



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

WILLIAM T FUJIOKA
Chief Executive Officer

DATE: March 29, 2012
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 – Ellen Sandt
 - A) **Board Letter - RECOMMENDATION TO AWARD CONTRACT FOR THE PROVISION OF MAILING SERVICES**
TTC – Mark Saladino or designee
 - B) **Board Letter - REQUEST FOR APPROVAL TO ACQUIRE COMPUTER STORAGE EQUIPMENT**
ISD – Tom Tindall or designee
 - C) **Board Letter - ACCEPT GRANT FUNDS AND APPROVE BUDGET ADJUSTMENT FOR THE ACQUISITION AND INSTALLATION OF TELECOMMUNICATIONS EQUIPMENT**
ISD – Tom Tindall or designee
 - D) **Board Letter – APPROVE INTERGOVERNMENTAL CONTRACT AMENDMENT WITH THE CALIFORNIA ENERGY COMMISSION TO IMPLEMENT COUNTY FACILITY ENERGY REVOLVING FUND PROGRAM**
ISD – Tom Tindall or designee
2. Public Comment
3. Adjournment



**COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 437
LOS ANGELES, CALIFORNIA 90012



MARK J. SALADINO
TREASURER AND TAX COLLECTOR

April 17, 2012

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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:

**RECOMMENDATION TO AWARD CONTRACT FOR
MAILING SERVICES
(ALL DISTRICTS) (3-VOTES)**

SUBJECT

The Treasurer and Tax Collector (TTC) issued an Invitation for Bids (IFB) to solicit bids for Mailing Services. The TTC is recommending approval and award of a Contract to ABG Acquisition Corporation dba ABG Marketing and Business Communications (ABG).

IT IS RECOMMENDED THAT YOUR BOARD:

1. Award and instruct the Chairman to sign the attached Contract with ABG to provide Mailing Services to the TTC for an initial one (1) year term, commencing on June 1, 2012, or upon the date of Board approval, whichever is later, with an annual amount not to exceed \$275,000 per Contract year.
2. Delegate authority to the TTC to extend the Contract for a maximum of two (2) one-year and six (6) month-to-month extensions at the option of the TTC in accordance with the term of the Contract and to increase the annual Contract sum by not more than 10% annually to accommodate any unanticipated workload increases.
3. Delegate authority to the TTC to execute future amendments to modify the terms of the Statement of Work that do not materially alter the Contracts, and/or to add or modify certain terms and conditions in the Contracts, as required by the Board or Chief Executive Office (CEO), provided County Counsel approval is obtained prior

to the execution of such amendments and approve, if necessary, any assignment and delegation of services performed by ABG in order to ensure the continuation of Mailing Services necessary to meet the TTC's mandated operations.

4. Delegate authority to the TTC, if necessary, to execute a substantially similar Contract to the next lowest cost, most responsive and responsible bidder identified in this IFB process and terminate the incumbent for convenience to ensure that unanticipated circumstances, changes in Mailing Services workload requirements, or the incumbent's inability to provide the required services during the term of the Contract do not jeopardize the statutory obligation of the TTC, provided County Counsel's concurrence is obtained prior to execution.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended Contract will provide Mailing Services to the TTC to ensure that the approximate 2.3 million annual property tax bills are mailed by the statutory deadline and to supplement Mailing Services the TTC performs for other County departments on an as-needed basis. The TTC has utilized outside mailing firms since 1987 to handle several peak workload periods including the annual property tax bill assembly and metering, assembly of certified mailings for properties subject to the power to sell, as well as other routine mailings and on-demand Mailing Services. Mailing Services includes folding the bills in a manner specified by the TTC, inserting the bills, various inserts, and return envelopes into the mailing envelopes, and applying correct first-class postage.

The incumbent Mailing Services contract with Tribune Direct, a division of Los Angeles Times Communications, LLC (Tribune), expires on May 31, 2012.

Implementation of Strategic Plan Goals

Approval of the recommended Contract will assist the TTC in meeting the County's Strategic Plan Goal of Organizational Effectiveness. The recommended Contract provides for ongoing Mailing Services to support mandated operations of the TTC.

