



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

WILLIAM T FUJIOKA  
Chief Executive Officer

**REVISED**

**DATE:** March 7, 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 – PETITIONS TO RESCIND TAX DEFAULTED PROPERTY SALES**  
TTC – Mark Saladino or designee
- B) **Board Letter – REDESIGN OF AUCTION/TAX DEFAULTED PROPERTIES**  
TTC – Mark Saladino or designee
- C) **Board Letter – AUTHORIZE PURCHASE OF HARDWARE FOR THE TWO DEPARTMENT OF HEALTH SERVICES' DATA CENTERS**  
CIO/Health – Richard Sanchez and Mitchell Katz or designee(s)
- D) **Risk Management Presentation**  
CIO – Richard Sanchez or designee
- E) **Upcoming IT Items**  
CIO – Richard Sanchez or designee
- F) **Review of Board Policy 6.020**  
CIO – Richard Sanchez or designee
- G) **Board Letter – APPROVAL TO AMEND EXISTING LANDSCAPE AND CUSTODIAL CONTRACTS AND ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH LOCAL PUBLIC AGENCIES FOR LANDSCAPE AND/OR CUSTODIAL SERVICES**  
ISD – Tom Tindall or designee

2. Public Comment

3. Adjournment

March XX, 2013

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

Dear Supervisors:

**PETITIONS TO RESCIND TAX DEFAULTED PROPERTY SALES**

**SUBJECT**

The Treasurer and Tax Collector (TTC) sells tax defaulted property at auction, in compliance with State law. A recent change in State law requires anyone wishing to commence legal proceedings to rescind the sale of tax defaulted property to first petition your Board, and that your Board consider the petition at a scheduled hearing. Having heard the petition, your Board would then decide to either uphold the sale or rescind it. Subsequent to a decision by your Board to uphold the sale, , the petitioner can then pursue legal proceedings to rescind the sale.

The law also allows that if the TTC, County Counsel and the purchaser all agree that the sale should be rescinded, there is no requirement for a hearing, and your Board can rescind the sale. Under State law, your Board can delegate the hearing of the petitions, or the ability to rescind a sale.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Authorize this Office to appoint experienced and qualified senior managers selected from County departments, or qualified senior managers who retired from County service, to act as the hearing officer, pursuant to the attached resolution. The senior managers must have experience at the level of Deputy Director/Bureau Chief, or its equivalent, and must possess analytical, logical reasoning and written communication skills that will be required for a referee to develop a recommendation to your Board regarding the rescission of the sale.
2. Delegate to the TTC, by resolution, the authority to rescind a tax sale when the TTC, County Counsel and the purchaser all agree that the sale should be rescinded.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

A petition to rescind a tax sale can be filed with the Board of Supervisors by anyone with an interest in cancelling a sale, e.g., the property owner, the purchaser, or a party of interest. On

occasion, the TTC may want to rescind a sale, and if the purchaser refuses, a hearing is required. Once a petition to rescind a sale is filed, the parties must be given notice not less than 45 days prior to the date of the hearing. A notice will be sent by the TTC to the purchaser, the property owner and the petitioner (if different) notifying all parties of the date, time and location of the hearing. The notice must be mailed by certified mail, with a return receipt.

The parties may present briefs, evidence, and oral arguments at the hearing. The Hearing Officer appointed by the Executive Officer of the Board of Supervisors, may require that the briefs and evidence be submitted in advance of the hearing date. The Hearing Officer will take the briefs, evidence, and oral argument of the parties at the hearing under submission, and make a written recommendation regarding the rescission petition. The Executive Officer will place the recommendation on a regularly scheduled Board agenda for your consideration, at which time your Board will determine if the sale should be rescinded. Within a year from the date of your Board's decision to uphold the sale, the party seeking to rescind the tax sale may commence an action in court.

### **Implementation of Strategic Plan Goals**

The recommendations are consistent with the principles of County Strategic Plan Goal No. 1 (Operations Effectiveness), by providing the petitioners seeking to rescind tax sales with an Executive Officer-appointed Hearing Officer; and Goal No. 4 (Fiscal Sustainability), by avoiding unnecessary and potentially costly legal proceedings.

### **FISCAL IMPACT/ FINANCING**

The costs associated with the administration of the petition process will be borne by the TTC.

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

California Revenue and Taxation (R&T) Code Section 3725 was recently revised to apply to sales of tax defaulted properties conducted after January 1, 2012. The revised Section requires that a person must first petition your Board before beginning proceedings against the County, pursuant to R&T Code Section 3731. The person challenging the tax sale may commence a proceeding in court within one year of the Board's determination that the tax sale should not be rescinded.

R&T Code Section 3731(a) provides that when a tax deed issued by the Tax Collector is recorded, and it is determined that the property should not have been sold, the sale may be rescinded by the Board of Supervisors with the written consent of the TTC, County Counsel and the purchaser of the property, as long as the property has not been transferred or conveyed by the purchaser to a bona fide purchaser for value, and the property has not become subject to a bona fide encumbrance for value subsequent to the recordation of the tax deed.

R&T Code Section 3731(b) provides that if the written consent of the purchaser of the property or a successor in interest is not obtained, the sale may be rescinded by the Board of Supervisors pursuant to the circumstances specified above if the following conditions are met:

- 1) a hearing is scheduled before the Board of Supervisors;
- 2) notification is provided to the purchaser of the property that contains the date, time and place of the hearing, the description of the property that was sold, the reason for the rescission of the sale, and a statement that a refund will be issued to the purchaser of the property or the successor in interest, if applicable, for the purchase amount of the property plus interest at the county pool apportioned rate as specified in Section 5151 from the date of the purchase of the property; and
- 3) notice is sent, not less than 45 days prior to the date of the hearing, to the purchaser of the property or a successor in interest by certified mail with return receipt requested.

Under R&T Code Section 3731.1, the Board of Supervisors, by resolution, may authorize any County officer to perform on its behalf any act required or authorized to be performed under Section 3731. The resolution shall enumerate the section, or those portions of the section, to which the authorization is to apply, and shall specify administrative rules and procedures concerning any act performed under the authorization. The resolution shall require that the Auditor-Controller record each act performed under the authorization.

**IMPACT ON CURRENT SERVICES OR PROJECTS**

Minimal impact for scheduling and holding the hearings.

**CONCLUSION**

It is requested that your Board adopt the attached Resolutions as prepared and approved as to form by the County Counsel.

