known as the County Budget Act. The Local Government Omnibus Act of 2009 and 2011 amended the County Budget Act. Approval of the ordinance will ensure adherence to the legal requirements and policies set forth in the County Budget Act as amended by Local Government Omnibus Act of 2009 and 2011.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Changes affecting the County budget process were implemented during the FY 2010-11, FY 2011-12, and FY 2012-13 budget cycles. Approval will ensure these changes are reflected in the County ordinance.

Respectfully submitted,

WILLIAM T FUJIOKA  
Chief Executive Officer

WENDY L. WATANABE  
Auditor-Controller

The Honorable Board of Supervisors  
February 19, 2013  
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WTF:WLW:EFS

Attachment

c: Executive Office, Board of Supervisors  
County Counsel

DRAFT

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Title 4 – Revenue and Finance of the Los Angeles County Code, relating to the County Budget procedures.

The Board of Supervisors of the County of Los Angeles ordains as follows:

**SECTION 1.** Section 4.12.020 is hereby amended to read as follows:

**4.12.020 Transmission of forms for budget estimates.**

On or before the 15th day of January of each year, the chief executive officer or county auditor and the chief administrative officer shall transmit to each officer, board, commission or person budget forms prepared by said auditor or chief administrative executive officer or auditor on which each such officer, board, commission or person shall prepare his or its estimates of expenditures and revenues for the next ensuing fiscal year.

**SECTION 2.** Section 4.12.030 is hereby amended to read as follows:

**4.12.030 Filing of estimates with chief executive officer or auditor and ~~chief administrative officer~~ -- Time limit.**

~~As soon as completed~~ As directed by the chief executive officer or the auditor, and on or before March 31st of each year, each such officer, board, commission or person who is (or which is) the administrative head of a separate department, service or district, shall file with the chief executive officer or county auditor and chief administrative officer, on such forms furnished by the chief executive officer or county auditor and chief administrative officer, itemized estimates of expenditures required by such department, service or district for the next ensuing fiscal year, together with an itemized estimate showing the probable revenue from sources other than taxation that

will accrue to his or its department, office, service or district, and such additional information thereon as may be required by the chief executive officer or county auditor-  
or chief administrative officer.

**SECTION 3.** Section 4.12.040 is hereby amended to read as follows:

**4.12.040 Estimates -- Investigations and hearings by chief administrative-  
executive officer.**

The chief administrative executive officer, upon receipt of such estimates, shall immediately proceed to examine the same and make such investigations and studies and to hold departmental hearings in regard thereto as he may deem necessary. Said departmental hearings and examinations shall be concluded by the chief administrative executive officer and his decision arrived at on or before May 31st ~~June 23rd~~ of each year.

**SECTION 4.** Section 4.12.050 is hereby amended to read as follows:

**4.12.050 Estimates -- Filing with board of supervisors -- Time limit.**

A. On or before June 23~~rd~~ 30th of each year, the chief administrative executive officer shall file with the board of supervisors and with each member thereof a copy of his compilation of the budget estimates of expenditures and probable revenue from sources other than taxation for each such department, service or district for the next ensuing fiscal year, and his recommendations thereon.

B. Any differences between the recommendations of the chief administrative executive officer and the estimates as submitted shall be clearly indicated in the recommendations and comments of the chief administrative executive officer.

**SECTION 5.** Section 4.12.070 is hereby amended to read as follows:

**4.12.070 ~~Proposed~~ Recommended budget -- Preparation and approval.**

As soon as practicable, the board of supervisors shall cause to be made such revisions, additions or changes in the chief administrative ~~executive~~ officer's recommendations as are deemed necessary or advisable, and after such revisions, additions or changes shall have been made therein, and on or before June 30th of each year, the board shall adopt an order approving the same and such recommendations, together with such revisions, additions or changes, shall constitute the ~~proposed county-~~ approved recommended budget for the next ensuing fiscal year. Any official or person whose estimates have been so revised, ~~reduced or increased~~ by the board shall be given the opportunity to be heard thereon before the board during or prior to public hearings on the ~~proposed~~ recommended budget as required by Section 14.12.100.

**SECTION 6.** Section 4.12.080 is hereby amended to read as follows:

**4.12.080 ~~Proposed~~ Approved recommended budget -- Printing.**

The ~~proposed~~ approved recommended budget as so approved by the board of supervisors shall be reproduced for distribution, as required by Section 29065 of the Government Code.

