



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

WILLIAM T FUJIOKA  
Chief Executive Officer

**DATE:** July 18, 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 – Scott Wiles
  - A) **Board Letter – AWARD OF SIX LANDSCAPE SERVICES CONTRACTS**  
ISD – Tom Tindall or designee
  - B) **Board Letter – AUTHORIZE THE CIO TO EXECUTE A WORK ORDER WITH IBM CORP FOR PROFESSIONAL SERVICES TO IMPLEMENT MAXIMO ASSET MANAGEMENT SOFTWARE FOR FACILITIES MAINTENANCE**  
FIRE/CIO – Daryl L. Osby and Richard Sanchez or designee(s)
  - C) **Board Letter – APPROVAL OF AMENDMENT TO EQUIPMENT MAINTENANCE AND REPAIR SERVICES AGREEMENT WITH PARATA SYSTEMS**  
DHS/CIO – Mitchell H. Katz and Richard Sanchez or designee(s)
  - D) **Board Letter – EL SEGUNDO AREA INTELLIGENT TRANSPORTATION SYSTEM PROJECT AMENDMENT NO. FOUR TO AGREEMENT PW 12694 WITH ITERIS, INC. FOR SOFTWARE AND SERVICES**  
DPW/CIO – Gail Farber and Richard Sanchez or designee(s)
2. Public Comment
3. Adjournment

County of Los Angeles  
**INTERNAL SERVICES DEPARTMENT**

1100 North Eastern Avenue  
Los Angeles, California 90063

TOM TINDALL  
Director

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

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

August 6, 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:

**AWARD OF SIX LANDSCAPE SERVICES CONTRACTS  
(ALL DISTRICTS – 3 VOTES)**

**SUBJECT**

Approval of six landscape contracts to provide services to various County departments.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that landscape services can be more economically performed by independent contractors than by County employees.
2. Approve and instruct the Chairman to sign the attached contracts (Attachments 1-6) with Sepco Earthscape, Inc., Far East Landscape & Maintenance, Inc., Marina Landscape Inc., and American Heritage Landscape LP, to provide landscape services commencing October 1, 2013 for a period of three (3) years, with two (2) one-year renewal options and six month-to-month extensions at an estimated annual cost of \$1,192,308.
3. Authorize the Director of ISD or his designee to exercise the renewal options and month-to-month extensions in accordance with the attached contracts, add and delete facilities, approve necessary changes to scope of services, and execute applicable contract amendments should the original contracting entities merge, be acquired, or otherwise have a change of entity.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

ISD currently contracts for landscape services for 17 County departments at approximately 120 buildings located throughout the County. The work has been divided and solicited by six geographic regions with one contract per region. The four recommended contractors are Sepco Earthscape, Inc. (Sepco) for Regions 1 and 3, Far East Landscape & Maintenance, Inc. (Far East) for Region 2, Marina Landscape Inc. (Marina) for Regions 4 and 5, and American Heritage Landscape LP (American) for Region 6.

The existing landscape service contracts will expire September 30, 2013. The recommended actions will ensure that these County facilities continue to receive services with no lapse in service.

To meet the operational needs of ISD's client departments, there may be occasions during the term of the contracts when the scope of service at a facility must be changed or when a facility needs to be added or deleted. Approval of recommendation No. 3 will provide ISD with the ability to effectively manage these situations.

**Implementation of Strategic Plan Goals**

The recommended contracts support County Strategic Plan Goal Number 1 (Operational Effectiveness) by maximizing the effectiveness of the County's processes and operations to support timely delivery of customer oriented and efficient public service by providing landscape services countywide.

**FISCAL IMPACT/FINANCING**

The estimated first year costs for the recommended contracts are as follows:

<b>Region</b>	<b>Proposed Contractor</b>	<b>Annual Cost</b>
1	Sepco	\$165,324
2	Far East	\$58,860
3	Sepco	\$287,892
4	Marina	\$156,708
5	Marina	\$296,376
6	American	\$227,148
	<b>Total</b>	<b>\$1,192,308</b>

Sufficient appropriation for the recommended contracts is included in ISD's FY 2013-14 Adopted Budget and sufficient appropriation will be requested in future years. Expenditures will be offset through billings to County departments.

The Department conducted cost analysis to ensure the contracts are cost effective, summaries of which are attached (Attachment 7).

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

The terms and conditions of the recommended contracts have been approved as to form by County Counsel. The contracts 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 and the Child Support program. With the exception of the contract for Region 2, the contracts are subject to the Living Wage Program (County Code Chapter 2.201). Far East, the recommended contractor for Region 2, is exempted from the Living Wage Program based on the small business exemption. Although Far East is currently exempt from the Living Wage Program, the company has agreed to pay its employees an hourly wage of \$11.84. There is no impact to current County employees.