Respectfully submitted,

Sachi A., Hamai  
Executive Officer

SAM:

cc. Auditor-Controller  
County Counsel

**RESOLUTION OF THE BOARD OF SUPERVISORS  
OF THE COUNTY OF LOS ANGELES  
DELEGATE THE RESCISSION OF THE SALE OF TAX DEFAULTED PROPERTY  
TO THE LOS ANGELES COUNTY TREASURER AND TAX COLLECTOR**

WHEREAS, pursuant to Revenue and Taxation Code section 3731(a), the Board of Supervisors may rescind the sale of tax defaulted property, when it is determined that the property should not have been sold, and when written consent for the rescission of the sale of tax defaulted property is obtained by County Counsel and the purchaser of the property;

WHEREAS, pursuant to Revenue and Taxation Code section 3731.1, the Board of Supervisors may, by resolution, authorize any county officer to perform on its behalf any act required or authorized to be performed by the Board of Supervisors under 3731;

WHEREAS, it is the Board of Supervisors' intention to delegate its duty to rescind the sale of tax defaulted property pursuant to Revenue and Taxation Code section 3731(a) to the Los Angeles County Treasurer and Tax Collector;

WHEREAS, any resolution adopted pursuant to Revenue and Taxation Code section 3731.1 shall also require the County Auditor to record each act performed under this authorization;

WHEREAS, the resolution shall specify the administrative rules and procedures concerning any act performed under this authorization.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors that:

(1) Pursuant to Revenue and Taxation Code section 3731.1, the Board of Supervisors delegates to the Los Angeles County Treasurer and Tax Collector the duty to rescind the sale of tax defaulted property when it is determined that the property

should not have been sold, and when written consent for the rescission of the sale of tax defaulted property is obtained by County Counsel and the purchaser of the property, and directs the County Auditor to record each act performed under this authorization.

The foregoing resolution was on the \_\_\_\_ day of \_\_\_\_\_, 2013, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

SACHI A. HAMAI, Executive Officer  
Board of Supervisors

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI  
County Counsel

By \_\_\_\_\_  
SAYUJ PANICKER  
Deputy County Counsel

**RESOLUTION OF THE BOARD OF SUPERVISORS  
OF THE COUNTY OF LOS ANGELES  
DELEGATE THE HEARING OF PETITIONS TO RESCIND THE SALE OF TAX  
DEFAULTED PROPERTY TO THE EXECUTIVE OFFICER OF THE BOARD OF  
SUPERVISORS**

WHEREAS, pursuant to Revenue and Taxation Code section 3731(b)(1), the Board of Supervisors must hear petitions for rescission of the sale of tax defaulted property conducted by the Los Angeles County Treasurer and Tax Collector;

WHEREAS, pursuant to Revenue and Taxation Code section 3731.1, the Board of Supervisors may, by resolution, authorize any county officer to perform on its behalf any act required or authorized to be performed by the Board of Supervisors under 3731;

WHEREAS, it is the Board of Supervisors' intention to delegate its duty to hear petitions to rescind the sale of tax defaulted property to the Executive Officer of the Board of Supervisors;

WHEREAS, the Board of Supervisors hereby authorizes the Executive Officer of the Board of Supervisors to appoint experienced and qualified senior managers selected from County departments, or qualified senior managers who retired from County service, to act as the Hearing Officer;

WHEREAS, the appointed senior managers must have experience at the level of Deputy Director/Bureau Chief, or its equivalent, and must possess analytical, logical reasoning and written communication skills that will be required for a Hearing Officer to develop a written recommendation regarding the petition to rescind the sale of tax defaulted property;

WHEREAS, the Hearing Officer will conduct a hearing on a petition to rescind the sale of tax defaulted property, and make a written recommendation to the Board of Supervisors based on the evidence submitted at the hearing;

WHEREAS, The Executive Officer of the Board of Supervisors will place the written recommendation of the Hearing Officer on a regularly scheduled Board agenda, at which time the Board of Supervisors shall approve or deny the petition to rescind the sale of tax defaulted property;

WHEREAS, any resolution adopted pursuant to Revenue and Taxation Code section 3731.1 shall also require the County Auditor to record each act performed under this authorization;

WHEREAS, the resolution shall specify the administrative rules and procedures concerning any act performed under this authorization.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors that:

(1) Pursuant to Revenue and Taxation Code section 3731.1, the Board of Supervisors delegates to the Executive Officer of the Board of Supervisors the responsibility of appointing a Hearing Officer to exercise the hearing duties pursuant to Revenue and Taxation Code section 3731(b)(1), and directs the County Auditor to record each act performed under this authorization.

The foregoing resolution was on the \_\_\_\_ day of \_\_\_\_\_, 2013, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

SACHI A. HAMAI, Executive Officer  
Board of Supervisors

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI  
County Counsel

By \_\_\_\_\_  
SAYUJ PANICKER  
Deputy County Counsel

DRAFT

## **ADMINISTRATIVE RULES AND PROCEDURES**

### **DELEGATE THE HEARING OF PETITIONS TO RESCIND THE SALE OF TAX DEFAULTED PROPERTY TO THE EXECUTIVE OFFICER OF THE BOARD OF SUPERVISORS**

Under the authority delegated by the Board of Supervisors, the Hearing Officer appointed by the Executive Officer of the Board of Supervisors will conduct the hearing of petitions to rescind the sale of tax defaulted property.

A party seeking the rescission of the sale of tax defaulted property must first petition the Board of Supervisors pursuant to Revenue and Taxation Code section 3731.

The Executive Officer of the Board of Supervisors shall set the date of the hearing pursuant to Revenue and Taxation Code section 3731, and advise the Tax Collector who shall mail all required notices.

The Executive Officer of the Board of Supervisors shall appoint experienced and qualified senior managers selected from County departments, or qualified senior managers who retired from County service, to act as the Hearing Officer to hear the rescission petition.

The parties may present briefs, evidence, and oral argument at the time hearing.

The Hearing Officer shall take the briefs, evidence, and any oral arguments of the parties into submission before making a written recommendation to the Board of Supervisors.

The Executive Officer of the Board of Supervisors will place the written recommendation of the Hearing Officer on a regularly scheduled Board agenda, at which

time the Board of Supervisors shall approve or deny the petition for rescission of the sale of tax defaulted property.

DRAFT

**Treasurer and Tax Collector  
Redesign of Tax Defaulted Property Auction  
Briefing Document  
February 2013**

**Background**

The Treasurer and Tax Collector (TTC) is mandated by statute to offer tax-defaulted property for sale within four years after the property becomes subject to the Tax Collector’s power to sell, and, if unsold, every six years thereafter.

Prior to recent budget curtailments, the TTC had historically offered tax-defaulted properties for sale in the following sequence:

1. First at a public, in-person auction, typically held in early winter. We call this an “A” auction.
2. If properties did not sell at this auction, or were pulled from auction, they would then be offered at an in-person auction, typically held in the summer. We call this a “B” auction.
3. Those properties that are rendered unusable by their size, location, or other conditions, would be offered in a Sealed Bid Auction. In this auction, we offer the property to owners of contiguous parcels or to a holder of record of an easement. We call this a “C” auction.