**SECTION 7.** Section 4.12.090 is hereby amended to read as follows:

**4.12.090 ~~Proposed~~ Approved recommended budget -- Notice of distribution.**

The board of supervisors shall, on or before ~~June 30th~~ September 8th of each year, cause to be published once in a newspaper of general circulation throughout the county notice that the ~~proposed~~ approved recommended budget has been prepared and will be available on and after ~~June 30th~~ September 8th for distribution to the-

~~taxpayers~~any member of the public desiring a copy thereof. Such notice shall conform in form and substance with the provisions of Section ~~29066~~29080 of the Government Code.

**SECTION 8.** Section 4.12.100 is hereby amended to read as follows:

**4.12.100 Hearing on ~~proposed~~ approved recommended budget and adoption of final budget.**

A. On or before the ~~July 10th~~ September 8th of each year but not less than 10 days subsequent to the date that the approved recommended budget is available to ~~taxpayers~~any member of the public desiring a copy thereof, the board of supervisors shall commence public hearing on such ~~proposed~~ approved recommended budget, at which hearing any ~~taxpayer~~ member of the public may appear and be heard for or against any part of the budget. Such hearing shall be continued from day to day until concluded, but not to exceed a total of ~~10~~ 14 calendar days.

B. The board of supervisors, on or before ~~August 1st~~ October 2nd of each year, shall finally determine and by resolution adopt the budget for the next ensuing fiscal year.

**SECTION 9.** Section 4.12.110 is hereby amended to read as follows:

**4.12.110 Resolution fixing tax rates -- Preparation and adoption.**

On or before the first meeting of the board of supervisors ~~in day~~ of September of each year, or as otherwise provided through application of Section 29100.4 of the Government Code, the county auditor shall prepare and submit to the board of supervisors a form of resolution in which shall be set forth the amount of money necessary to meet the estimated expenditures for the next ensuing fiscal year, as finally

determined, less the total of the estimated revenues from sources other than taxation, together with the tax rates necessary to raise the amount of such estimated expenditures. The board of supervisors shall adopt said resolution on or before the first meeting of the board ~~in day~~ of September of each year, or as otherwise provided by Section 29100.4 of the Government Code.

**SECTION 10.** Section 4.12.120 is hereby amended to read as follows:

**4.12.120 Changes in appropriations after final budget adoption.**

A. After the adoption of the final budget by the board of supervisors as provided for in this chapter, each request for transfer, addition to, cancellation of, or other change in any budget appropriations (except in cases of emergency) shall be submitted by each officer, board, commission or person at the head of any department, service or district to the county auditor. The auditor shall report on such request as to the availability of funds, or to such other facts as conditions may require, and shall transmit such request, together with his report thereon, to the chief ~~administrative~~executive officer.

B. The chief ~~administrative~~executive officer, upon receipt of the report of the auditor, shall make a recommendation on such proposed transfer, addition to or cancellation of, or other change on any budget appropriation, and file the same, together with the report of the auditor, with the board of supervisors.

C. The chief ~~administrative~~executive officer may approve transfers and revisions of appropriations among objects and sub-objects within a budget unit.

**SECTION 11.** Section 4.12.130 is hereby repealed:

**~~4.12.130 Work program allotments.~~**

~~As may be required by the chief administrative officer, each department head,~~

~~officer, board or commission hereinbefore specified in this chapter shall submit for approval to the chief administrative officer, with his or its budget request, a proposed spending schedule or work program for the ensuing year on forms furnished by the chief administrative officer, which shall be modified to conform to the respective appropriations as finally allowed by the board of supervisors. Such spending schedule or work program, if finally approved by the board of supervisors, shall constitute the work program allotments to the appropriation accounts. In case of emergency or unusual circumstances which could not be anticipated at the time of apportionment, an adjustment to the allotment may be made on the request of the department head and the approval of the chief administrative officer. Each request for such adjustment shall be prepared on forms furnished by the chief administrative officer. After the allotment schedule has been established or fixed, as heretofore provided, no department or officer shall expend or cause to be expended during any period a sum greater than the amount set forth for the particular activity in the allotment schedule so established, unless such schedule has been modified as herein provided.~~

**SECTION 12.** Section 4.12.140 is hereby amended to read as follows:

**4.12.140 Equipment detail requirements.**

Each department head, officer, board or commission hereinbefore specified in this chapter shall submit for approval to the chief administrative executive officer with his or its budget request, a supporting detail of all capital outlay, and shall list items separately, showing the number and estimated cost of each. This equipment detail shall be subject to modification by the chief administrative executive officer to conform to the

respective appropriations as finally allowed by the board of supervisors, and copies thereof shall be transmitted by him to the respective department head, officer, board or commission, the purchasing and stores department, and county auditor. The auditor, in certifying contracts or purchase orders or other encumbrances of such capital outlay items, shall consider only those capital outlay appropriation items to be available for encumbrance or expenditure as shall conform to the equipment detail as approved by the chief administrative officer. In case of emergency or unusual circumstances, which could not be anticipated at the time of approval, a modification of the equipment detail within the amount of the appropriation therefor may be made on the request of the department head, officer, board or commission and the approval of the chief administrative executive officer.

