



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

WILLIAM T FUJIOKA
Chief Executive Officer

DATE: June 12, 2014
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 – Gevork Simdjian
 - A) **Board Letter – JOB ORDER CONTRACTS FOR MAINTENANCE, REPAIR, AND REFURBISHMENT OF COUNTY INFRASTRUCTURE AND FACILITIES ADOPT AND ADVERTISE VARIOUS SPECIFICATIONS, AWARD CONTRACTS**
ISD – Jim Jones or designee
 - B) **Board Letter – CONTRACT BETWEEN THE COUNTY OF LOS ANGELES AND PCG TECHNOLOGY CONSULTING FOR CONSULTING SERVICES**
PD/CIO – Ronald L. Brown and Richard Sanchez or designee
 - C) **Board Letter – DHS – APPROVE PROJECT BUDGET INCREASE AND APPROPRIATION ADJUSTMENT AND AUTHORIZE AWARD OF CONTRACT FOR THE RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER AQMD RULE 1146 COMPLIANCE PROJECT**
CEO Capital Projects – Jan Takata or designee
 - D) **Risk Management Presentation**
CoCo – John Krattli or designee
2. Public Comment

CONTINUED ON PAGE 2

NOTICE OF CLOSED SESSION

CS-1 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

(Paragraph (1) of Subdivision (d) of Government Code Section 54956.9)

County of Los Angeles v. Merrimac Petroleum, Inc.

LASC Case No. BC506816

This litigation seeks to recover approximately \$1.2 million in overpayments to Merrimac by the County for fuel purchases.

CS-2 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

(Paragraph (1) Subdivision (d) of Government Code Section 54956.9)

SR&B Boilers, Inc., v. County of Los Angeles

LASC Case No. BC490221

This litigation involves a breach of contract lawsuit against the County related to the Department of Health Services' capital project to retrofit boilers at three County facilities.

3. Adjournment



JIM JONES
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"

June 17, 2014

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:

**JOB ORDER CONTRACTS
FOR MAINTENANCE, REPAIR, AND REFURBISHMENT
OF COUNTY INFRASTRUCTURE AND FACILITIES
ADOPT AND ADVERTISE VARIOUS SPECIFICATIONS, AWARD CONTRACTS**

(ALL DISTRICTS) (3 VOTES)

SUBJECT

This action is to adopt the Job Order Contract (JOC) Unit Price Book and Specifications; approve for advertisement bids to be received; award agreements to the Lowest Responsive and Responsible Bidders for 10 separate JOC agreements.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the adoption of the JOC Unit Price Book and Specifications, advertisement for bids and award of JOCs are exempt from the California Environmental Quality Act, for the reasons stated in this letter and in the record of the action.
2. Adopt the May 2014 JOC Unit Price Book and Specifications.
3. Instruct the Executive Officer of the Board to advertise for bids to be received for ten separate JOCs in accordance with the Instruction Sheet for Publishing Legal Advertisements (Attachment I).

4. Authorize the Director of Internal Services Department (ISD) or his designee to award and execute six general and four specialty (two electrical and two mechanical) JOC agreements in the form previously approved by County Counsel. The agreements are for a one-year term following receipt of approved Faithful Performance and Payment for Labor and Materials Bonds, and effective on contract execution. JOC117, JOC118, JOC119, JOC120, JOC121, JOC122, EJOC35, EJOC36, MJOC32, and MJOC33 are each for a maximum amount of \$4.5 million. The aggregate maximum amount for the ten agreements is \$45 million.
5. Authorize the Director of ISD or his designee, to issue work orders for the maintenance, repair, remodeling and refurbishment of County facilities.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will find that adoption of the JOC Unit Price Book and Specifications, advertisement for bids and award of JOCs are exempt from the California Environmental Quality Act (CEQA) and augment ISD's ability to effectively and efficiently maintain and repair (including emergency repairs) County infrastructure and facilities.

JOCs are a flexible, cost-effective unit price contracting method to accomplish maintenance, repair, and refurbishment of County infrastructure and facilities without extensive plans and specifications. JOCs are annual contracts that may be awarded for repair, remodeling, refurbishment, or other repetitive work, but not for new construction. This process reduces administrative requirements and lowers direct construction costs while meeting all federal, State, and County procurement requirements.

Implementation of Strategic Plan Goals

This action meets the County's Strategic Plan Goal No. 1 for Operational Effectiveness by providing timely facilities services, effectively managing County resources and investing in public infrastructure.

FISCAL IMPACT/FINANCING

Maintenance, repair, and refurbishment work will be funded through the appropriate maintenance, capital, refurbishment, or infrastructure project budgets. ISD's Fiscal Year (FY) 2014-15 Recommended Budget includes \$44 million for these JOC agreement expenditures. ISD will request an increase in the Supplemental phase of the FY 2014-15 budget to reflect the new maximum amount. ISD will only incur JOC expenditures to the extent that they are offset through County department and Contract Cities billings and within available appropriation. For capital projects, no work will be assigned to these JOCs without authorization from the Chief Executive Office. There are no minimum obligations on these contracts.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Board approval of the recommended actions is required by Public Contract Code Sections 20124 and 20125.

Public Contract Code Section 20128.5 allows individual JOC to have a one-year term and a maximum value of \$4.5 million per JOC. A 1997 amendment to the Public Contract Code allows annualized increases in the maximum contract value, based on the California Consumer Price Index.