Effective in 2010, due to budget cuts, we curtailed the “B” and “C” auctions and began to hold only one in-person auction per year, the “A” auction, which we moved to the fall. The current practice of conducting one auction per year jeopardizes our ability to comply with the statutory requirement as outlined above, and delays the return of defaulted properties to the roll in taxpaying status, which delays the County’s receipt of critical tax revenues.

<b>Sale</b>	<b>Parcels Offered</b>	<b>Parcels Sold</b>
2007A	412	311(75%)
2007B	712	430 (60%)
2008A	412	368 (89%)
2008C	1167	336 (29%)
2009A	890	458 (51%)
2009B	893	373 (42%)
2010A	1000	545 (55%)
2011A	850	426 (50%)
2012A	1,309	521 (40%)

**Improvements to Tax-Defaulted Auctions**

In the past year, we reviewed our auction processes and developed a series of recommendations to streamline processes, increase the number of auctions and expand the bidder pool. Some of the related recommendations will require Board of Supervisors action (e.g., contract approvals).

**Treasurer and Tax Collector  
Redesign of Tax Defaulted Property Auction  
Briefing Document  
February 2013**

**Recommendations**

1. Implement process improvements to free staff to work on readying parcels for sale. Examples of this are:
  - ✓ placing the auction book online
  - ✓ eliminate the need to manually input parcel information into reports by receiving data in an electronic format
  - ✓ conduct a feasibility study to determine the cost effectiveness of contracting with a Certified Mail Services vendor
  - ✓ utilizing GIS functionality to streamline the identification of contiguous parcel owners for Sealed Bid Auctions
  
2. Continue to conduct one in-person auction per year, the “A” auction. However, we would re-institute the “B” auction, only for vacant land that had been previously offered in an “A” auction, but did not sell. Instead of the “B” auction being an in-person auction as it has historically been, we would conduct this auction on the internet, as many other counties do.

For the on-line auction, we will recommend a sole source agreement with Bid4Assets, the only experienced vendor currently conducting online auctions for California counties. Utilization of this online functionality, with a reputable vendor with a proven track record, will allow us to expand the bidder pool and extend the auction period. The online functionality will not require that we rent a space for an in-person auction, at a savings of approximately \$23,000 annually. In addition, this vendor will eliminate several processes formerly conducted by TTC staff during a “B” auction, such as bidder registration and establishment of an Auction Trust Account.

3. A Sealed Bid Auction (or “C” auction) involves all the legally mandated requirements for any auction, plus the additional requirement to notify the owners of contiguous parcels that they are eligible to bid on the property. They are informed of the minimum bid amount, and provided with a bid form to indicate their bid. All bids must be submitted with a cashier’s check for the bid amount. The costs incurred for publications, notices, and title reports are incurred regardless of whether or not the property sells. In the most recent “C” auction, only 28% of the properties offered were sold.

We will revise the “C” auction in two material ways as follows: First, we will establish a very low minimum bid (e.g., \$100), to attract interest. Second, we will then canvass the interest of contiguous owners through an “Invitation to Bid.” Only if an owner responds with interest, we will then commence with the associated administrative processes (e.g., publications, notices, and title reports.) This approach will, we believe, increase interest and reduce the amount of time staff spent on administrative processes for properties that are not sold. It is our intent to conduct at least two Invitation to Bid processes each year.

As a result of the implementation of these recommendations, it is anticipated that the Department will be able to eliminate the build-up of parcels eligible for sale.

## SOLE SOURCE

It is the policy of the County to solicit the maximum number of bids/proposals for a commodity or service from the largest relevant market and to select vendors on a competitive basis.

There are certain acquisitions, which, when in the best interest of the County, can only be obtained from a sole source. Sole source acquisitions must be justified in sufficient detail to explain the basis for suspending the usual competitive procurement process.

**NOTE:** Please refer to Section 2.5 of the Los Angeles County Services, Supplies & Equipment Contract/Purchasing Policy Manual.

### **DOCUMENTATION FOR SOLE SOURCE JUSTIFICATION MUST INCLUDE RESPONSES TO THE FOLLOWING QUESTIONS:**

**1. What is being requested?**

Contract with Bid4Assets, Inc. (Contractor) to conduct online auction(s) of tax defaulted property.

**2. Why is the product needed – how will it be used?**

Pursuant to the California Revenue and Taxation (R&T) Code §3692(a), the Treasurer and Tax Collector (TTC) is mandated to sell tax defaulted property within four years of the time the property becomes subject to sale for nonpayment of taxes. If there are no acceptable bids at the attempted sale, the TTC shall attempt to sell the property at intervals of no more than six years.

The TTC's current auctions of tax defaulted properties require registered bidders to attend an in-person auction, usually held over two consecutive days. As part of a larger redesign of our auction processes, the TTC is seeking to hold online auction(s) of tax defaulted property via the Contractor's website. The online auctioning of tax defaulted property in the State of California is currently a specialized (niche) market. Online auction(s) will allow for a larger bidder pool and tax defaulted properties will be available to bidders on a continuous basis. The Contractor has a proven track record of auctioning tax defaulted properties online for California counties. As a result, there is a greater likelihood that a larger number of parcels will be sold, and more tax revenue will be collected by the TTC.

It is important to note that, under the TTC's auction redesign, a tax defaulted property will first be offered at the in-person auction and then, if it does not successfully sell at that auction, the property will be included in the online auction. In an attempt to restore the property to a tax paying status, the TTC intends to use the online auction only as a secondary, not primary, auction method, and only for unimproved (vacant) parcels.

**3. Is this "brand" of product the only one that meets the user's requirements? If yes, what is unique about the product? Yes.**

The Contractor is the only vendor who currently provides the specialized service of conducting internet auctions of tax defaulted property, and it has been conducting auctions of tax defaulted properties for California counties for the past ten years.

The Contractor has contracted with up to 42 counties in the State of California and currently conducts auctions for 37 counties. The counties that do not contract with the Contractor either conduct only in-person auctions or are in the process of renewing their contract with the Contractor.

The potential volume of tax defaulted properties in Los Angeles County demands that the TTC use an experienced auctioneer who is familiar with bringing a large volume of tax defaulted properties, and a large number of registered bidders, to an internet auction at one time. With an in-person auction, the TTC typically has four to five hundred registered bidders. With an internet auction, that number could be much higher as the constraints of having to appear in person would not apply. The TTC anticipates bringing more than 1,500 properties to this first internet auction.

The Contractor has established processes in place to collect bidder information and registration fees from a large pool. Their experience and expertise greatly reduces the risk of a cancelled sale or potential litigation arising from mishandled sales or bidder registrations.