**SECTION 14.** Section 4.12.150 is hereby amended to read as follows:

**4.12.150 Carrying forward of encumbered funds.**

At the close of each fiscal year, the auditor-controller shall carry forward encumbrances, and disbursements applicable to such encumbrances shall be accounted as expenditures of the year in which payment is made. Encumbered funds which were carried forward and not required to liquidate such encumbrances shall automatically revert to appropriation for contingencies.

[412010DLCC]



County of Los Angeles  
**COMMUNITY AND SENIOR SERVICES**

3175 West Sixth Street, Los Angeles, CA 90020  
Tel: 213-738-2600 • Fax: 213-487-0379



lacounty.gov

css.lacounty.gov

Gloria Molina  
Mark Ridley-Thomas  
Zev Yaroslavsky  
Don Knabe  
Michael D. Antonovich

*Enriching Lives Through Effective and Caring Service*

Cynthia D. Banks  
Director

Otto Solórzano  
Chief Deputy

February 19, 2013

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hall of Administration  
500 West Temple Street  
Los Angeles, California

Dear Supervisors:

**AGREEMENT WITH RTZ ASSOCIATES INC.  
FOR AAA SOLUTION  
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X)**

**SUBJECT**

Request Board approval of Community and Senior Services (CSS) agreement with RTZ Associates Inc. (RTZ) for the provision of an Area Agency on Aging (AAA) Solution (Solution) for tracking AAA clients (Agreement), which will replace CSS' existing automated data collection and reporting system.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and authorize the Director of CSS to finalize and execute the Agreement with RTZ, substantially similar to the attached Agreement, for a contract term commencing upon its execution by the Director of CSS and RTZ and continuing for the Initial Term of four (4) years from the County's final acceptance of the Solution at a maximum County obligation of \$1,249,500.
2. Delegate authority to the Director of CSS to exercise approval of the two (2) optional one-year term extensions. Option year one obligation of

\$259,560 and Option year two obligation of \$267,347 for a maximum County obligation of \$526,907.

3. Delegate authority to the Director of CSS to authorize the expenditure of pool dollars for optional work requested by County up to the maximum amount of \$265,593.
4. Delegate authority to the Director of CSS to execute future amendments to add or change certain terms or conditions in the Agreement as required by the Board of Supervisors or Chief Executive Officer, subject to the review and approval of County Counsel.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this recommended action is to allow CSS to enter into the Agreement with RTZ for the implementation and maintenance of its AAA Solution called "GetCare" that will replace the Department's existing AAA data collection and reporting system.

The current legacy automated data collection and reporting system has been in use for approximately five (5) years and moved the CSS AAA operations into an automated environment. That was a sole source procurement as, at that time, there were no other mature solutions that were capable of handling AAA operations of the size and complexity of Los Angeles County within the required time frames to meet State and Federal requirements. The Agreement with RTZ is a result of an open and competitive solicitation process.

Under the Agreement, RTZ will provide access to the Solution called "GetCare" via a web based application. This Solution will support the CSS AAA data collection and reporting operations within the County. The system will also support real time status and tracking of consumers and services from contracted AAA support vendors. Additionally, the system will incorporate a County of Los Angeles, Community and Senior Services barcode identification card and key fobs for consumers. This barcode identification system will use the same identification cards as the CSS Community Centers, further expanding capabilities to link Community and Senior Services consumers, services and activities.

The system provides for many configuration points without the need for custom programming and two way interfaces for updating of consumer information between the automated solution of CSS Community and Senior Centers (My Senior Center

application) and this AAA Solution (the "GetCare" application from RTZ), as there is believed to be a large percentage of consumers who use both AAA and Community and Senior Centers services.

### Performance Measures

The vendor's performance will be measured based on twenty-six detailed deliverables outlined in the Agreement, which include, among others, implementation, volume testing, migration of data, training, interfaces, production readiness and maintenance.