The terms and conditions of the recommended contracts will be approved as to form by County Counsel prior to execution and will contain the Board's required contract provisions including those pertaining to consideration of qualified County employees targeted for layoffs as well as qualified GAIN/GROW participants for employment openings, compliance with the Jury Service Ordinance, Safely Surrendered Baby Law, the Child Support program, Defaulted Tax Program Ordinance, Local Worker Program, and Disabled Veteran Business Enterprise Preference Program. The JOC Agreements are not Proposition "A" contracts and therefore are not subject to the County's Living Wage Program.

Data regarding the proposers' minority participation will be on file with ISD. The contractors will be selected upon final analysis and consideration without regard to race, creed, gender, or color.

The General Conditions and May 2014 Unit Price Book and Specifications include the contractual provisions, methods, and material requirements necessary for this project and are on file with ISD.

ENVIRONMENTAL DOCUMENTATION

The recommended actions, to adopt the Job Order Contract Unit Price Book and Specifications, advertise for bids and award of JOCs, are categorically exempt from CEQA. JOC projects include repair, maintenance and refurbishment of existing structures and facilities as requested by County departments, which are generally categorically exempt under Section 15301, Class 1, of the State CEQA Guidelines. The proposed work involves either negligible or no expansion of existing use, and any replacement structures will have substantially the same purpose and capacity as structures replaced. ISD will file all required Notices of Exemption for each categorically exempt project as required by CEQA. For any work that is not determined to be exempt from CEQA following further assessment, ISD will return to the Board to recommend approval of the appropriate environmental documentation pursuant to CEQA prior to implementation of applicable work orders under the JOCs.

CONTRACTING PROCESS

The Executive Officer of the Board will advertise the JOC invitation for bids in various publications throughout the County of Los Angeles. Additionally, ISD will advertise the invitation for bids on the Green Sheet publication and post the bids on the County's "Doing Business with Us" web site.

The recommended JOCs will be solicited on an open-competitive basis and in accordance with applicable federal, State, and County requirements. The County will award contracts to the lowest responsive and responsible bidder pursuant to the State Public Contract Code.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The use of these contracts will expedite the completion of maintenance, repair, and refurbishment of County infrastructure and facilities work managed by ISD. Minor impacts to tenant departments may occur while maintenance, repair, and refurbishment of County infrastructure and facilities work is underway.

There is no employee impact. JOCs are intended to augment, but not replace the County workforce, and to ensure our ability to respond to emergent requirements.

CONCLUSION

Upon Board approval, please return one adopted stamped copy of this letter to ISD.

Respectfully submitted,

Jim Jones
Director

Attachments

c: Chief Executive Officer
County Counsel

ATTACHMENT I

INTERNAL SERVICES DEPARTMENT: JOB ORDER CONTRACTS FOR MAINTENANCE, REPAIR, AND REFURBISHMENT OF COUNTY INFRASTRUCTURE AND FACILITIES ADOPT AND ADVERTISE VARIOUS SPECIFICATIONS, AWARD CONTRACTS (ALL DISTRICTS) (3 VOTES)

PUBLISHING LEGAL ADVERTISEMENTS: In accordance with the State of California Public Contract Code Section 20125, you may publish once a week for two weeks in a weekly newspaper, or ten times in a daily newspaper. However, the first publication must appear at least 10 days prior to the bid opening date. Forward three reprints of this advertisement to Alterations & Improvements Division, Internal Services Department, 1100 Eastern Avenue, Los Angeles, California 90063.

OFFICIAL NOTICE INVITING BIDS

Notice is hereby given that Internal Services Department (ISD) will receive sealed bids for furnishings, materials, labor, and equipment required to complete construction for the following work:

| <u>SPECS.</u> | <u>PROJECT</u> | <u>BID DOC. FEE</u> | <u>BID DEADLINES</u> | |
|---------------|----------------|---------------------|----------------------|-------------|
| | | | <u>DATE</u> | <u>TIME</u> |
| JOC Specs. | JOC 117 | \$50.00 each | 07/14/2014 | 9:00 a.m. |
| JOC Specs. | JOC 118 | \$50.00 each | 07/14/2014 | 9:00 a.m. |
| JOC Specs. | JOC 119 | \$50.00 each | 07/14/2014 | 9:00 a.m. |
| JOC Specs. | JOC 120 | \$50.00 each | 07/14/2014 | 9:00 a.m. |
| JOC Specs. | JOC 121 | \$50.00 each | 07/14/2014 | 9:00 a.m. |
| JOC Specs. | JOC 122 | \$50.00 each | 07/14/2014 | 9:00 a.m. |
| JOC Specs. | EJOC 35 | \$50.00 each | 07/14/2014 | 9:00 a.m. |
| JOC Specs. | EJOC 36 | \$50.00 each | 07/14/2014 | 9:00 a.m. |
| JOC Specs. | MJOC 32 | \$50.00 each | 07/14/2014 | 9:00 a.m. |
| JOC Specs. | MJOC 33 | \$50.00 each | 07/14/2014 | 9:00 a.m. |

Copies of the project manual and technical specifications may be obtained at the **mandatory** Pre-bid Conference or Internal Services Department Bid Office located at 1100 N. Eastern Avenue, Los Angeles, California, 90063 for the fee stated above. For bid information, please call (323) 267-3129 or (323) 267-2243. Each bid shall be submitted on the required form sealed and filed at the Bid Office located at the first floor of 1100 N. Eastern Avenue, Los Angeles, CA 90063 no later than 9:00 a.m. on the date indicated above. Bids will be publicly opened, examined, and declared by ISD JOC Contract Administration approximately 30 minutes following the deadlines for

submission of bids stated above in Conference Room G101, 1100 N. Eastern Avenue, Los Angeles, CA 90063.