**4. Have other products/vendors been considered? If yes, which products/vendors have been considered and how did they fail to meet the user's requirements?**

Yes. TTC did consider other vendors that conduct internet auctions of real property, but no other vendor other than the Contractor had the same experience or demonstrated track record in conducting internet auctions of tax defaulted property in California. Because of the potential volume of parcels and the fact that this is the first time the TTC will be conducting an internet auction, these are critical factors in choosing a contractor.

**5. Will purchase of this product avoid other costs, e.g. data conversion, etc. or will it incur additional costs, e.g. training, conversion, etc?**

Yes, it would avoid other costs, such as:

- The TTC's cost savings, which would result from implementation of an online auction functionality, approximates \$23,000, on an annual basis. These savings result from reduced rental, security, meal, and overtime expenditures. (Attachment I)
- The likelihood of selling more tax defaulted properties due to the expanded bidder pool and the continuous online global exposure will increase the collection of taxes, decreasing the costs associated with re-offering properties for sale, and mailing notices on defaulted properties.
- The TTC will not incur any conversion costs.

**6. Is the product proprietary or is it available from various dealers? Have you verified this?**

Not applicable. The Contractor is providing a vendor-hosted service, not a product.

**7. Reasonableness of Price. Does the County obtain a percentage discount or special discount not available to the private sector?**

Although the fee will be negotiated with the Contractor through the contracting process, most counties in California are charged the same rate of \$150.00 per sold parcel. Any change to the negotiated fee will require the approval of the TTC. The fee is only charged for sold parcels; in the event a parcel is pulled from the auction for any reason, there is no fee. However, if a parcel is sold at auction; the fee is added to the minimum bid and paid by the purchaser. There is no cost to the County.

**8. What is the dollar value of existing equipment and the Purchase Order No. for the existing equipment?**

Not applicable.



**Health Services**  
LOS ANGELES COUNTY

March 19, 2013

Los Angeles County  
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

Mitchell H. Katz, M.D.  
Director

Hal F. Yee, Jr., M.D., Ph.D.  
Chief Medical Officer

Christina R. Ghaly, M.D.  
Deputy Director, Strategic Planning

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:

**AUTHORIZE PURCHASE OF HARDWARE FOR THE TWO  
DEPARTMENT OF HEALTH SERVICES' DATA CENTERS  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

CIO RECOMMENDATION: APPROVE (X)

**SUBJECT**

Authorize the purchase of hardware for the Department of Health Services' two Data Centers to support existing data repositories and the new Enterprise Patient Data Repository at Martin Luther-King, Jr. Multi-Service Ambulatory Care Center and LAC+USC Medical Center.

**IT IS RECOMMENDED THAT THE BOARD:**

Authorize the Internal Services Department (ISD), as the County's Purchasing Agent, to proceed with the Department's purchase of hardware for two Data Centers, with a total cost of approximately \$800,000. In accordance with County policy, Board approval is required to purchase capital assets that exceed the \$250,000 threshold established by the Board.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of this action will enable the purchase of the required SAN, additional blade servers, backup hardware, and storage hardware upgrades for the two Department of Health Services (DHS) Data Centers to: 1) support the current three main large DHS data repositories [the Enterprise Data Repository (EDR); the OMC/CHP Data Warehouse; and the Finance Medi-Cal Redesign (MCALRS)], which collects and stores up-to-date patient data from all DHS hospitals and other DHS affiliated facilities and organizations, and 2) support the future large data repository needs of a new Enterprise Patient Data Repository (EPDR), which will eventually consolidate the

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Los Angeles, CA 90012

Tel: (213) 240-8101  
Fax: (213) 481-0503

[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

*To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.*



[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

three existing data repositories into a single centralized Healthcare Data Warehouse Foundation, and includes the Electronic Health Record (EHR) information.

This hardware will also provide the latest infrastructure and tools to integrate, validate, and load source data from data sources. Currently, there is a significant amount of data residing on the three main data repositories generating data redundancy, placing a strain on disk storage, and resulting in system-wide reporting and analysis inefficiencies and inaccuracies.

In June, 2011, hardware, including a SAN, was purchased to support the existing EDR. Since then, the data infrastructure needs of the Department have changed with the addition of EPDR and EHR projects. The requested additional hardware will support the current three main DHS data repositories, as well as support the addition of these two major DHS projects.

#### **Implementation of Strategic Plan Goals**

The recommended action supports Goal 1, Operational Effectiveness, of the County's Strategic Plan.

#### **FISCAL IMPACT/FINANCING**

The total one-time cost for the hardware is approximately \$800,000 and includes a standard manufacturer's warranty of three years and 24/7 on-site support. The details comprising the estimated total costs are shown in Attachment II.

Funding is included in DHS' Fiscal Year (FY) 2012-13 Final Budget.

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

On October 16, 2001, the Board approved the classification categories for fixed assets and new requirements for major fixed assets (now referred to as capital assets) acquisitions requiring County departments to obtain Board approval to purchase or finance equipment with a unit cost of \$250,000 or greater prior to submitting their request to ISD.

The County's Chief Information Officer recommends approval of this purchase and that Office's Analysis is attached (Attachment I).

**CONTRACTING PROCESS**

This is a commodity purchase under the statutory authority of the County's Purchasing Agent. This acquisition will be competitively bid by the Purchasing Agent in accordance with the standard County purchasing policies and procedures established by ISD.

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

Approval of the recommendation will ensure the necessary hardware is purchased to support current and future DHS projects, including the EPDR and EHR.

Respectfully submitted,

Reviewed by:

Mitchell H. Katz M.D.  
Director

Richard Sanchez  
Chief Information Officer

MHK:RS:lr

Enclosures (2)

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors  
Internal Services Department



RICHARD SANCHEZ  
CHIEF INFORMATION OFFICER

# DRAFT

Office of the CIO  
**CIO Analysis**

NUMBER:

**CA 13-03**

DATE:

1/28/2013

SUBJECT:

**AUTHORIZE PURCHASE OF THE HARDWARE FOR THE TWO DEPARTMENT OF HEALTH SERVICES' DATA CENTERS**

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: Anish Mahajan, MS, MPH, M.D.

Description: Department of Health Services (DHS) is requesting authorization for the Internal Services Department (ISD) to procure the purchase of hardware and associated services to be implemented in DHS' two Data Centers, at Martin Luther-King (MLK) and LAC+USC. Acquisition of this hardware will support the existing data repositories plus the implementation of the new Enterprise Patient Data Repository (EPDR).

Contract Amount: \$799,608.41

Funding Source: DHS FY 12-13 Operating Budget

 Legislative or Regulatory Mandate Subvened/Grant Funded: Enter %

**Strategic and  
Business Analysis**

PROJECT GOALS AND OBJECTIVES:

The EPDR project will establish the following objectives:

- 1) Analyze the existing three Data Warehouses (Enterprise Data Repository (EDR); Financial Medi-Cal Redesign Databases (MCALRS); and OMC/CHP Data Warehouse) and the supporting information flows and business processes;
- 2) Convert into one centralized Oracle Healthcare Data Warehouse Foundation and Electronic Health Record (EHR) called Enterprise Patient Data Repository (EPDR);
- 3) Provide equipment to support P-14 requirements are met in time by December 31, 2013; and
- 4) Clean up data, as well as implement the latest processes to acquire consistent, integrated and meaningful data into the single EPDR Data Warehouse.