### Implementation of Strategic Plan Goals

The recommended actions support the County of Los Angeles Strategic Plan 2012 Update, Strategic Plan Goal 1: Operational Effectiveness – maximize the effectiveness of the process, structure, and operations to support timely delivery of customer-oriented and efficient public service.

In addition, this Agreement is consistent with CSS' objectives for increasing the efficiency and effectiveness of departmental programs through expanded information technology and communications. The ongoing support for automation of Area Agency on Aging data collection and reporting is included in the Department's Business Automation Plan (BAP).

### **FISCAL IMPACT/FINANCING**

The maximum total County obligation for the term of the Agreement (Contract Sum) is \$2,042,000, which is funded through the Older Americans Act (OAA) grant funds received through the California Department of Aging. The Contract Sum includes a maximum of \$1,249,500 for required services during the Initial Term, \$526,907 for required services during the Extended Term of up to two (2) optional extension years and \$265,593 (approximately 15% of required services) allocated as pool dollars for optional work to be provided by RTZ upon County's request during the entire maximum term of the Agreement.

There is no net County cost associated with the recommended actions as the Agreement will be fully funded by federal OAA grant funds within CSS' approved budget for Fiscal Year FY 2012-13.

### **FACTS AND PROVISIONAL/LEGAL REQUIREMENTS**

This Agreement with RTZ will become effective upon its execution by the Director of CSS (Effective Date) and RTZ and will continue for the Initial Term of four (4) years from the County's final acceptance of the Solution, with the Extended Term of up to two (2) optional one-year extension periods at the delegated discretion of the CSS Director. Pursuant to the projected Solution implementation plan, the Solution should reach the production use within approximately five (5) months from the Effective Date.

The Agreement contains all the latest Board mandated provisions, such as the Federal Earned Income Tax Credit, Consideration of GAIN/GROW Program Participants for Employment, Compliance with Jury Service Program, Defaulted Property Tax Reduction Program, Safely Surrendered Baby Law and Prohibition against Assignment and Delegation. In addition, RTZ is required to notify the County when the Agreement term is within six (6) months from expiration and when its payments have reached seventy-five percent (75%) of the authorized maximum Contract Sum.

The Agreement also contains all applicable information technology provisions to protect the County in the event of RTZ's delayed or deficient performance and/or breach of warranties, including performance security such as a performance bond, system warranties, intellectual property indemnification and deliverable payment withholds.

This Agreement has been reviewed and approved as to form by County Counsel. The Chief Information Office (CIO) concurs with CSS' recommendations (see attached CIO Analysis). The Chief Executive Office's (CEO) Risk Management Branch has reviewed and concurs with the provisions relating to insurance and indemnification.

### **CONTRACTING PROCESS**

On July 30, 2012, CSS released an open and competitive Request for Proposals (RFP) for AAA Solution. Three (3) companies which, based on County's research, provide Area Agency on Aging software solutions, were notified of the RFP via direct e-mail. The RFP document was also posted as a contracting opportunity announcement on the County's "Doing Business with Us" website and the CSS Contracting Portal in addition to the required advertisement, resulting in inquiries by two (2) more companies. This process was reviewed by the Chief Information Officer and the analysis is attached.

### **Vendor Selection Process**

Two (2) companies responded by the August 30, 2012 RFP submission deadline. In compliance with Board Policy 5.054 County's Evaluation Methodology for Proposals and 5.055 Services Contract Solicitation Protest guidelines and procurement protocols, an evaluation committee, consisting of CSS staff from various divisions, performed a detailed assessment and evaluation of the proposals. It was determined by the evaluation committee that both of the proposals received met the County's minimum requirements and had the capability of providing the required work.

Following scoring of the proposals based on the evaluation criteria and guidelines, the evaluation committee recommended RTZ for award based on the lowest cost and highest overall evaluation score. As part of its proposal, RTZ also accepted all of the terms and conditions included in the Required Agreement attached to the RFP. The non-selected proposer was notified per County guidelines on October 10, 2012, subsequent to which the vendor requested a debriefing. The debriefing was held via WebEx on Thursday October 18, 2012. The vendor stated during the debriefing that they intended to request a Proposed Contractor Selection Review; and the Notice of Intent to Request a Proposed Contractor Selection Review form was received by the County within the stated time limit.

On November 24, 2012, the County received the RTZ Letter of Intent. The non-selected vendor was provided with the recommended proposer's proposal electronically on November 26, 2012, with a transmittal form to request a "Proposed Contractor Selection Review" (PCSR) with a due date of December 5, 2012. The non-selected vendor did not submit the PCSR.

This Agreement is not a Proposition A contract and is, therefore, not subject to the requirements of the Living Wage Program (County Code Chapter 2.201).