The contract rates are fixed for the initial three year term of the contracts. The contracts allow for a Cost of Living Adjustment (COLA) increase during the option years, if the option years are exercised by the County. The COLA language in the contracts complies with your Board's directive that COLA's for Living Wage contracts be limited to only the non-labor costs associated with the contract, unless the Contractor can demonstrate an increase in labor cost.

### **CONTRACTING PROCESS**

On August 15, 2012, ISD released a Request for Proposals (RFP) for Landscape Services in six regions and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" web site (Attachment 8). Notice of the RFP was sent by electronic mail to 335 vendors registered with the County (Attachment 9). In addition, the contracting opportunity was advertised in the following publications: Los Angeles Times, Long Beach Press Telegram, and La Opinión (Spanish language newspaper).

The mandatory proposer's conference was held on September 26, 2012. On October 18, 2012, proposals were received for each of the six regions as indicated below. Each

proposal was reviewed for responsiveness and compliance with the minimum requirements stated in the RFP.

Region 1 – Five proposals received; one disqualified  
Region 2 – Four proposals received; none disqualified  
Region 3 – Five proposals received; one disqualified  
Region 4 – Five proposals received; one disqualified  
Region 5 – Five proposals received; one disqualified  
Region 6 – Five proposals received; one disqualified

The proposals disqualified from Regions 1, 3, 4, 5 and 6 were all submitted by the same company which did not demonstrate that it met the required years of experience. The proposals that met the minimum requirements were evaluated by a committee in accordance with the evaluation process identified in the RFP. Non-selected proposers received debriefings on April 9, 2013. There were no protests resulting from this solicitation.

For Regions 1 and 3, Sepco met the criteria to qualify as a Local Small Business Enterprise Vendor and was therefore granted the eight percent (8%) preference in the evaluation of its cost proposal. A summary of Community Business Enterprise Program information for each of the recommended vendors is attached (Attachment 10).

On final analysis, selections were made without regard to gender, race, creed, or color or national origin.

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

Approval of the recommended contracts will allow the County to continue to provide landscape services for various County departments throughout the County of Los Angeles.

The Honorable Board of Supervisors  
August 6, 2013  
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Respectfully submitted,

TOM TINDALL  
Director

TT:YY

Attachments (10)

c: Chief Executive Officer  
County Counsel



# COUNTY OF LOS ANGELES

## FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE  
LOS ANGELES, CALIFORNIA 90063-3294  
(323) 881-2401

DARYL L. OSBY  
FIRE CHIEF  
FORESTER & FIRE WARDEN

July 30, 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:

**AUTHORIZE THE CHIEF INFORMATION OFFICER TO EXECUTE A WORK ORDER WITH THE INTERNATIONAL BUSINESS MACHINES CORPORATION FOR PROFESSIONAL SERVICES TO IMPLEMENT MAXIMO ASSET MANAGEMENT SOFTWARE FOR FACILITIES MAINTENANCE (ALL DISTRICTS) (3 VOTES)**

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

### SUBJECT

The Consolidated Fire Protection District of Los Angeles County (District) is requesting authorization to execute a Work Order with International Business Machines (IBM) Corporation for professional services to implement the Maximo Asset Management (Maximo) software for Facilities Maintenance.

**IT IS RECOMMENDED THAT YOUR HONORABLE BOARD, ACTING AS THE GOVERNING BODY OF THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY:**

SERVING THE UNINCORPORATED AREAS OF LOS ANGELES COUNTY AND THE CITIES OF:

AGOURA HILLS  
ARTESIA  
AZUSA  
BALDWIN PARK  
BELL  
BELL GARDENS  
BELLFLOWER  
BRADBURY

CALABASAS  
CARSON  
CERRITOS  
CLAREMONT  
COMMERCE  
COVINA  
CUDAHY

DIAMOND BAR  
DUARTE  
EL MONTE  
GARDENA  
GLENDOORA  
HAWAIIAN GARDENS  
HAWTHORNE

HIDDEN HILLS  
HUNTINGTON PARK  
INDUSTRY  
INGLEWOOD  
IRWINDALE  
LA CANADA FLINTRIDGE  
LA HABRA

LA MIRADA  
LA PUENTE  
LAKEWOOD  
LANCASTER  
LAWNDALE  
LOMITA  
LYNWOOD

MALIBU  
MAYWOOD  
NORWALK  
PALMDALE  
PALOS VERDES ESTATES  
PARAMOUNT  
PICO RIVERA

POMONA  
RANCHO PALOS VERDES  
ROLLING HILLS  
ROLLING HILLS ESTATES  
ROSEMEAD  
SAN DIMAS  
SANTA CLARITA

SIGNAL HILL  
SOUTH EL MONTE  
SOUTH GATE  
TEMPLE CITY  
WALNUT  
WEST HOLLYWOOD  
WESTLAKE VILLAGE  
WHITTIER

1. Approve and direct the Chief Information Officer (CIO), at the request of the Fire Chief, to execute a Work Order for a maximum contract amount of \$398,409 under the County's Master Services Agreement (MSA) with IBM for professional services, to implement the Maximo software for Facilities Maintenance. The software will be used to support the management of the District's fire stations, fire camps, and administrative facilities. In accordance with IBM MSA guidelines, Board approval is required for Work Orders that exceed \$300,000.

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

The District previously implemented the IBM Maximo solution to support the management of its fleet assets. The District established a goal of extending the use of Maximo to support the management of 200 District facilities, including the preventative maintenance of building operating systems. The current process used to track the maintenance of building operating systems, such as apparatus doors, plumbing, and HVAC units is performed manually and is not efficient. Scheduling routine maintenance is a manual procedure and occasionally the schedules contain errors or omissions which result in emergent repairs and otherwise preventable overtime.

After the first year of implementation, the District's goal is to have 90% of the facilities and assets inventoried. The second year after implementation, the goals are to have 100% of the facilities and assets inventoried, to establish preventive maintenance schedules for the 200 District facilities, to show reductions in emergent repairs and overtime, and to meet internal control program requirements.

This Work Order will provide the District with professional services to conduct the business process redesign, software configuration, development and presentation of training courses, data imports/exports, and reports. The required hardware and base software to support this Work Order are currently installed and operational.

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

Approval of this recommended action is consistent with the principles of the Countywide Strategic Plan Goal #2: Fiscal Sustainability, to improve the County's long-term capacity to sustain critical County services within available resources through cost-efficiency savings, leveraging IT resources, improved fiscal forecasting, and diligent monitoring. The recommended action supports the District's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

The Work Order will cost \$398,409. Additional one-time costs for ruggedized laptops, modems, air cards and installation services which are outside this Work Order are estimated to be \$350,000. Annual costs for software licenses and wireless access are estimated to be \$93,000. The District's Special Services Bureau Fiscal Year 2013-14 proposed budget include sufficient funding for these costs. There is no impact to net County cost.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In September 2006, your Board approved the County's MSA with IBM Corporation (contract #75869). In 2011, your Board extended the MSA until September 2013. The Agreement authorizes the CIO to execute Work Orders (and necessary change orders to existing Work Orders) having a maximum sum of \$300,000. The recommended action is \$398,409 and exceeds the CIO's delegated authority.

The CIO concurs with the District's recommended action and the CIO Analysis is attached.

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

Approval of this request will provide the District with IBM professional services. These are unique technical services from IBM, for products, such as Maximo. The services will be used to implement an efficient and accountable management of facilities and the assets within those facilities.

**CONCLUSION**

Upon approval by your Board, please electronically submit an adopted Statement of Proceedings to the following:

Consolidated Fire Protection District of Los Angeles County  
Executive Office, Business Operations  
Chief Deputy Ronald D. Watson  
Ronald.Watson@fire.lacounty.gov