BUSINESS DRIVERS:

The key business drivers for the project are:

- 1) Improve patient care through the implementation of a centralized, standardized, enterprise-wide EPDR System that will ensure a consolidated view of the patients clinical, financial, and Payer data;
- 2) The P-14 requirements are met in a timely manner in order to avoid a \$1.5 billion waiver downfall; and
- 3) Healthcare Reform and EHR System implementation needs a more data enriched organization. The EPDR System is critical to align with these drivers.

PROJECT ORGANIZATION:

Dr. Anish Mahajan, Director of DHS System Planning, Improvement and Data Analytics, is the Project Executive Sponsor and Irene Dyer is the Project Director. Kevin Lynch, DHS CIO, is the IT lead working with Dr. Mahajan and Irene Dyer. DHS established initial governance comprised of clinical, financial, and technology teams that will be responsible for data remediation. The hardware installation and configuration will be executed by the Operations and Infrastructure groups of DHS.

PERFORMANCE METRICS:

The proposed EPDR service levels and objectives are described below:

Business hours for service support:

- Service Desk/Incident Management 24 hours a day, 7 days a week; and
- Problem Management 24 hours a day, 7 days a week.

STRATEGIC AND BUSINESS ALIGNMENT:

The project supports Goal 1: Operational Effectiveness, Fiscal Sustainability, and Integrated Services Delivery of the County's Strategic Plan.

PROJECT APPROACH:

DHS is acquiring, upgrading, and provisioning data center hardware – EMC storage upgrade and servers, to be installed in the Martin Luther King Multi-Ambulatory Care Center (MLK) – Data Center and a replicated Disaster Recovery (DR) site at LAC+USC Medical Center, (LAC+USC). The new hardware will be implemented and thoroughly tested by the infrastructure team, along with the vendor's professional services team.

ALTERNATIVES ANALYZED:

None. The server blades and storage will be an expansion to an existing DHS infrastructure at MLK and LAC+USC.

<p><b>Technical Analysis</b></p>	<p>ANALYSIS OF PROPOSED IT SOLUTION:</p> <p>The requested servers and storage will support DHS' efforts to consolidate three data warehouses and to provide high availability and disaster recovery. The combination of redundant and inaccurate data contained in the existing three data warehouses cause reporting errors that can impact both clinical operations and State funding. The design of the integrated data model will eliminate the redundancy of data and improve data quality. A summary of equipment included in this purchase is as follows:</p> <p>MLK:</p> <ul style="list-style-type: none"> <li>• 64 additional Terabytes to be added to existing VNX 5300 SAN;</li> <li>• Three UCS B200 M2 Blade Servers; and</li> <li>• 30 additional Terabytes of backup storage.</li> </ul> <p>LAC+USC (HA &amp; DR site):</p> <ul style="list-style-type: none"> <li>• Additional VNX 5300 SAN configured with 70 Terabytes of storage; and</li> <li>• 30 additional Terabyte of backup storage.</li> </ul>														
<p><b>Financial Analysis</b></p>	<p>BUDGET:</p> <p>Contract costs</p> <p>One-time costs:</p> <table border="0"> <tr> <td>Hardware.....</td> <td>\$ 548,470.45</td> </tr> <tr> <td>Software .....</td> <td>\$ 57,615.46</td> </tr> <tr> <td>Services .....</td> <td>\$ 68,000.00</td> </tr> </table> <p>Ongoing costs for the 4-1/2 year term extension:</p> <table border="0"> <tr> <td>Hardware.....</td> <td>\$ 00</td> </tr> <tr> <td>Software .....</td> <td>\$ 00</td> </tr> <tr> <td>Support Services .....</td> <td>\$ 77,531.34</td> </tr> <tr> <td>Taxes.....</td> <td>\$ 47,991.16</td> </tr> </table> <p><b>Sub-total Contract Costs:</b> \$ 799,608.41</p> <p>Other County costs: N/A</p> <p><b>Total one-time costs:</b> \$ 799,608.41</p> <p>Note: This hardware purchase is part of the EPDR initiative that will require the purchase of relevant data model, data analysis, design, cleansing, and remediation as part of their products and services. Subsequent Board letters will be submitted for consultant services and software licenses to support full EPDR implementation.</p>	Hardware.....	\$ 548,470.45	Software .....	\$ 57,615.46	Services .....	\$ 68,000.00	Hardware.....	\$ 00	Software .....	\$ 00	Support Services .....	\$ 77,531.34	Taxes.....	\$ 47,991.16
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Taxes.....	\$ 47,991.16														



## COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES

STORAGE AREA NETWORK, BLADE SERVERS, BACKUP HARDWARE, AND  
HARDWARE UPGRADES COST DETAIL

<b>Description</b>	<b>One-Time Cost</b>
Hardware (EMC Storage Upgrade & Servers) Subtotal	\$548,470.45
Software Subtotal	\$57,615.46
Professional Services	\$68,000.00
Support	\$77,531.34
Sales Tax	\$47,991.16
<b>Grand Total</b>	<b>\$799,608.41</b>

**County of Los Angeles  
Chief Information Office  
RISK MANAGEMENT OVERVIEW  
February 28, 2013**

**Purpose**

As directed by the Board of Supervisors on February 21, 2012, this Chief Information Office (CIO) Risk Management Overview was developed to describe risk issues, trends, and mitigation measures undertaken to address these risks.

This overview provides information for three risk issues in the Department, trends or other reasons the risk issue is important, and mitigation measures.

**Department Overview**

The CIO provides vision and strategic direction for the effective and secure use of information technology (IT) to improve the delivery of services and achieve operational improvements and County business goals. It is responsible for enterprise IT planning, cross-departmental IT issues, Countywide IT practices and policies, and providing recommendations to the Board of Supervisors regarding prudent allocation of IT resources. The CIO has 21.0 filled positions and an operating budget of \$5,536,000 for FY 2012-13.

During November 2011, we experienced one Workers' Compensation claim due to cumulative trauma. During FY 2011-12, we spent \$8,352 on this claim. The employee involved in this claim was away from work for approximately three months. With persistent Return-to-Work efforts, the employee returned to work to a modified work assignment.

Due to the nature of the CIO's mission and operations, our risk exposure is relatively small from a Countywide perspective, but we remain committed to reducing our total cost of risk.