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The use of the AAA Solution is expected to result in efficiency and accuracy of tracking consumers and services in the CSS Area Agency on Aging program at lesser costs. RTZ has assured the County that they have completed migrations from the same system as our existing system to their system in the past and expect this to be carried out with little or no impact to our current AAA contracted vendors, other than training on the new system functionalities. Full system implementation is targeted for June 30, 2013.

The Honorable Board of Supervisors

February 12, 2013

Page 6

**CONCLUSION**

Upon the Board's approval, it is requested that the Executive Officer, Board of Supervisors, return three (3) adopted stamped Board letters to Carol Domingo at the Community and Senior Services or email at [cdomingo@css.lacounty.gov](mailto:cdomingo@css.lacounty.gov).

Respectfully submitted,

Reviewed by:

CYNTHIA D. BANKS  
Director

RICHARD SANCHEZ  
Chief Information Officer

CDB: fed

Attachments

c: County Counsel  
Auditor-Controller  
Executive Officer, Board of Supervisors  
Chair, Information Systems Commission  
Director, Internal Services Department

RTZ Associates Inc. Board Letter



RICHARD SANCHEZ  
CHIEF INFORMATION OFFICER

Office of the CIO  
**CIO Analysis**

NUMBER:

**CA13-01**

DATE:

1/24/2013

SUBJECT:

**Agreement with RTZ Associates Inc. for Community and Senior Services Area Agency on Aging Automation Solution**

RECOMMENDATION:

Approve                       Approve with modification                       Disapprove

CONTRACT TYPE:

New contract                       Sole Source  
 Amendment to Contract #: Enter contract #.                       Other: Describe contract type.

CONTRACT COMPONENTS:

Software                       Hardware  
 Telecommunications                       Professional Services

SUMMARY:

Department executive sponsor: Otto Solorzano, Chief Deputy Director, CSS

Description: Requesting authorization to execute an Agreement with RTZ Associates Inc. for Area Agency on Aging (AAA) Automation data collection and reporting system for four (4) years with two (2) optional one-year extensions.

Contract amount: \$2,042,000

Funding source: Federal Older Americans Act

Legislative or regulatory mandate                       Subvened/Grant funded: 100%

***Strategic and  
business analysis***

PROJECT GOALS AND OBJECTIVES:

The project goals are to implement a new AAA automation support system for Community and Senior Services (CSS) and contract vendors to support the service delivery for that program, including migration of all existing data, training on the new software, implementation, and maintenance services for the duration of the Agreement.

BUSINESS DRIVERS:

The existing automated AAA support system Agreement will expire June 30, 2013.

PROJECT ORGANIZATION:

CSS has a dedicated project manager and has established a steering committee led by the Chief Deputy and comprised of technical and AAA program managers.

	<p>PERFORMANCE METRICS:</p> <p>The solution includes conversion of all existing data from the current vendor. An ID card currently being implemented in CSS Senior Centers will also be used for this AAA replacement system to identify consumers in common. The Web Application will allow authorize user access from any internet-connected workstation.</p>
	<p>STRATEGIC AND BUSINESS ALIGNMENT:</p> <p>This project is aligned with the County’s Performance Counts Initiative and is consistent with the County’s Strategic Plan Goal #1 – Operational Effectiveness.</p>
	<p>PROJECT APPROACH:</p> <p>The project will implement a hosted commercial-off-the-shelf (COTS) solution called “GetCare”. The Department has identified several system enhancements and will be migrating existing consumer data and history services information, approximately four (4) years of AAA consumer and services records. This includes 35 gigabytes of data with 130,000 consumer file records and nine (9) million service delivery records. The implementation will be a modified approach where the core application will be brought online, including training at one time. The consumer ID scan cards will be distributed to consumers over a three-month period. Existing manual identification of consumers will continue until consumers receive their new ID cards.</p>
	<p>ALTERNATIVES ANALYZED:</p> <p>The alternative considered were: (1) developing a custom data collection system, (2) keeping the existing vendor as a sole source provider, and (3) releasing an RFP for acquiring an existing COTS solution. A custom data collection system is cost prohibitive and could not be justified when there are mature and stable solutions available in the market. A sole source could not be justified within the County’s open and competitive procurement policies. The release of an RFP was deemed most cost-effective with three (3) known COTS solutions available and in use within California and possibly by others nationwide.</p>
<p><b>Technical analysis</b></p>	<p>ANALYSIS OF PROPOSED IT SOLUTION:</p> <p>Hosting services include “Tier 4” data centers, west coast, and east coast both with Redundant Array of Independent Disk (RAID) storage. Secure Sockets Layer (SSL) is used for all communications and there is 128 bit Advance Encryption Standard (AES) encryption on the data.</p> <p>The Agreement includes security requirements that comply with County hosting standards. Additionally, the Agreement includes a Service Level Agreement with specific service credits and remedies for deficiencies.</p>