Bidders must comply with the provisions of the Bidding Requirements and General Conditions concerning bid guarantee, contract bonds, and insurance requirements. These projects require the prime contractor to possess a "B" license at time of bid for General Contract JOCs (JOC117, JOC118, JOC119, JOC120, JOC121, JOC122). Contractors bidding Electrical JOCs (EJOC35, EJOC36) are required to possess a "C-10" license at time of bid. Contractors bidding the Mechanical JOCs (MJOC32, MJOC33) are required to possess a "C-20" and "C-36" license at time of bid. Contractor should verify to his/her satisfaction that he/she holds the correct license for this type of project.

PREBID CONFERENCE

ISD will hold a single **mandatory** pre-bid conference for all of the listed Job Order Contract (JOC) contracts/projects at 9:00 a.m. on July 1, 2014, Conference Room G101 at 1100 N. Eastern Avenue, Los Angeles, CA 90063 to provide information on the JOC, bidding process, and answer any questions that potential bidders may have. A bid submitted by a company that did not have a representative of the company sign in as being present at the mandatory pre-bid conference will be rejected as non-responsive. It is strongly recommended that the representative who attends the mandatory pre-bid conference for the company be a principal of the company or a person authorized to make decisions for the company. For further directions, please contact Ms. Sue Chang at (323) 267-3129 or Ms. Jane Lee at (323) 267-2243.

OTHER INSTRUCTIONS

The County supports and encourages equal opportunity contracting. The contractor shall make good faith efforts, as defined in Section 2000 of the Public Contract Code, relating to contracting with Community Business Enterprises.

The Board of Supervisors reserves the right to reject any or all bids or to waive technical errors and discrepancies in bids submitted in the public's interest.

Si necesita información en español, por favor llame al telefono (323) 267-2864.



Upon 72 hours notice, ISD can provide program information and publication in alternate formats or make other accommodations for people with disabilities. In addition, program documents are available at our office in Los Angeles (1100 N. Eastern Avenue, Los Angeles), which is accessible to individuals with disabilities. To request accommodations ONLY, or for more ADA information, please contact our departmental ADA Coordinator at (323) 267-2432, Monday through Thursday, from 7:00 a.m. to 5:30 p.m.



Con 72 horas de notificación, ISD puede proporcionar información y publicaciones sobre el programa y formas alternas o hacer otras comodidades para gente incapacitada. Además, documentación sobre el programa está disponible en nuestra oficina principal en Los Angeles (1100 N. Eastern Avenue, Los Angeles) lo cual es accesible para individuos con incapacidades. Para solicitar comodidades SOLAMENTE, o para mas información del ADA, pongase en contacto con nuestro Coordinador del ADA del departamento al (323) 267-2432, de Lunes a Jueves de 7:00 a.m. a 5:30 p.m.

By order of the Board of Supervisors of the County of Los Angeles, State of California, dated June 17, 2014.

SACHI A. HAMAI, EXECUTIVE OFFICES
OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF LOS ANGELES

July 1, 2014

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:

**CONTRACT BETWEEN THE COUNTY OF LOS ANGELES AND PCG
TECHNOLOGY CONSULTING FOR CONSULTING SERVICES
(ALL DISTRICTS) (3-VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ()
DISAPPROVE ()**

SUBJECT

Approval of a Contract between the County of Los Angeles on behalf of the Public Defender and PCG Technology Consulting for Consulting Services.

IT IS RECOMMENDED THAT YOUR BOARD

1. Approve and authorize the Public Defender to finalize and execute a contract with PCG Technology Consulting for consulting services substantially similar to the attached contract, consisting of four phases over a three year period with up to one additional one-year option by the County.
2. Approve and authorize the amount of \$252,785 for Phase I consulting services estimated to be completed in six months. Payment for subsequent phases will be dependent on the results of Phase I and negotiated by the parties at the contract rates and will require future Board approval.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended contract is to provide the Los Angeles County Public Defender with Case Management System consulting services to assist the Department in defining its functional and technical requirements, analyzing alternative approaches, recommending the Case Management System approach that best meets the Department's requirements, and assisting with the acquisition, development and implementation of the agreed-upon Case Management System solution.

The scope of work in providing Public Defender Case Management System consulting services includes but is not limited to:

Phase I – This work involves Analysis and Recommendations. PCG Technology Consulting will confirm and document Case Management System functional and technical requirements; identify and analyze alternative options for meeting the Department’s Case Management System requirements (potential alternatives include, collaborating with either County or State justice partners to modify a current system, or acquiring and modifying a Commercial Off the Shelf [COTS] Case Management System) and recommend the alternative that best meets the Department’s requirements.

Phase II work involves Bidding and Acquisition. The Phase II scope of work will depend on the results of Phase I. Depending on the recommendations and decisions resulting from Phase I, Phase II will include assistance to either (a) develop a comprehensive Request for Proposals (RFP) for a COTS Case Management System and provide selection and contract negotiations assistance or (b) define the tasks required to modify and implement a County or State justice partners system and to acquire the technical resources to perform the modification and implementation.