Risk Management Coordinator:	Albert Navas
Safety Officer/Coordinator:	Albert Navas
Return-to-Work Coordinator:	Albert Navas

**Risk Issues, Trends, Mitigation Measures**

<b>RISK ISSUE #1</b>
<b>Issue:</b> The CIO is exposed to risk arising from ergonomics.
<b>Trends:</b> FY 2007-08 - one ergonomics claim. FY 2011-12 - one cumulative trauma claim.
<b>Mitigation Measure(s):</b> <ul style="list-style-type: none"><li>• Created an Ergonomics Program as an appendix to the Department's Injury and Illness Prevention Program (IIPP);</li><li>• Provided ergonomic literature from the Labor-Management Committee on Ergonomics;</li><li>• CEO Risk Management conducted one on-site training session on the Department's IIPP, highlighting ergonomics as a key risk area; and</li><li>• Conducted ergonomic evaluations for 25% of staff workstations. Implementation of recommended solutions is in progress.</li></ul>

Results: Increased overall awareness and importance of proper ergonomics.
<b>RISK ISSUE #2</b>
Issue: Like all County Departments, the CIO is exposed to risk of employment practices liability. The CIO focuses on preventive measures to reduce potential issues and related claims.
Trends: FY 2011-12 – Three CPOE claims were filed. Two claims have been closed. One claim is in mediation. No lawsuits have arisen from these claims.
Mitigation Measure: <ul style="list-style-type: none"> <li>• In December 2011, all CIO staff completed the County’s online Sexual Harassment Prevention Training;</li> <li>• In July 2011, all staff acknowledged receipt of the County Policy of Equity (CPOE). Moreover, the Policy and related responsibilities were discussed during staff meetings.</li> <li>• Currently developing a Department policy to address “Professionalism in the Workplace”; and</li> <li>• All staff will be attending instructor-led training entitled “Increasing Respect in the Workplace”.</li> </ul>
Results: Mitigate potential risk liability resulting from employment practices.

<b>RISK ISSUE #3</b>
Issue: The Department does not have a subject matter expert for Risk Management, Workers’ Compensation, or Return-to-Work issues.
Trends: None
Mitigation Measure: <ul style="list-style-type: none"> <li>• Solicit expert advice from CEO Risk Management, DHR, and Auditor-Controller Shared Services Division; and</li> <li>• Enhancing the Department’ risk management awareness and knowledge by having the designated Risk Manager attend and actively participate in Countywide risk management meetings, including Risk Management Council Meetings, Loss Control and Prevention Meetings, Return-to-Work Meetings, and Labor-Management Committee on Ergonomics.</li> </ul>
Results: Increased awareness and knowledge of risk management identification, assessment and analysis processes to improve risk response strategies.

## **Metrics**

### **1. Liability Claim Performance**

<b>Measure</b>	<b>Actual FY 2009-10</b>	<b>Actual FY 2010-11</b>	<b>Actual FY 2011-12</b>
Total number of all claims. <sup>1</sup>	0	0	0
Number of General Liability claims.	0	0	0
Total paid <sup>2</sup> for General Liability claims.	0	0	0
Number of Vehicle Liability claims.	0	0	0
Total paid <sup>2</sup> for Vehicle Liability claims.	0	0	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**

<b>Measure</b>	<b>Actual FY 2009-10</b>	<b>Actual FY 2010-11</b>	<b>Actual FY 2011-12</b>
Number of new Workers' Compensation claims filed during the period.	0	0	1
Total Workers' Compensation expense paid during the period.	\$8,590	\$2,203	\$8,352
Total paid for Salary Continuation/Labor Code 4850 during the period.	0	0	0
Number of employees <sup>1</sup> as of June 30.	21.0	21.0	22.0
Workers' Compensation Claim Report Rate (number of claims reported per 100 employees) for the period.	0	0	4.5
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, and 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>	\$409	\$105	\$380
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, and Sheriff).	\$2,020	\$2,179	\$2,258
Benchmark: Countywide Average Workers' Compensation Expense Rate (Fire, Probation, and 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.

### 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.	0	0	0
Number of cases closed in the prior year.	0	0	0
Number of employees on work hardening transitional assignment agreements as of June 30.	0	0	1
Number of employees on conditional assignment agreements as of June 30.	0	0	0

### 4. Vehicle and Fleet Safety Performance

Measure	Actual FY 2009-10	Actual FY 2010-11	Actual FY 2011-12
Number of Department-owned vehicles.	0	0	0
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 business miles driven by Department-owned (or leased) vehicles.	995	1852	778
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.	21	21	22
Total number of vehicle accidents involving permittee drivers.	0	0	0
Total cost paid for damage involving vehicles driven by permittee drivers (not including third party claim/damage cost).	0	0	0
Number of permittee miles driven during period.	unknown	unknown	unknown
Number of vehicle accidents involving permittee drivers per 100,000 miles driven.	0	0	0

# Board IT Agenda Items

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
CORONER	Authorization to Execute Work Order Under the County's EMC Master Services Agreement No. 77036 for Coroner Electronic Case Filing System	Work Order for professional services to support the development of additional modules using EMC Documentum software for the Coroner's Electronic Case Filing System.  <b>Funding Source: Coroner FY 2012-13 Operating Budget</b> <b>Existing Agreement: 77036</b>	\$502,012	Public Safety	N/A	3/5/2013
LASD	Agreement with Sierra Systems Inc. for an Automated Civil Enforcement System (ACES)	Agreement will customize a COTS Automated Civil Enforcement System for the Sheriff's Court Services Bureau.  <b>Funding Source: Civil Enforcement Service Fee</b> <b>Existing Agreement: N/A</b>	\$12,141,643	Public Safety	5 years, with 5 additional renewable years	3/12/2013
CIO	Agreement for County Online Payment Services	The eCommerce Readiness Group is concluding negotiations with a vendor selected from an RFP to replace the current Agreement for Online Payment Services. Existing Agreement expires on 3/21/13.  <b>Funding Sources: Convenience fees and department absorbed with CEO approval</b> <b>Existing Agreement: N/A</b>	N/A	Operations	5 years, with two 1-year and 6 month-to-month option extensions	3/12/2013
DHS	Agreement to Purchase Hardware for EPDR	This purchase will allow DHS to host their Enterprise Patient Data Warehouse Repository (EPDR) at DHS Data centers.  <b>Funding Source: DHS FY 2012-13 Operating Budget</b> <b>Existing Agreement: N/A</b>	\$ 800,000	Health & Mental Health Services	4.5 years	4/2/2013
DHS	Agreement to Purchase a Pharmacy System to Facilitate Central Filling of Prescriptions	Agreement for a new pharmacy system for central filling of prescriptions that will enable patients to receive medications via mail order.  <b>Funding Source: DHS FY 2012-13 Operating Budget</b> <b>Existing Agreement: N/A</b>	\$412,927	Health & Mental Health Services	7 years	4/2/2013
CIO/CEO	Sole Source Agreement with POG for MPS Deployment Assistance	Agreement with Print Operations Group (POG) to provide deployment assistance for Managed Print Services (MPS).  <b>Funding Source: ITF</b> <b>Existing Agreement: N/A</b>	\$2,500,000	Operations	3 years	4/9/2013