<b>Financial analysis</b>	BUDGET:
	Contract costs
	One-time costs:
	Services ..... \$ 241,500
	Ongoing annual costs:
	Services ..... \$ 1,534,907 (*See table below)
	<b>Sub-total Contract Costs: \$ 1,776,407</b>
	Other County costs:
	One-time costs:
	County staff (existing) ..... \$ 37,322
	<b>Sub-total one-time County costs: \$ 37,322</b>
	Ongoing annual costs:
	County staff (existing) ..... \$ 576,858 (96,143/yr*6 =1FTE CSAII )
	<b>Sub-total ongoing County costs: \$ 576,858</b>
	<b>Total one-time costs: \$ 278,822</b>
<b>Total ongoing annual costs: \$ 2,111,765</b>	
Note: Costs are for software licenses, hosting, and support services for 6 years	
* <u>Hosting and Support Services Fees</u>	
Year 1-4 \$1,008,000	
5 <sup>th</sup> yr \$259,560	
6 <sup>th</sup> yr <u>\$267,347</u>	
Total Hosting Costs \$1,534,907	
Pool Dollars <u>\$265,593</u>	
Total Project Cost \$2,042,000	
<b>Risk analysis</b>	RISK MITIGATION:
	1. Project implementation issues have been mitigated by CSS providing executive sponsorship, project management, and defined fixed-price deliverables.
	2. CSS and contracted vendors will undergo system training to facilitate system use and adoption by consumers.
	3. The Agreement includes a Service Level Agreement (SLA) with specific service credits and remedies for deficiencies.
	4. The Chief Information Security Officer (CISO) reviewed the proposed Agreement, and did not identify any IT security or privacy related issues.

<b>CIO Approval</b>	PREPARED BY:	
	_____	
	Gene A. Franklin, Sr. Associate CIO	Date
	_____	
APPROVED:		
_____		
Richard Sanchez, County CIO	Date	
_____		

Please contact the Office of the CIO (213.253.5600 or [info@cio.lacounty.gov](mailto:info@cio.lacounty.gov)) for questions concerning this CIO Analysis. This document is also available online at <http://ciointranet.lacounty.gov/>

DRAFT

**County of Los Angeles  
AUDITOR-CONTROLLER**

**RISK MANAGEMENT OVERVIEW  
January 2013**

**Purpose**

As directed by the Board of Supervisors on February 21, 2012, the Department of Auditor-Controller (A-C) Risk Management Overview describes risk issues, trends, and mitigation measures undertaken to address these risks. Also addressed are potential risks.

**Department Overview**

Risk exposure to the Department includes work-related injuries, facilities issues, and lawsuits related to property taxes.

The Department has made significant improvements in controlling liability costs by conducting quarterly facilities inspections at all office locations, conducting ergonomic evaluations, providing risk management training for all employees, closely monitoring and evaluating causes of opened liability claims and operating an effective Return-to-Work (RTW) Program.

For Fiscal Year 2012-13, the Department will continue to concentrate on enhancing the Health and Safety Program and the RTW Program.

The greatest risk exposure for the A-C involves lawsuits arising from property tax issues, which we have little or no ability to influence or prevent. The leading cause for such claims is attributable to divergent interpretations of the Revenue and Taxation and Health and Safety Codes (Code). These lawsuits are generally filed by cities and redevelopment agencies because they disagree with newly enacted legislation or the Code language is not clearly defined.

While the A-C does not engage in lobbying activity, have a formal role in the legislative process, we do try to ensure that changes and revisions to the Code do not have a negative impact on the County in general, or departments responsible for administering the Code. The A-C's Property Tax Division participates in the State Auditor-Controller's Association, Legislative Committee which monitors proposed legislation and advocates to ensure counties are not negatively impacted by pending legislation, and that Code language is clear, unambiguous and can be easily interpreted. The Committee provides suggestions and input on proposed Code changes before they are enacted by State lawmakers.