Upon completion of Phases I and II, the Department will elect whether to extend Consultant contract services to Phases III and IV. If elected by the Department, Phase III work will consist of Case Management System development and Phase IV work will consist of office-wide Case Management System implementation.

Any work beyond Phase I will require future negotiations by the parties and Board approval.

The overall objective of the Case Management System is to improve Department operational efficiency and effectiveness by improving the ability to measure workload, allocate staff resources and provide staff caseload management tools to best achieve the Department’s mission.

Implementation of Strategic Plan Goals

The proposed Consulting Contract between the County of Los Angeles and PCG Technology Consulting supports Strategic Plan Goals No. 1, Operational Effectiveness, Goal No. 2, Fiscal Responsibility, and Goal No. 3, Integrated Service Delivery, by providing expert advice to the Public Defender for the purpose of developing a Public Defender Case Management System that will result in responsive, efficient and high quality indigent legal criminal defense services. The Public Defender’s Case Management System will also facilitate data exchanges between the Public Defender and all of the justice partners.

FISCAL IMPACT/FINANCING

The County obligation for Phase I under the proposed Contract is \$252,785. Funding for Phase I of this contract will be provided by the Public Defender. Funding for future phases will be

identified and sought through the Chief Executive Office and any other appropriate County funding sources.

No new net County funds are being requested for this Contract. There are no other fiscal impacts.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This is not a Proposition A Contract, since approval of this Contract will not displace County employees, and the Services offered under this Contract currently cannot be performed by the individual County Department due to the need for specialized skills.

The Contract contains all the latest Board required and policy driven provisions, such as Consideration of GAIN/GROW Program Participants for Employment, Compliance with Jury Service Program, Safely Surrendered Baby Law, Assignment and Delegation and Budget Reductions. Further, the Public Defender will not require PCG Technology Consulting to perform services in excess of the Board approved contract sum, scope of work and/or contract dates. PCG Technology Consulting has accepted all the terms and conditions included in the proposed contract.

The Chief Information Office (CIO) recommends approval of this Contract (CIO Analysis attached). County Counsel has reviewed and approved this Contract as to form.

CONTRACTING PROCESS

On August 2, 2013, the County released an RFP for Public Defender Case Management System consulting services. Notice of the RFP was posted on the County's website at <http://www.lacounty.gov>.

Six proposals were received by the closing date of October 2, 2013. The proposals were evaluated and PCG Technology Consulting received the highest score and was selected for the following reasons: (1) PCG Technology Consulting presented the most detailed and comprehensive solution for Phases I and II as well as Optional Services in Phases III and IV; (2) the consulting team proposed by PCG Technology Consulting was the most experienced in case management systems for criminal defense and justice community partner collaborations; and (3) the hourly rate for PCG Technology Consulting was the second lowest rate of all vendor proposals. The combination of these factors represents the best value and greatest opportunity for project success. The Public Defender interviewed PCG Technology Consulting staff on December 16, 2013.

There were three instances where proposers requested debriefings regarding their proposals and those debriefings were conducted. One proposer submitted a notice of intent to seek contractor selection review. The relevant information was provided to the proposer and it took no further action within the specified deadline. PCG Technology Consulting submitted a comprehensive

and flexible consulting services plan. None of the other vendors, including those who requested debriefings, had as much subject matter expertise and project management skills sought by the RFP and proposed by PCG Technology Consulting.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The successful completion of this contract will provide the basis for the development and implementation of a Public Defender Case Management System.

CONCLUSION

Upon your Board's approval, it is requested that the Executive Officer, Clerk of the Board of Supervisors, return two (2) adopted stamped copies of the Board letter to: Los Angeles County Public Defender, Attention Kelly Emling, Chief Deputy, 210 West Temple Street, 19th Floor, Los Angeles, California 90012.

Respectfully submitted,

Ronald L. Brown
Public Defender

RLB: jr

Attachments

c: Chief Executive Officer
Auditor-Controller
Chief Information Officer
County Counsel
Executive Officer, Board of Supervisors



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

July 1, 2014

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 HEALTH SERVICES:
APPROVE PROJECT BUDGET INCREASE AND APPROPRIATION ADJUSTMENT
AND AUTHORIZE AWARD OF CONTRACT FOR THE RANCHO LOS AMIGOS
NATIONAL REHABILITATION CENTER AQMD RULE 1146 COMPLIANCE
PROJECT
(C.P. NO. 87076)
(FOURTH DISTRICT) (3 VOTES)**

SUBJECT

Approve an increase to the Project budget at \$1.0 million for Rancho AQMD 1146 Compliance Project from \$1.2 million to \$2.2 million, approve an appropriation adjustment in the amount of \$1.0 million and authorize the Internal Services Department to award a contract to retrofit the existing boilers at the Rancho Los Amigos National Rehabilitation Center in compliance with the South Coast Air Quality Management District Rule 1146 requirements.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve a budget increase at \$1,000,000 for Rancho AQMD 1146 Compliance Project, CP 87076 from \$1,200,000 to \$2,200,000.
2. Approve an Appropriation Adjustment to reallocate \$1,000,000 from Health Services Various Improvement Project, Capital Project No. 86937, to the Rancho AQMD Rule 1146.Compliance Project, Capital Project Number 87076.