Respectfully submitted,

Reviewed by,

DARYL L. OSBY, FIRE CHIEF

RICHARD SANCHEZ,  
CHIEF INFORMATION OFFICER

DLO: mw

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



RICHARD SANCHEZ  
CHIEF INFORMATION OFFICER

Office of the CIO  
**CIO Analysis**

NUMBER: <b>CA 13-11</b>	DATE: 7/2/2013
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<b>SUBJECT:</b> AUTHORIZE THE CHIEF INFORMATION OFFICER TO EXECUTE A WORK ORDER WITH IBM CORPORATION FOR PROFESSIONAL SERVICES TO IMPLEMENT MAXIMO ASSET MANAGEMENT SOFTWARE FOR FACILITIES MAINTENANCE	
<b>RECOMMENDATION:</b> <input checked="" type="checkbox"/> Approve <input type="checkbox"/> Approve with Modification <input type="checkbox"/> Disapprove	
<b>CONTRACT TYPE:</b> <input type="checkbox"/> New Contract <input type="checkbox"/> Sole Source <input type="checkbox"/> Amendment to Contract #: Enter contract #. <input checked="" type="checkbox"/> Other: WO for IBM MSA #75869	
<b>CONTRACT COMPONENTS:</b> <input type="checkbox"/> Software <input type="checkbox"/> Hardware <input type="checkbox"/> Telecommunications <input checked="" type="checkbox"/> Professional Services	
<b>SUMMARY:</b> Department Executive Sponsor: Deputy Chief Mark J. Bennett Description: This Work Order for professional services will enable the Fire Department to implement IBM Maximo software for facilities management, in order to improve the efficiency and effectiveness of facilities maintenance functions. Contract Amount: \$398,409                      Funding Source: Department FY 13-14 Budget <input type="checkbox"/> Legislative or Regulatory Mandate <input type="checkbox"/> Subvened/Grant Funded: Enter %	

<b>Strategic and Business Analysis</b>	<b>PROJECT GOALS AND OBJECTIVES:</b> The Department is seeking to improve the efficiency and effectiveness of its facilities management and maintenance function at its 200 department facilities, and to provide a safe, efficient, functional and compliant workplace.
	<b>BUSINESS DRIVERS:</b> Improve efficiency, reduce overtime and meet internal control program requirements.
	<b>PROJECT ORGANIZATION:</b> A project organization has been documented. The Project Sponsor is Deputy Chief Mark J. Bennett. The project team is made up of representatives from Fire Construction and Maintenance, Fire Information Management Division and IBM.

	<p><b>PERFORMANCE METRICS:</b></p> <p>After the first year of implementation, the Department's goal is to have 90% of the facilities and assets inventoried. The second year after implementation, the goals are to have 100% of the facilities and assets inventoried, establish preventive maintenance schedules for the 200 facilities, begin to show reductions in emergent repairs and overtime, and meet internal control program requirements.</p>
	<p><b>STRATEGIC AND BUSINESS ALIGNMENT:</b></p> <p>The project is consistent with the principles of Countywide Strategic Plan Goal #2: Fiscal Sustainability. It has been identified in the Department's Strategic Plan and Business Automation Plan. It is consistent with the County's Strategic IT Directions.</p>
	<p><b>PROJECT APPROACH:</b></p> <p>The project approach will be to configure IBM's Maximo Facilities Management software. The Project is estimated to take 25 weeks to implement. All milestones/deliverables are planned for completion before roll-out with the possible exception of the eCAPS interface, which is included in the project scope. This milestone will require negotiations with the Auditor-Controller and ISD and requires the Auditor's approval.</p>
	<p><b>ALTERNATIVES ANALYZED:</b></p> <p>In 2010, two other options were evaluated: (1) In-house development; and (2) the Financial Accounting Management Information Systems (FAMIS), which was being used by ISD. In-house development was not pursued due to limited resources. FAMIS was not pursued because of concerns about the user interface and lack of vendor support.</p>
<p><b>Technical Analysis</b></p>	<p><b>ANALYSIS OF PROPOSED IT SOLUTION:</b></p> <p>The proposed IT solution is consistent with the County's IT Strategic Directions. It leverages the County's Master Services Agreement with IBM. It also leverages the Fire Department's current usage of Maximo for its fleet maintenance functions. Maximo Facilities Management software has also been implemented in several other County departments.</p>

**Financial Analysis**

BUDGET:

Contract costs	
One-time costs:	
Services .....	\$ 398,409
<b>Sub-total Contract Costs:</b>	<b>\$ 398,409</b>
Other County costs:	
One-time costs:	
Hardware .....	\$ 350,000*
County staff (existing) .....	\$ 230,000**
<b>Sub-total one-time County costs:</b>	<b>\$ 580,000</b>
Ongoing annual costs:	
Software .....	\$ 93,000*
County staff (existing) .....	\$ 15,000**
<b>Sub-total ongoing County costs:</b>	<b>\$ 108,000</b>
<b>Total one-time costs:</b>	<b>\$ 978,409</b>
<b>Total ongoing annual costs:</b>	<b>\$ 108,000</b>

\* \$350,000 is for equipping 67 Fire Facilities Maintenance staff with ruggedized laptops for accessing the system and entering data from the field. Annual costs of \$93,000 are \$25,000 for wireless access and \$68,000 for Maximo software maintenance.

\*\*\$230,000 represents the estimated implementation level of effort for existing Fire personnel for the 25 week implementation, including 70% level of effort (LOE) for IT Project Manager, 50% LOE for IT Analyst, 70% LOE for User Project Manager and 30% LOE for 8-9 User Subject Matter Experts. Annual cost of \$15,000 represents estimated 15% LOE for a Senior IT Systems Analyst for ongoing system support.