Risk Management Coordinator Name:	Margarita Sarkisian
Safety Officer/Coordinator Name:	Margarita Sarkisian
Return-to-Work Coordinator Name:	Margarita Sarkisian

**County of Los Angeles  
AUDITOR-CONTROLLER**

**RISK MANAGEMENT OVERVIEW  
January 2013**

**Risk Issues, Trends, Mitigation Measures**

<b>RISK ISSUE #1</b>
Issue: Workers' Compensation: Repetitive Motion Trauma
Trends: The majority of job classifications in the Auditor-Controller perform tasks that require constant repetitive motion of the upper extremities. Repetitive motion duties that employees perform include data entry, stapling/unstapling of documents, and continuous scrolling with mouse.
Mitigation Measures: <ul style="list-style-type: none"><li>• Conduct a Health and Safety training; scheduled every two (2) years for all employees, and Material Handling training as needed.</li><li>• Conduct Ergonomic evaluations as requested by divisions</li><li>• Conduct divisional Health and Safety trainings to divisions focusing on the individual needs and trends specifically.</li><li>• Conduct quarterly Health and Safety inspections by identifying and mitigating slip, trip and fall hazards in the work place.</li><li>• Conduct quarterly inspection of workstations within each division.</li><li>• Developing a Health and Safety Manual incorporating the IIPP</li><li>• Developing a Departmental Ergonomics Policy and Procedure</li><li>• Schedule a Health and Safety training; scheduled every two (2) years for all employees.</li><li>• Incorporate Risk Management resources, including training materials on the Departmental Intranet.</li></ul>
Results: <ul style="list-style-type: none"><li>• Overall increase in Department awareness</li><li>• Overall improvements in ergonomically correct workstations</li><li>• High employee satisfaction with comfort level of ergonomically corrected workstations</li><li>• Reduce number of workers' compensation claims</li><li>• Reduce absences due to work-related injuries</li><li>• A-C continues to promote a safe workplace environment and trainings will provide the awareness to health and safety issues to reduce liabilities in the area of risk management.</li></ul>

**County of Los Angeles  
AUDITOR-CONTROLLER**

**RISK MANAGEMENT OVERVIEW  
January 2013**

<b>RISK ISSUE #2</b>
Issue: Workers' Compensation: Facilities - Water Intrusion and General Maintenance
<p>Trends: Auditor-Controller employees are located at six office locations. The Department's Facilities Management conducts quarterly inspections to identify general maintenance as well as critical repairs needed. Routine and urgent repairs are reported by division management.</p> <p>Critical repairs required at some Auditor-Controller's office locations due to water intrusion are in progress.</p>
<p>Mitigation Measures:</p> <ul style="list-style-type: none"><li>• Conduct Health and Safety training; scheduled every two (2) years for all employees.</li><li>• Conduct quarterly Health and Safety inspections by identifying actual and potential hazards in the workplace.</li><li>• Implement Facilities Management rosters for quick and direct communication</li><li>• Implement Departmental Procedures for Facilities maintenance and repairs</li></ul>
<p>Results:</p> <ul style="list-style-type: none"><li>• Overall increase in Department awareness</li><li>• Overall improvements in overall healthy and safety in the workplace</li><li>• Employee satisfaction with comfort level of a healthy work environment</li><li>• Reduce number of workers' compensation claims</li><li>• Reduce absences due to work-related injuries</li><li>• A-C continues to promote a safe workplace environment and trainings will provide the awareness to health and safety issues to reduce liabilities in the area of risk management.</li></ul>

**County of Los Angeles  
AUDITOR-CONTROLLER**

**RISK MANAGEMENT OVERVIEW  
January 2013**

<b>RISK ISSUE #3</b>
Issue: Return-to-Work (RTW) and Long-Term Leave (LTL)
Trends: The number of employees on LTL off work for more than 180 days remains low. Continued interactive meetings with employees on LTL helps maintain a lower rate.
Mitigation Measure: <ul style="list-style-type: none"><li>• Maintain frequent contact through the interactive process with employees on LTL.</li><li>• Continue to inform employees of the Early RTW Program with reasonable accommodations as needed. Employees who qualify for the program may return to work on a part-time basis or to light duty assignments if a request for an accommodation is noted by the treating physician and the Department will make every effort to accommodate.</li><li>• Through the interactive process, employees are offered Short-Term and Long-Term Disability, Leave Donations for Total Temporary Disability and when an employee is deemed permanently disabled offered to LACERA Plan D Participants Disability Retirement or work with Chief Executive Return to Work to request a Medical Release for Plan E Participants.</li><li>• Workers' compensation claims that result in LTL's are monitored closely by the Department working with the Chief Executive Office RTW and Third Party Administrator to ensure claims are processed and resolved in a timely manner.</li></ul>
Results: <ul style="list-style-type: none"><li>• Ensure employees receive the salary continuation and medical benefits through communication with third-party administrators and proper timecard coding.</li><li>• Early return employees to work with reasonable accommodations as needed.</li><li>• Timely and good-faith personnel action to reduce liabilities in the areas of risk management.</li><li>• Tracking of long-term leaves to process disability retirement and/or medical release timely.</li></ul>