"To Enrich Lives Through Effective And Caring Service"

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Intra-County Correspondence Sent Electronically Only**

3. Authorize the Internal Services Department, as the County's Purchasing Agent, to proceed with the acquisition and installation of equipment at a cost not to exceed \$1,400,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Approval of the recommended actions will approve an increase to the project budget from \$1.2 million to \$2.2 million, approve an appropriation adjustment and authorized Internal Services Department (ISD) to proceed with the acquisition process to retrofit three existing boilers at the Rancho Los Amigos National Rehabilitation Center (Rancho) in compliance with the South Coast Air Quality Management District (SCAQMD) Rule 1146 requirements.

Background

On March 29, 2011, your Board authorized ISD to proceed with the acquisition process to retrofit the boilers at Harbor/UCLA Medical Center (H-UCLA) and Rancho, to replace the boilers at the LAC+USC Medical Center (LAC+USC), and to retrofit the duct burner systems at Olive View-UCLA Medical Center (OVMC), to comply with Air Quality Management District, Rule 1146 (AQMD Rule 1146) emission requirements.

The County was successful at meeting the AQMD improvements and AQMD deadlines at H-UCLA, LAC+USC, and OVMC with the exception of the retrofit of the boiler systems at Rancho.

The selected contractor for Rancho, and subsequently, the selected contractor's surety company, has been unsuccessful at meeting the contractual specifications and AQMD requirements for the Rancho project which has necessitated the need to engage another vendor to complete this work.

The cost to retrofit the boilers and meet AQMD compliance for Rancho is estimated at a not to exceed \$1.4 million based upon bids received by ISD. The current Project budget has a remaining balance at \$400,000, requiring a supplement at \$1.0 million which will increase the current Project budget from \$1.2 million to \$2.2 million.

On May 27, 2014, a confidential Board memo was distributed to the Board, as prepared by County Counsel, which outlined further details in regard to the issues encountered by the selected contractor and their surety company.

Due to the contracting issues and extended time frames related to this project, DHS is expected to receive fines from the SCAQMD as result of not meeting the deadlines as

specified by SCAQMD Rule 1146. The County continues to work with SCAQMD in regard to our plans for achieving final compliance at Rancho and is negotiating the final disposition of these fines that are likely to be imposed on this project.

Sustainable Design Program

The proposed project will support your Board's Policy for Green Building/Sustainable Design Program by installing more efficient boiler systems which will reduce the overall NOx emissions and greenhouse gases to the atmosphere.

Implementation of Strategic Plan Goals

Approval of the recommended actions supports County Strategic Plan Goals of Operational Effectiveness by Environmentally Responsible Practice to reduce County's Carbon Footprint and promote environmental stewardship.

FISCAL IMPACT/FINANCING

The cost to retrofit the boilers at Rancho is estimated at a not to exceed amount of \$1.4 million based upon bids received. The current Project budget has a balance at \$400,000. The attached appropriation adjustment will transfer the remaining required funding of \$1.0 million from Health Services Various Improvement Project, CP 86937, to the Rancho AQMD Rule 1146 Compliance Project, C.P. No. 87076, to cover the additional costs to complete this project.

Sufficient appropriation is available in the Fiscal Year 2014-15 Capital Projects/Refurbishment Budget to fully fund the project.

Any settlement costs related to this case obtained from the previously selected vendor and/or their surety company will be transferred back to the project, Capital Project No. 87076.

The revised Project Schedule and Budget Summary is included in Attachment A.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The acquisition of the equipment for the project falls within the statutory authority of the County Purchasing Agent. However, because the services associated with the installation of equipment will exceed the authority of the Purchasing Agent, Board approval is required to proceed with this aspect of the acquisition process.

In accordance with your Board's Civic Art Policy adopted on December 15, 2009 and subsequently amended, Civic Art fees do not apply to the proposed project as the project is related to retrofit of existing central plant equipment and are technical in nature as specified in the policy.

The design, permitting and installation required for the project is managed by the ISD Energy Management Division. ISD's has been given delegated authority by your Board to acquire and install energy efficient building systems within existing County facilities.

ENVIRONMENTAL DOCUMENTATION

The proposed project is categorically exempt from the California Environmental Quality Act (CEQA) according to Section 15301 (a) (d) and Section 15302 of the State CEQA Guidelines and Class 1 (d) of the Document Reporting Procedures and Guidelines because the project provides for minor alteration and repair or replacement of existing facilities and mechanical equipment involving negligible or no expansion of an existing use.

CONTRACTING PROCESS

The equipment and related services for this project will be requisitioned through, and solicited and awarded by the Purchasing Agent in accordance with the County's Purchasing policies and procedures.

IMPACT ON CURRENT SERVICES

The recommended actions are not expected to impact County services at the facility since the boiler retrofit work will be completed in phases, while adequate boiler back-up systems are in place.

The Honorable Board of Supervisors
July 1, 2014
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CONCLUSION

Please return one adopted copy of the Board letter to the Chief Executive Office, Capital Projects Division, Department of Health Services, Capital Projects Division and Internal Services Department, Energy Management Division.