FISCAL IMPACT/FINANCING

The maximum Contract amount for the first year is \$275,000. Funding is available in the Adopted Budget for Fiscal Year (FY) 2011-12 and is included in the proposed Departmental budget for FY 2012-2013.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Contract contains all Board mandated provisions. The Contractor is in compliance with all Board, CEO, and County Counsel requirements. The Contractor will not be expected to perform Mailing Services that exceed the Contract sum, scope of work, or Contract term. The Contract expressly provides that the County has no obligation to pay for expenditures that exceed the maximum Contract sum. Additionally, the Contract contains performance standards, including liquidated damages for substandard services and/or non-performance.

The attached Contract has been reviewed and approved as to form by County Counsel.

The TTC has determined that the provisions of the Living Wage Program (County Code Chapter 2.201) do not apply to the Contract, since these services are provided on an as needed basis and not subject to Proposition A.

CONTRACTING PROCESS

The TTC released the IFB for Mailing Services on January 26, 2012. The IFB was released to 53 prospective bidders via U.S. Mail and 19 prospective bidders via email (Attachment I). A notice of the IFB was posted on the TTC Website and the Los Angeles County Bid Website (Attachment II) of registered vendors under the commodity code for Mailing Services, which automatically notified approximately 224 prospective bidders via email, thereby, maximizing the TTC's outreach to potential bidders. A Mandatory Bidders Conference was held on February 14, 2012, with 12 firms in attendance.

A pass/fail review of the minimum requirements was conducted with the three (3) Bids received. The Bids were from: ABG; Towne, Inc. dba Towne Allpoints Communications (Towne); and Tribune. In conjunction with County Counsel, the TTC issued Supplemental Data Requests to the three (3) firms requiring responses to be returned by March 2, 2012. All three (3) firms responded with their respective Supplemental Data by the deadline; however, Towne failed to provide a complete response to the Supplemental Data Request. Therefore, Towne's response was deemed incomplete and non-responsive, and they were formally notified that their bid would not be considered for further evaluation and was being disqualified.

Following receipt of the Supplemental Data from ABG and Tribune, both firms were qualified to move forward to the cost evaluation process.

The bid received from ABG was the lowest cost, most responsive and responsible bid. The bid clearly demonstrated that the firm has a good understanding of the scope of work to be performed and the complexity of the TTC's service requirements. The TTC

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Contracts Section contacted references and verified that ABG successfully provides similar Mailing Services to Riverside County, which has approximately 1 million annual property tax bills, is able to handle large volumes of mailings, and is customer service focused. ABG's primary facility is located in Mira Loma, California, and its alternate facility is located in Covina, California.

The TTC has obtained a letter of intent from ABG for Mailing Services affirming their negotiated terms and conditions; therefore, they are being recommended for this Mailing Services Contract.

Minority, Women, Disadvantaged or Disabled Veteran Business Enterprise Statistical Information is included in Attachment III. ABG is not a certified Small Business Enterprise/Community Based Enterprise.

The recommendation of ABG for Mailing Services is made without regard to race, creed, or color. There are no provisions for Cost of Living Adjustments in the attached Contract.

IMPACT ON CURRENT SERVICES

The award of the recommended Contract will ensure uninterrupted Mailing Services for the TTC.

CONCLUSION

Instruct the Executive Officer to return two (2) signed originals of the Contract and one (1) adopted Board letter to the TTC.

Respectfully submitted,

(Electronic Signature)

MARK J. SALADINO
Treasurer and Tax Collector

MJS:WMH:EVT:mp
Mailing Svcs Board Letter 3-20-12 Final evt mh mp

Attachments (4)

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors



TOM TINDALL
Director

County of Los Angeles
INTERNAL SERVICES DEPARTMENT

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"To enrich lives through effective and caring service"

April 17, 2012

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:

**ACCEPT GRANT FUNDS AND APPROVE BUDGET ADJUSTMENT FOR THE
ACQUISITION AND INSTALLATION OF TELECOMMUNICATIONS EQUIPMENT
INCLUDING CAPITAL ASSET EQUIPMENT IN EXCESS OF \$250,000
(ALL DISTRICTS) (4 VOTES)**

CIO RECOMMENDATION:

(X) APPROVE () APPROVE WITH MODIFICATION () DISAPPROVE

SUBJECT

Acceptance of Urban Areas Security Initiative (UASI) 2008 grants funding in the amount of \$3,781,000, and approve a budget adjustment recognizing the grant funding. Also, approve the acquisition of telecommunications equipment with a unit cost of greater than \$250,000, and approve the County Purchasing Agent to deliver the project.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Accept UASI 2008 grant funding in the amount of \$3,781,000, currently administered and managed by the City of Los Angeles, to be used for the addition of a Voice Interoperability Data Access interoperable communications gateway to the existing Countywide Interoperable Radio System (CWIRS).
2. Approve the attached Fiscal Year 2011-12 Budget Adjustment (Attachment A), recognizing new grant revenue in the amount of \$3,781,000 and increasing the Department's Capital Asset appropriation in the amount of \$3,781,000.
3. Authorize the Director of the Internal Services Department (ISD), as the County's Purchasing Agent, to proceed with the acquisition and installation of telecommunications equipment, including capital asset equipment items with a unit cost greater than \$250,000.

4. Authorize the Director of ISD or designee to sign any and all documents required under the UASI 2008 for the administration and management of this grant.
5. Find that this action is exempt from the California Environmental Quality Act (CEQA).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will enable the County to add a Voice Interoperability Data Access (VIDA) interoperable communications gateway (“switch”) to its existing CWIRS system.

CWIRS was implemented in 1993 as a state-of-the-art Enhanced Digital Access Communications System 800 MHz Trunked/Simulcast radio system. The system is operating on 47 frequencies distributed over 16 hilltop radio sites throughout the County. With ongoing enhancements and optimization, it has served the County effectively and dependably for almost two decades, and today provides service to over 8,000 users in 30 different County departments and multiple non-County agencies, including the California Department of Corrections and Rehabilitation.

The addition of a VIDA switch provides a fast, cost-effective means to achieve multi-agency audio and data interoperability regardless of radio type, frequency, or mode, utilizing Inter Radio Frequency Subsystem Interface (ISSI) links. This system improvement will benefit the more than 8,000 CWIRS users and public safety and public service agencies throughout the region by creating the following interoperability solutions:

- Currently, the County’s CWIRS system requires complicated methods or hardware solutions to provide rudimentary interoperability. Adding a VIDA switch will provide the County’s secondary responders and public safety first responders with state of the art interoperable solutions through ISSI links and interoperable gateways.
- The VIDA switch provides the foundation necessary to create countywide interoperability solutions between the County’s 8,000 CWIRS subscribers and the 6,000 secondary responders on the City’s Simulcast Trunked Radio System (STRS), with existing public safety (first responder) radio systems in the region, including the Los Angeles County Fire and Sheriff’s Departments, as well as the future planned Los Angeles Regional Interoperable Radio System (LA-RICS).

- The STRS-CWIRS connection is being contemplated to serve as the secondary responder network for the LA-RICS program, as it will increase capacity and coverage, and reduce the overall cost of LA-RICS.

Implementation of Strategic Plan Goals

The recommended actions support County Strategic Plan Goal Number 1 (Operational Effectiveness) to improve the effectiveness of the County's processes, structure, and operations by providing radio services countywide.

FISCAL IMPACT/FINANCING

With the approval of the recommended Budget Adjustment, the equipment and installation costs related to this action will be funded through ISD's Fiscal Year 2011-12 operating budget, and will be fully reimbursed under the grant. The VIDA equipment and installation cost estimates are shown in the following table:

VIDA Enhancement Cost Estimates¹	
Item Description	FY 2011/12 Costs
VIDA Switch and related equipment	\$2,826,000.00
Installation Materials	<u>\$29,000.00</u>
Equip. Subtotal	\$2,855,000.00
Tax (8.75%)	\$250,000.00
Installation Services	<u>\$676,000.00</u>
Project Total	\$3,781,000.00

Future ongoing maintenance costs for the proposed equipment will not significantly impact CWIRS operating costs. CWIRS costs are accounted for as reimbursable funding from client departments.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On October 16, 2001, your Board adopted a policy whereby departments must obtain Board approval to purchase equipment with a unit cost of \$250,000 or greater prior to submitting their requisitions for purchasing.

¹ Pricing provided by Los Angeles City contract vendor.

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Concurrently, approval of recommendation #3 will authorize the Purchasing Agent to acquire the installation services necessary to deliver the project.