# County of Los Angeles AUDITOR-CONTROLLER

## RISK MANAGEMENT OVERVIEW January 2013

### Metrics

#### 1. Liability Claim Performance

Measure	Actual FY 2009-10	Actual FY 2010-11	Actual FY 2011-12
Total number of all claims. <sup>1</sup>	12	9	10
Number of General Liability claims.	9	9	10
Total paid <sup>2</sup> for General Liability claims.	\$242,106	\$263,920	\$22,416
Number of Vehicle Liability claims.	3	0	0
Total paid <sup>2</sup> for Vehicle Liability claims.	\$17,781	\$935	\$0
Number of Medical Malpractice claims.	0	0	0
Total paid <sup>2</sup> for Medical Malpractice claims.	\$0	\$0	\$0

1. Number of claims is the total of all claims (including all suffixes) entered into the Risk Management Information System (RMIS) during the fiscal year.
2. Total paid is based on transaction dates within each fiscal year as listed in RMIS.

#### 2. Workers' Compensation Claim Performance

Measure	Actual FY 2009-10	Actual FY 2010-11	Actual FY 2011-12
Number of new Workers' Compensation claims filed during the period.	7	13	12
Total Workers' Compensation expense paid during the period.	\$215,635	\$160,839	\$324,687
Total paid for Salary Continuation/Labor Code 4850 during the period.	\$4,026	\$364	\$8,195
Number of employees <sup>1</sup> as of June 30.	523	546	541
Workers' Compensation Claim Report Rate (number of claims reported per 100 employees) for the period.	1.34	2.38	2.22
Benchmark: Countywide Average Workers' Compensation Claim Report Rate (all departments).	10.8	11.7	11.2
Benchmark: Countywide Average Workers' Compensation Claim Report Rate (all departments, excluding Fire, Probation, Sheriff).	6.2	6.7	7.5
Benchmark: Countywide Average Workers' Compensation Claim Report Rate (Fire, Probation, and Sheriff only).	23.2	25.0	22.8
Workers' Compensation Expense Rate (expenses paid per current employee). <sup>2</sup>	412	295	600
Benchmark: Countywide Average Workers' Compensation Expense Rate (all departments).	\$3,027	\$3,266	\$3,505
Benchmark: Countywide Average Workers' Compensation Expense Rate (all departments, excluding Fire, Probation, Sheriff).	\$4,157	\$4,489	\$2,258
Benchmark: Countywide Average Workers' Compensation Expense Rate (Fire, Probation, Sheriff only).	\$5,725	\$6,167	\$6,822

1. Number of employees is the sum of currently filled full-time and part-time positions.
2. Workers' Compensation Expense Rate is amount paid in a given year divided by the current employee count. The amount paid includes payment for claims of current and former employees, including retirees.

**County of Los Angeles  
AUDITOR-CONTROLLER**

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**3. Return-to-Work Performance (industrial and non-industrial cases)**

Measure	Actual FY 2009-10	Actual FY 2010-11	Actual FY 2011-12
Number of active return-to-work cases as of June 30.	37	80	63
Number of cases closed in the prior year.	13	15	133
Number of employees on work hardening transitional assignment agreements as of June 30.	7	66	3
Number of employees on conditional assignment agreements as of June 30.	30	14	10

**4. Vehicle and Fleet Safety Performance**

Measure	Actual FY 2009-10	Actual FY 2010-11	Actual FY 2011-12
Number of Department-owned vehicles.	3	3	3
Total number of vehicle accidents involving Department-owned (or leased) vehicles.	0	0	0
Total cost paid for damage involving Department-owned (or leased) vehicles (not including third party claim/damage cost).	\$0	\$0	\$0
Number of vehicle accident involving Department-owned (or leased) vehicles per 100,000 miles driven.	0	0	0
Number of Department permittee drivers as of June 30.	523	546	541
Total number of vehicle accidents involving occasional drivers.	3	7	0
Total cost paid for damage involving vehicles driven by occasional drivers (not including third party claim/damage cost).	\$17,781	\$2,552	\$0
Number of occasional miles driven during period.	80,264	84,373	72,550