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DJT
SW:JS

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Internal Services Department
Civic Arts Commission

**DEPARTMENT OF HEALTH SERVICES:
APPROVE BUDGET ADJUSTMENT AND AUTHORIZE AWARD OF CONTRACT
FOR THE RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER SCAQMD
RULE 1146 COMPLIANCE PROJECT
(C.P. NO. 87076)
(FOURTH DISTRICT) (3 VOTES)**

I. PROJECT SCHEDULE

| <u>Project Activity</u> | Board Approved Completion Date | Revised Completion Date |
|-------------------------------------|---|------------------------------------|
| Contract Award | | July 2014 |
| Design | April 1, 2011 | August 2014 |
| County Approval | July 6, 2011 | September 2014 |
| Construction Start | July 7, 2011 | October 2014 |
| Equipment Procurement | August 1, 2011 | November 2014 |
| Construction Substantial Completion | February 15, 2012 | May 2015 |

| II. BUDGET SUMMARY | Previously Approved Budget* | Impact of this Action | Current Project Budget |
|--------------------------------------|--|----------------------------------|---------------------------------------|
| <u>Budget Category</u> | | | |
| Design | \$50,000 | \$45,000 | \$95,000 |
| Equipment | \$864,000 | \$600,000 | \$1,464,000 |
| Installation | \$191,000 | \$230,000 | \$421,000 |
| Planning Contingency | \$75,000 | \$95,000 | \$170,000 |
| Testing/Inspection/Technical Support | \$20,000 | \$30,000 | \$50,000 |
| Total Project Cost | \$1,200,000 | \$1,000,000 | \$2,200,000.00 |

*\$400,000 remains from the previously approved project budget.

COUNTY OF LOS ANGELES RISK MANAGEMENT OVERVIEW

DEPARTMENT NAME: OFFICE OF THE COUNTY COUNSEL

DATE: June 12, 2014

PURPOSE

To report on the status and the completion of goals in County Counsel's Risk Management Plan for Fiscal Year 2012-13.

DEPARTMENT RISK MANAGEMENT OVERVIEW

The County Counsel's Office acts as the legal advisor to the Board of Supervisors, County officers, departments, commissions and other public agencies, such as the Metropolitan Transit Authority. The Office is comprised of an administrative bureau and 13 divisions that specialize in different areas of civil law and provide legal advice and representation to the County and other clients.

The Office's primary risk exposure arises out of work-related injuries, which result in the filing of workers' compensation claims. The majority of the claims are a result of bodily injuries due to trips, slips and falls, as well as cumulative trauma from repetitive motion injuries. Secondary to workers' compensation risks are those of a general liability and auto liability nature, which are historically very low in number.

The Office established a Risk Management Committee ("RMC") that addresses the management of internal loss control and risk exposure matters. The RMC is responsible for reviewing and analyzing risk management data, and recommending appropriate measures to minimize departmental exposure.

The day-to-day oversight and management of general, auto, and workers' compensation liability risk matters rests with the Department's Risk Management Coordinator, who also serves as the Safety Officer and supervises the Return-To-Work Unit. The Department's Risk Management Coordinator is a member of the RMC and works with the Chief Executive Office and other relevant agencies to manage departmental risk exposure.

The Office has evaluated and implemented the necessary changes in order to meet its Fiscal Year 2012-13 goals by 1) adopting the risk management and absence management systems implemented by the Chief Executive Office ("CEO") and the Department of Human Resources; 2) conducting a comprehensive review of the Office's Safety Manual and updating it as needed; and 3) completing the second segment of its health and safety awareness, "Play It Safe", program for all Office staff. Additionally, the statistical data from the CEO - Risk Management Branch continues to show that the Office's workers' compensation and generally liability claims are very low with a Fiscal Year 2012-13 workers' compensation claim rate of 3.29% per 100 employees compared to a Countywide rate of 11.40% for all departments and a liability cost of risk percentage of 0.49% versus a Countywide risk of 2.19%.

RISK MANAGEMENT COMMITTEES AND PERSONNEL

| | |
|-----------------------------------|---|
| Risk Management Committee | Kirk Tays, Peggy Hodge, Irma Chairez, Rocio Bautista, and Angeline Trajano |
| Vehicle Accident Review Committee | Patrick Wu, Ruben Baeza, Liliana Campos, and Angeline Trajano |
| Risk Management Coordinator Name: | Angeline Trajano |
| Return-to-Work Coordinator Name: | Aaron Villarreal |
| Safety Officer/Coordinator Name: | Angeline Trajano |

RISK ISSUES, TRENDS, MITIGATION AND MEASURES

Risk Issue No. 1

Issue: Evaluation and Implementation of a Comprehensive Risk Management System

Trend: The Department's existing recordkeeping and internal risk management data collection did not provide an all-inclusive method of retrieving information for follow-up on case management actions. Accordingly, the Department needed to evaluate the implementation of an internal comprehensive risk management system.

Mitigation Measures:

- The Department's Risk Management Committee conferred with the Department's Information Technology Section to assess resources and capabilities to create and maintain an internal system to manage all risk management related information.
- Data sources for the system and design formats were considered for the creation of an internal system to manage all risk management related data and information.
- Evaluation of current systems in other County departments were conducted to assess the cost benefit of using those systems versus the creation of an internal one.

Results:

- CEO Risk Management Branch developed and launched the Countywide Risk Management Dashboard in June 2013, and DHR developed and launched the Absence Management System which is an automated disability management system in July 2012.
- In September 2013, CEO Risk Management Branch Workers' Compensation/Return-to-Work Unit provided guidelines for organization of Return-to-Work files.
- The Department determined that the CEO and DHR systems provided the necessary information for case management actions. Accordingly, the Department's efforts to create its own system was terminated, and it is currently using the CEO's and DHR's management systems, as well as the CEO's guidelines for file organization.

Risk Issue No. 2

Issue: Review and Update All Sections of the Departmental Safety Manual

Trend: Ensure that the departmental safety manual is updated and its safety programs are effective.