CONTRACTING PROCESS

The acquisition of equipment falls under the statutory authority of the County's Purchasing Agent and will be accomplished in accordance with the County's purchasing policies and procedures. As a sub-recipient of the UASI grant administered by the City, the County will be accessing the City's contract to procure the equipment and installation services that are required to deliver the project.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The UASI 2008 grant requirements state that the agency must use "outside" labor to implement the project. However, existing ISD resources will be utilized to oversee the CWIRS VIDA Enhancement project. As noted previously, future ongoing maintenance of the proposed equipment will not significantly impact the current CWIRS operating cost pool.

CONCLUSION

Upon Board approval, the Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board letter to ISD as well as two original signed contracts.

Respectfully submitted,

Reviewed by:

TOM TINDALL
Director

RICHARD SANCHEZ
Chief Information Officer

TT:JS:

Attachments

c: Chief Executive Officer
County Counsel



TOM TINDALL
Director

County of Los Angeles
INTERNAL SERVICES DEPARTMENT

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"To enrich lives through effective and caring service"

April 17, 2012

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:

**APPROVE INTERGOVERNMENTAL CONTRACT AMENDMENT WITH
THE CALIFORNIA ENERGY COMMISSION TO IMPLEMENT
COUNTY FACILITY ENERGY REVOLVING FUND PROGRAM
(3 VOTES) (ALL DISTRICTS)**

SUBJECT

Request approval to accept up to \$5 million in additional funding from the California Energy Commission (CEC) for the Internal Services Department to implement an Energy Investment Program at various County facilities.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Director of Internal Services Department (ISD) or his designee to execute an amendment to the Intergovernmental Contract (Contract) with the CEC to provide up to \$5.0 million in additional Energy Efficiency and Conservation Block Grant (EECBG) funds to administer and implement an Energy Investment Program for County facility energy projects.
2. Find that approval of these actions is categorically exempt pursuant to the provisions of the California Environmental Quality Act (CEQA).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

In September 2009, your Board approved the creation of the County Office of Sustainability within ISD to respond to legislation, regulation, and policy related to climate change, and to coordinate energy efficiency, conservation, and sustainability programs within the County and the region. Subsequently, your Board directed ISD to represent the County in applying for American Recovery and Reinvestment Act (ARRA) grants administered through the Department of Energy (DOE) and State energy agencies. As a result, ISD has received and is currently administering the following grants:

- \$15.4 million from the formula-allocated Energy Efficiency and Conservation Block Grant (EECBG) program;
- \$12.2 million from the California Energy Commission (CEC) Energy Efficiency and Conservation Block Grant program. Under the existing agreement, the CEC may also allocate an additional \$5 million for the County to manage on behalf of other jurisdictions in the State.
- \$14 million from the \$30 million Competitive Energy Efficiency and Conservation Block Grant, termed Better Buildings Program (BBP), awarded to the County and three other California regional entities.

The proposed amendment to the current CEC Contract would provide up to \$5.0 million in additional funding to the County to implement an Energy Investment Program (EIP) designed by ISD, which will provide a long-term funding source for energy efficiency projects in County facilities. The fund will work as follows:

- The EIP is provided with an initial budget to fund energy projects in County buildings.
- The projects are implemented and the utility savings realized from the projects are measured and verified. The savings are then used to “pay back” the EIP until the cost of each project is fully recovered.
- Once project costs are recovered, the Department proprietor for the building receives the full benefit of the utility savings going forward, and an improved building environment.

- The EIP is continuously replenished and can be tapped to fund other County building energy projects. Each project will similarly use utility savings to “pay back” the fund.

In 1994, under the Board’s direction, ISD created the Energy Management Division (EMD) to administer and implement energy projects in County facilities. Since then EMD has overseen the completion of nearly 400 projects resulting in cumulative utility savings estimated at approximately \$150 million to date, and a current average utility savings of nearly \$20 million annually.

ISD has used a combination of investor-owned and municipal utility funding, municipal lease financing, general fund budget allocations, and litigation proceeds to fund these projects. However, finding a continuous, stable source of funding for energy projects has prevented the development of strategy for implementing comprehensive measures in County facilities over a set planning horizon.

Utilizing these CEC grant funds will save limited County general fund dollars, and will ensure increased, long-term utility savings in County buildings. It is estimated that the \$5 million grant from the CEC will result in over \$18 million in utility savings over a ten year period.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

These actions support Goal 1, Operational Effectiveness, by obtaining external funding to promote environmentally responsible practices.