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
DPSS/CIO	Authorization to exercise the last 2 option years of Agreement No. 68587 with Unisys	<p>Authorization to exercise the last 2 option years of the second option term for the Los Angeles Eligibility Automation Determination, Evaluation and Reporting (LEADER) System to maintain support through May 13, 2015. Since this is a two-department Board letter, a CIO Analysis will not be needed.</p> <p><b>Funding Source: State, Food and Nutrition Service (FNS), and Centers for Medicare &amp; Medicaid Services (CMS) Federal Agencies</b>  <b>Existing Agreement: 68587</b></p>	\$54M	Children & Families Well-being	2 years	4/9/2013
DHS	MSA for Enterprise Patient Data Repository (EPDR)	<p>Agreement will consolidate data view of their clinical, financial, and payor/insurance information. The EPDR is a multi-year project that is very critical for their survival. The P-14 reports are due 1/1/2014.</p> <p><b>Informational Briefing at Ops Cluster: March 14, 2013</b>  <b>Funding Source: DHS Operating Budget</b>  <b>Existing Agreement: N/A</b></p>	\$20-\$22M est	Health & Mental Health Services	N/A	4/16/2013
DPW	Agreement For Radio Frequency Identification Project (Note: not official BL title)	<p>Agreement to implement Motorola Radio Frequency Identification (RFID) solution at DPW to automate business processes. The scope of this project includes hardware, software, installation, and training, and two years of maintenance and support.</p> <p>Statement from DPW: "We are going to aim for the 12/18 Board hearing. Meeting this target is dependent on a quick turn around from Motorola's legal staff. Motorola wanted DPW to sign their software and services agreements. Since various Motorola terms and conditions conflicted with the County's, we sent a redlined version back to them for review. We are waiting to hear back from them."</p> <p><b>Funding Source: \$35,000 loan from County Quality and Productivity Commission (repayment within 3 years), balance from Public Works' Flood Control District General Fund and Public Works' Internal Service Fund</b>  <b>Existing Agreement: N/A</b></p>	\$125,000 (\$113,690 +10% contingency)	Community & Municipal Services	Implementation, with 2-year maintenance	4/16/2013

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
DPW	Contract for Alamitos Barrier Project and Dominguez Gap Barrier Project Telemetry System Maintenance Services	<p>Contract for Alamitos Barrier Project &amp; Dominguez Gap Barrier Project Telemetry System Maintenance Services.</p> <ul style="list-style-type: none"> <li>• Background: The Dominguez Gap and Alamitos Barriers are seawater barriers that are designed to inject freshwater into underground aquifers to create protective pressure ridges and prevent seawater from contaminating groundwater supplies. Portions of the Dominguez Gap and Alamitos Barriers are outfitted with Supervisory Control and Data Acquisition (SCADA) systems that enable operators to remotely monitor conditions and control equipment through COTS user interfaces. Other portions of the barrier systems are manually operated.</li> <li>• Scope: Inspection, maintenance, as-needed repairs, including software configuration and re-programming, and the integration of the manual segments into the automated systems. Note: the Dominguez Gap and Alamitos Barrier systems will remain separate.</li> </ul> <p><b>Funding Source: Flood Fund (No County General funds)</b>  <b>Existing Agreement: N/A</b></p>	\$600,000 per year for up to 5 years	Community & Municipal Services	1 year, with four 1-year option extensions	6/4/2013
CIO	Use of ITF for Enterprise IT Security and Privacy Awareness Training Software	<p>Use of ITF to acquire and implement the enterprise IT Security and Privacy Awareness training content for use in the County's Learning Net.</p> <p><b>Funding Source: ITF</b>  <b>Existing Agreement: N/A</b></p>	\$240,000	Operations	N/A	6/18/2013
LASD	Multimodal Biometric Identification System (MBIS)	<p>Development of an automated biometric identification system to replace current Cogent system.</p> <p><b>Approx. Board Date: TBD</b>  <b>Funding Source:</b>  <b>Existing Agreement:</b></p>	TBD	Public Safety		
LASD	Contract to Purchase Hewlett Packard (HP) Superdome 2, Data Migration Services and Maintenance Support	<p>Contract with HP via competitive bid process for acquisition of Superdome 2 Hardware, professional services and approve use of LACAL financing to fund the Superdome equipment costs and ongoing support maintenance.</p> <p><b>Approx. Board Date: TBD</b>  <b>Funding Source: LASD FY 2012-13 Operating Budget</b>  <b>Existing Agreement: N/A</b></p>	\$3.283M	Public Safety	5 years	

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
FIRE	Execute Work Order Under the County's IBM Master Services Agreement No. 75869 for Fire Facility Management System	Work Order for services and software licenses will implement Maximo Facilities Management System.  <b>Approx. Board Date: TBD</b> <b>Funding Source: Fire FY 2012-13 Operating Budget</b> <b>Existing Agreement: 75869</b>	\$407,450	Public Safety	TBD	



RICHARD SANCHEZ  
CHIEF INFORMATION OFFICER

## COUNTY OF LOS ANGELES

### CHIEF INFORMATION OFFICE

Los Angeles World Trade Center  
350 South Figueroa Street, Suite 188  
Los Angeles, CA 90071

Telephone: (213) 253-5600  
Facsimile: (213) 633-4733

October 18, 2012

To: Audit Committee

From: Richard Sanchez   
Chief Information Officer

### REVIEW OF BOARD POLICY 6.020 – CHIEF INFORMATION OFFICE BOARD LETTER APPROVAL

The Chief Information Office reviewed Board Policy 6.020 and recommends the following revisions:

1. Title – revised title to appropriately reflect the broadening of policy to include review of Information Technology (IT) solicitations, procurements, and contracts.
2. Purpose – made revisions to narrative to reflect broadening of policy to include review of IT solicitations, procurements, and contracts.
3. Policy Section – added policy language to reflect the broadening of policy to review of IT solicitations, procurements, and contracts for conformance with departmental Business Automation Plans and compliance with County policies, standards, or directives
4. Date Issued/Sunset Date – extended the sunset review date to December 31, 2016.

If you have any questions, please contact me or your staff may contact Greg Melendez at (213) 253-5600 or [gmelendez@cio.lacounty.gov](mailto:gmelendez@cio.lacounty.gov).