Mitigation Measures:

- Comprehensive review of the all departmental safety policies and guidelines.
- Revision of departmental safety manual as necessary.
- Determine accessibility of departmental health and safety programs.

Results:

- Completed review of all department safety policies and guidelines, including review of the Injury and Illness Prevention Program (IIPP), Ergonomics, Hazard Communication and Accident Reporting and Investigation Program.
- Completed IIPP training of all employees in October 2012, and supervisors were also trained on Accident Investigation as part of the IIPP training.
- Departmental health and safety programs are available on the County Counsel intranet site and easily accessible to all employees.

Risk Issue No. 3**Issue: Implement the next segment of the departmental health and safety awareness "Play it Safe" campaign****Trend:** Keeping employees informed of risk factors of repetitive motion injuries, slips, trips and falls, and improper lifting is an important aspect in minimizing exposures due to the repetitive nature of tasks performed.**Mitigation Measure:**

- Evaluate current departmental trend of injuries and illnesses.
- Implementation of the departmental Injury and Illness Prevention Program (IIPP).
- Provide safety related information in minimizing exposures and prevention.

Results:

- The second phase of the Play It Safe campaign was completed on August 2013 with the development and posting of safety related posters in all County Counsel facilities and on the department's intranet site.
- The posters focused on proper lifting techniques and identifying ergonomic risk factors.
- Increased awareness of safety risk factors and how to prevent them.

METRICS**CLAIM PERFORMANCE¹**

| MEASURE | | FY 2010-11 | FY 2011-12 | FY 2012-13 | 3-Year Average |
|------------------------------|--|------------|------------|------------|----------------|
| WORKERS' COMPENSATION | | | | | |
| 1 | Number of Workers' Compensation claims filed during the period | 16 | 9 | 17 | 14.0 |
| 2 | Number of employees as of June 30 | 492 | 509 | 516 | 505.7 |
| 3 | Workers' Compensation Claim Report Rate (number of claims reported per 100 employees) for the period | 3.25 | 1.77 | 3.29 | 2.77 |
| | Benchmark: Countywide Average Workers' Compensation Claim Report Rate (all departments) | 11.68 | 11.19 | 11.40 | 11.42 |
| | Benchmark: Countywide Average Workers' Compensation Claim Report Rate (all departments, excluding Fire, Probation, Sheriff) | 6.67 | 6.83 | 6.86 | 6.79 |
| | Benchmark: Countywide Average Workers' Compensation Claim Report Rate (Fire, Probation, Sheriff only) | 25.04 | 22.78 | 23.46 | 23.76 |
| 4 | Workers' Compensation expense paid during the period (including final accounting of allocated and unallocated expenses) | \$592,051 | \$548,875 | \$405,449 | \$515,458 |
| 5 | Workers' Compensation Expense Rate (expenses paid per current employee) for the period | \$1,203 | \$1,078 | \$786 | \$1,022 |
| | Benchmark: Countywide Average Workers' Compensation Expense Rate (all departments) | \$3,266 | \$3,505 | \$3,633 | \$3,468 |

¹ This information is provided by the CEO Risk Management Branch.

| | MEASURE | FY 2010-11 | FY 2011-12 | FY 2012-13 | 3-Year Average |
|---------------------------------|---|--------------|--------------|--------------|----------------|
| | Benchmark: Countywide Average Workers' Compensation Expense Rate (all departments, excluding Fire, Probation, Sheriff) | \$2,179 | \$2,258 | \$2,273 | \$2,237 |
| | Benchmark: Countywide Average Workers' Compensation Expense Rate (Fire, Probation, Sheriff only) | \$6,167 | \$6,822 | \$7,241 | \$6,743 |
| 6 | Salary Continuation and Labor Code 4850 paid during the period (100%IA, 70%IA, MegaIA) | \$0 | \$13,300 | \$17,263 | \$10,188 |
| AUTOMOBILE LIABILITY | | | | | |
| 7 | Number of Automobile Liability claims filed during the period | 1 | 0 | 1 | 0.7 |
| 8 | Automobile Liability indemnity (OC) paid during the period | \$0 | \$0 | \$1,354 | \$451 |
| 9 | Automobile Liability legal fees and costs (SS) paid during the period | \$0 | \$0 | \$150 | \$50 |
| GENERAL LIABILITY | | | | | |
| 10 | Number of General Liability claims filed during the period | 10 | 1 | 3 | 4.7 |
| 11 | General Liability indemnity (OC) paid during the period | \$3,710 | \$0 | \$0 | \$1,237 |
| 12 | General Liability legal fees and costs (SS) paid during the period | \$25,818 | \$14,060 | \$3,047 | \$14,308 |
| MEDICAL MALPRACTICE | | | | | |
| 13 | Number of Medical Malpractice claims filed during the period | 0 | 0 | 0 | 0.0 |
| 14 | Medical Malpractice indemnity (OC) paid during the period | \$0 | \$0 | \$0 | \$0 |
| 15 | Medical Malpractice legal fees and costs (SS) paid during the period | \$0 | \$0 | \$0 | \$0 |
| TOTAL CLAIMS AND EXPENSE | | | | | |
| 16 | Total number of claims filed during the period | 27 | 10 | 22 | 19.7 |
| 17 | Total expenses paid during the period | \$393,565 | \$616,086 | \$427,263 | \$478,971 |
| 18 | Department operating budget | \$81,463,601 | \$83,300,104 | \$86,898,069 | \$83,887,258 |
| 19 | Cost of Risk (% total expenses paid / operating budget) | 0.48% | 0.74% | 0.49% | 0.57% |
| | Benchmark: Countywide Cost of Risk | 2.10% | 2.21% | 2.19% | 2.17% |