FISCAL IMPACT/FINANCING

Due to lower-than-expected utilities expenditures, ISD’s Fiscal Year (FY) 2011-12 Utilities Budget has sufficient available appropriation for anticipated EIP expenditures during the remainder of the fiscal year. For grant-funded EIP expenditures that continue in FY 2012-13, ISD will include sufficient appropriation in its FY 2012-13 Final Changes budget request.

This action will not impact net County cost. Requests for activities beyond FY 2012-13 will be submitted with ISD’s annual Utilities budget request.

ISD will administer the EIP utilizing the CEC grant funds as the initial funding source. Departments that receive the benefits from the projects in the form of lower utility costs will repay the Utilities Budget for the project costs over a fixed period of years. The

annual payments will approximate the utility cost savings from the EIP. For most projects, it is expected that the cumulative utility savings will fully offset the project costs within two to four years.

Departments will benefit from the lower utility costs when the project repayment is completed. The Utilities Budget will reinvest the project repayments into more projects to continually implement efficiencies in countywide utility operations.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On April 22, 2010, ISD was notified by the CEC of its intention to award an intergovernmental contract through the Department of General Services in the amount of \$8 million to the County to expand the Energy Upgrade California - Los Angeles (EUCLA) program's marketing, education, outreach and workforce development activities to other cities in the County. The intergovernmental contract was awarded under a sole source statutory exemption using non-State Energy Program EECBG funds. On June 10, 2010, your Board delegated authority to the Director of ISD to execute all required documents and to subsequently approve any required time extensions, modifications, or amendments to the contract with the CEC.

In July 2011, CEC amended that contract to provide an additional \$1.2 million to support the EUCLA program by developing more comprehensive marketing efforts into cities throughout the County through collaboration with the Councils of Governments and directly with local governments. This funding was approved in the FY 2011-12 Utilities Final Adopted budget.

On March 6, 2012, your Board approved an additional \$8 million CEC amendment, which provided \$3 million in funding for various financing programs in support of EUCLA, including Loan Loss Reserve programs for private residential and multifamily financing programs, debt service reserves for non-residential PACE liens, and a similar revolving loan fund for training and certification costs undertaken by qualified EUCLA contractors. For the remainder of the funding provided by this amendment, the CEC may provide up to \$5 million for the County to manage on behalf of other jurisdictions.

This latest amendment will provide up to \$5 million in additional funding for the County building energy revolving fund program. The amendment ensures that the CEC can enforce the DOE requirements for these financing programs beyond the current term of the Contract, and adds contingency language ensure all Contract funds are spent effectively and within the interests of the DOE ARRA program even after the term of the ARRA grants. The Contract will be effective upon execution through June 2017.

The CEC has scheduled approval of this amendment at its meeting of April 11, 2012, and will provide the County with a resolution acknowledging approval of the amendment thereafter. Attachment I provides the Contract Amendment Proposal to be placed on the CEC's April 11, 2012, Commission meeting agenda, indicating their intent to amend the agreement with the County.

The terms and conditions of the Contract amendment will become part of the current CEC Contract and have been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The project meets the criteria set forth in Section 15308 of the State CEQA Guidelines and Class 8 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, in that it is an action taken by a regulatory agency, as authorized by State law, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment.

The project is within a class of projects that has been determined not to have a significant effect on the environment. In addition, there are no cumulative impacts, unusual circumstances, or other limiting factors that would make the exemption inapplicable based on the project records. Upon approval by your Board, ISD will file a Notice of Exemption with the County Clerk in accordance with Section 15062 of the State CEQA Guidelines.

CONTRACTING PROCESS

This intergovernmental contract amendment will be negotiated by ISD and CEC to define the scope of work and deliverables for the administration and implement the County building EIP.

IMPACT ON CURRENT SERVICES OR PROJECTS

Approval of these actions will facilitate additional, widespread implementation of energy projects in County buildings; produce utility savings in County facilities which can then be used to fund future projects, and provide a secure and predictable source of energy project funding to support development of a long-term energy strategic plan for County infrastructure.

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April 17, 2012
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CONCLUSION

The Executive Office of the Board of Supervisors is requested to return one stamped copy of the approved Board letter to the Director of ISD.

Respectfully submitted,

Tom Tindall
Director

TT: HC: AR
Attachments

c: Chief Executive Officer (Fujioka, Sandt)
Executive Officer, Board of Supervisors
County Counsel