RS:pg

Attachments (1)

c: Executive Officer, Board of Supervisors



Los Angeles County  
**BOARD OF SUPERVISORS POLICY MANUAL**

Policy #:	Title:	Effective Date:
6.020	<b>Chief Information Office Board Letter Approval <u>Information Technology Contract and Procurement Review</u></b>	06/03/97

### PURPOSE

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To achieve maximum integration and efficiency in the implementation of information management systems. County departments have initiated or modified information management systems to increase efficiency within their operations and to improve or expand service delivery to the public. It is therefore, essential for the Chief Information Officer to review all requests from County departments for the purpose of ensuring continuity Countywide.

To establish a review process of Information Technology (IT) solicitations, procurements, and contracts to ensure compliance to County IT standards, consistency with County IT directions, and conformance to department IT Business Automation Plans.

### REFERENCE

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June 3, 1997 Board Order, [Synopsis 104](#)

June 5, 1997 Chief Administrative Memorandum, "[Review of Automation-Related Board Letter by Chief Information Officer](#)"

June 24, 1997 Chief Administrative Officer and Chief Information Officer Joint Signature Memorandum, "[Chief Information Officer Review of Automation/Communications-Related Acquisitions and Services](#)"

April 1, 1999 Chief Information Officer Memorandum "[Procedure for Chief Information Officer Review of Board Letters](#)"

May 13, 2003 [Board Order 35](#)

November 17, 2011 [Chief Information Officer update to the "CIO Analysis"](#)

### POLICY

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The Chief Information Officer, prior to placement on the Board Agenda, must review all

~~requests concerning the approval of actions related to the design, acquisition, expansion, or purchase of automated systems.~~

~~In addition, the June 24, 1997 memo expanded the existing policy to require department heads to also obtain Chief Information Officer review and approval on all purchases or consultant agreements for computer-based or telecommunications related software, equipment or services prior to finalizing such acquisitions or agreements.~~

Each department will submit to the Chief Information Officer for review all requests for lease, purchase, or other contractual acquisition of IT hardware, software, and services. The Chief Information Officer will review requests for conformance with the requesting department's IT Business Automation Plan (BAP) and compliance with County policies, standards, and directives. If the request is not in conformance or compliance, the Chief Information Officer may disapprove the request or require justification for the departure from BAP, County policy, standards, or directives.

This policy covers the following:

- IT requests prior to placement on the Board of Supervisors Agenda;
- IT purchases prior to actual purchase transaction; and
- Competitive IT bid solicitations prior to issuance.

#### RESPONSIBLE DEPARTMENT

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Chief Information Office

#### DATE ISSUED/SUNSET DATE

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**Issue Date: June 3, 1997**  
**Review Date: November 15, 2001**  
**Review Date: July 22, 2004**  
**Review Date: November 14, 2008**  
**Review Date: October 25, 2012**

**Sunset Review Date: June 3, 2001**  
**Sunset Review Date: September 17, 2003**  
**Sunset Review Date: December 31, 2008**  
**Sunset Review Date: December 31, 2012**  
**Sunset Review Date: December 31, 2016**



TOM TINDALL  
Director

County of Los Angeles  
**INTERNAL SERVICES DEPARTMENT**

1100 North Eastern Avenue  
Los Angeles, California 90063

Telephone: (323) 267-2101  
FAX: (323) 264-7135

*"To enrich lives through effective and caring service"*

March 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:

**APPROVAL TO AMEND EXISTING LANDSCAPE  
AND CUSTODIAL CONTRACTS AND ENTER INTO  
A MEMORANDUM OF UNDERSTANDING WITH LOCAL PUBLIC AGENCIES  
FOR LANDSCAPE AND/OR CUSTODIAL SERVICES  
(ALL DISTRICTS - 3 VOTES)**

**SUBJECT**

Authorize the Director of the Internal Services Department (ISD) to amend the Department's existing landscape and custodial contracts to provide for the expansion of service offerings to other public agencies within the County; and to execute a Memorandum of Understanding (MOU) with each local public agency that participates in such service offerings by the County.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Authorize and delegate authority to the Director of ISD or his designee to amend the Department's existing landscape and custodial contracts, identified on Attachment I, to provide for the expansion of the contract services offering to other public agencies within the County.
2. Approve and authorize the Director of ISD or his designee to execute an MOU substantially similar to Attachment II, to have ISD provide landscape and/or custodial services to other public agencies within the County.

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

ISD has been approached by several public agencies seeking a viable, more cost effective means of obtaining necessary services, including landscaping and custodial services. These agencies have shown an interest in the County providing these services in lieu of conducting their own comprehensive solicitation and contract administration functions.

The recommended actions would allow ISD's Director to amend the existing contracts to provide for expanding service offerings to, and enter into an MOU with, other public agencies to provide landscape and custodial services.

The proposed services would be provided under ISD's current agreements for landscape and custodial agreements, with the pricing established using the existing cost methodology.

The recommended actions support the County's initiative to collaborate with other municipalities to effectuate mutual savings, and would allow other public agencies to obtain landscape and/or custodial services from a reliable and affordable source.

## **Implementation of Strategic Plan Goals**

Approval of these proposed actions are consistent with the County's strategic goal for Operational Effectiveness. Through greater economies of scale, the recommended actions will provide efficiencies to both the County and other local jurisdictions.

## **FISCAL IMPACT/FINANCING**

There is no net County cost (NCC) resulting from this action.

Participating public agencies will be charged as contract services are incurred, with no required minimum expenditure level.

Sufficient appropriation is available in ISD's Fiscal Year 2012-2013 budget for anticipated costs associated with the recommended MOU. ISD will request sufficient appropriations in future fiscal years to fund any extensions.

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

Pursuant to Government Code, Section 23008, whenever it is economical and satisfactory to do so, a county may perform work, or furnish goods for any district or municipal corporation within the county, if before the work is done or the goods are ordered or furnished by the county, an amount equal to the cost, or an amount 10

The Honorable Board of Supervisors  
March 19, 2013  
Page 3

percent in excess of the estimated cost, is so reserved from the funds of the district or municipal corporation to be charged that it may be transferred to the county, when the work is completed or the goods are supplied.

The recommended Memorandum of Understanding (MOU) has been approved as to form by County Counsel and will be finalized and executed by the Director of ISD after approval by your Board. In each case, either the County or the participating public agency may terminate the MOU without cause with 30 days advance notice.

### **CONTRACTING PROCESS**

Participating public agencies will receive landscape and/or custodial services as currently provided to County departments by County and/or Contractor.

The contractors have agreed to provide the required services under the same terms and conditions to other public agencies. Because services will be provided to a non-County public agency, they are exempt from County Code Section 2.121 (Proposition A).

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

The recommended action will enable ISD to assist other public agencies with critical service needs in landscape and custodial service operations.

Respectfully submitted,

Tom Tindall  
Director

TT:JS

Attachment

c: Chief Executive Office  
County Counsel  
Auditor Controller