VEHICLE AND FLEET SAFETY PERFORMANCE (Data Maintained at the Department Level)

| | MEASURE | FY 2010-11 | FY 2011-12 | FY 2012-13 | 3-Year Average |
|----------------------------------|--|------------|------------|------------|----------------|
| DEPARTMENT-OWNED VEHICLES | | | | | |
| 20 | Number of Department-owned vehicles as of June 30 | 1 | 0 | 0 | 0.0 |
| 21 | Total number of vehicle accidents involving Department-owned (or leased) vehicles | 0 | 0 | 0 | 0.0 |
| 22 | Total cost paid for damage involving Department-owned (or leased) vehicles (not including third party claim/damage cost) | \$0 | \$0 | \$0 | \$0 |
| 23 | Number of miles driven by Department-owned (or leased) vehicles | 0 | 0 | 0 | 0.0 |

| MEASURE | | FY 2010-11 | FY 2011-12 | FY 2012-13 | 3-Year Average |
|---|---|------------|------------|------------|----------------|
| 24 | Number of vehicle accidents involving Department-owned (or leased) vehicles per 100,000 miles | 0.00 | 0.00 | 0.00 | 0.00 |
| | Benchmark: Countywide | 1.60 | 1.78 | *** | 1.69 |
| PERMITEE DRIVERS | | | | | |
| 25 | Number of Department permittee drivers as of June 30 | 334 | 343 | 343 | 340.0 |
| 26 | Total number of vehicle accidents involving permittee drivers | 2 | 2 | 4 | 2.7 |
| 27 | Total cost paid for damage involving vehicles driven by permittee drivers (not including third party claim/damage cost) | \$0 | \$5,872 | \$7,046 | \$4,306 |
| 28 | Number of permittee miles driven during period | 51,885 | 67,954 | 96,975 | 72,271.3 |
| 29 | Number of vehicle accidents involving permittee drivers per 100,000 miles | 3.85 | 2.94 | 4.12 | 3.6 |
| | Benchmark: Countywide | 1.95 | 2.02 | *** | 1.99 |
| | *** Data to be provided when available | | | | |
| RETURN-TO-WORK PERFORMANCE (Industrial and Non-industrial) | | | | | |
| MEASURE | | FY 2010-11 | FY 2011-12 | FY 2012-13 | 3-Year Average |
| 30 | Number of Employees on Medical Leave (excluding pregnancy) as of June 30 | 20 | 20 | 9 | 18.0 |
| 31 | Number of Employees on Intermittent Medical Leave as of June 30 | 6 | 7 | 10 | 8.0 |
| 32 | Number of Employees on Pregnancy Leave as of June 30 | 12 | 7 | 3 | 8.0 |
| 33 | Number of Employees on Work Hardening Transitional Assignment Agreements as of June 30 | 11 | 11 | 6 | 10.3 |
| 34 | Number of Employees on Conditional Assignment Agreements as of June 30 | 0 | 0 | 0 | 0.0 |
| 35 | Number of Active Open Workers' Compensation Claims as of June 30 | 44 | 45 | 34 | 41 |
| 36 | Number of Active Return-to-Work Cases as of June 30 | 93 | 90 | 62 | 85.3 |
| 37 | Number of Return-to-Work Cases Closed in the Prior Year | 44 | 41 | 50 | 44.0 |
| SHORT TERM DISABILITY | | | | | |
| MEASURE | | FY 2010-11 | FY 2011-12 | FY 2012-13 | 3-Year Average |
| 38 | Number of active claims as of June 30 | 3 | 5 | 6 | 4.7 |
| 39 | Number of closed claims reaching maximum benefit duration during the fiscal year | 1 | 1 | 4 | 2.0 |

| MEASURE | | FY 2010-11 | FY 2011-12 | FY 2012-13 | 3-Year Average |
|-----------------------------|---|-----------------------|-----------------------|-----------------------|---------------------------|
| 40 | Number of claims converted to LTD during the fiscal year | 1 | 0 | 3 | 1.3 |
| 41 | Number of new claims during the fiscal year | 22 | 27 | 26 | 25.0 |
| 42 | Number of lost workdays paid under STD during the fiscal year | 1,014 | 1,324 | 1,195 | 1,177.7 |
| 43 | Number of lost calendar days, including elimination period, for closed claims | 1,576 | 1,634 | 2,134 | 1,781.3 |
| 44 | Total payments for all STD claims paid during the fiscal year | \$326,819 | \$440,820 | \$377,679 | \$381,773 |
| 45 | Number of paid lost workdays for closed claims | 984 | 1,029 | 1,318 | 1,110.3 |
| LONG TERM DISABILITY | | | | | |
| MEASURE | | FY 2010-11 | FY 2011-12 | FY 2012-13 | 3-Year Average |
| 46 | Number of active claims as of June 30 | 4 | 6 | 9 | 6.3 |
| 47 | Number of claims opened during the fiscal year | 1 | 5 | 5 | 3.7 |
| 48 | Total payments for all claims paid during the fiscal year | \$192,928 | \$181,190 | \$282,432 | \$218,850 |
| 49 | Total payments to date on LTD claims closed during the fiscal year | \$738 | \$3,170 | \$238,274 | \$80,727 |