**Risk Analysis**

RISK MITIGATION:

1. The Contract Statement of Work specifies roles and responsibilities of the Contractor and Department in conducting the work. Both the Contractor and Department will have a Project Manager who will work together to manage the work effort. The Statement of Work also includes a Quality Assurance Plan to be utilized in managing the work.
2. The Chief Information Security Officer (CISO) has reviewed the Agreement/Amendment/Contract and did not identify any IT security or privacy related issues.

<b>CIO Approval</b>	PREPARED BY:	
	John Arnstein, Sr. Associate CIO	Date
	APPROVED:	
	Richard Sanchez, County CIO	Date

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

DRAFT

August 6, 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 OF AMENDMENTS TO TWO AGREEMENTS FOR PREVENTIVE  
MAINTENANCE AND REPAIR SERVICES  
(ALL DISTRICTS)  
(3 VOTES)**

CIO RECOMMENDATION: APPROVE [ ] APPROVE WITH MODIFICATION [ ]  
DISAPPROVE [ ]

**SUBJECT**

Request approval of an Amendment to extend the term of an Agreement with Parata Systems, LLC, for three years for automated outpatient pharmaceutical dispensing systems at various Department of Health Services' facilities; an Amendment to add LAC+USC Medical Center to the existing Agreement with Talyst Inc. for inpatient automated medication management systems services; and request delegated authority to execute as needed future amendments.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Director, or his designee, to execute Amendment No. 2 to Agreement H-702976 with Parata Systems, LLC. (Parata), effective upon Board approval, to extend the term of the Agreement for the period of September 1, 2013 through August 31, 2016, for the continued provision of preventive maintenance and repair services for the automated outpatient pharmaceutical dispensing systems at Department of Health Services (DHS) facilities listed on Attachment A, with a maximum obligation of \$1,386,591 for three-year period.
2. Delegate authority to the Director, or his designee, to amend the above mentioned Agreement to increase the total maximum obligation by no more than 40 percent of the annual maximum obligation for a total potential increase of \$544,637 to add equipment coming off warranty, authorize and pay for repairs or maintenance for equipment that is out of scope and excluded under the

Agreements' basic maintenance services, and add equipment/services to additional locations.

3. Authorize the Director of Health Services (Director), or his designee, to execute Amendment No. 1 to Agreement H-705375 with Talyst Inc. (Talyst), effective upon Board approval, to add LAC+USC Medical Center (LAC+USC MC) and to increase the maximum obligation by \$340,080, for the period of September 1, 2013 through May 14, 2017 for the provision of equipment maintenance and repair services of the automated medication management systems, with a total revised maximum obligation for all facilities is \$1,381,208 for the term of the Agreement through May 14, 2017.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

#### Parata

Approval of the first recommendation will allow the Director, or his designee, to execute an Amendment to the Agreement with Parata, substantially similar to Exhibit I, for continued provision of maintenance and repair services for the automated outpatient pharmaceutical dispensing systems at DHS. The current Agreement expires August 31, 2013.

DHS fills over four million outpatient prescriptions per year. The Parata automated prescription dispensing system can process more than 150 prescriptions per hour by using the workflow dispensing method, which has three processes – imaging, packing, and filling. This system is also designed to use a bar-coded maintenance system to ensure accuracy and virtually eliminate the potential for human error. By using this system, the pharmacists can focus their time on providing counseling to patients on medication use and improving patient awareness and safety when using prescription medications.

For the past six years, Parata has maintained the same rates under this Agreement. Parata has agreed to extend the Agreement for three years through August 31, 2016 in exchange for an increase of two percent.

#### Delegated Authority - Parata

Approval of the second recommendation will allow the Director, or his designee, to increase the maximum obligation of the Agreement up to 40 percent of the annual agreement maximum, if necessary, to add equipment coming off warranty, and/or emergency where applicable and/or out of scope repairs, and/or additional locations. In accordance with Board Policy 5.120, on July 23, 2013, DHS provided the Board, with a

copy to Chief Executive Officer, the required two-week notice of intent to request a delegation of authority in excess of 10 percent.

The Joint Commission on the Accreditation of Healthcare Organizations (The Joint Commission) requires facilities to ensure routine preventative maintenance, timely repairs, and performance/safety testing of its equipment and to maintain patient safety. Therefore, this delegated authority is necessary to enable the Agreement to be amended timely to guarantee that the critical equipment is maintained appropriately, as well as to meet the requirements of The Joint Commission. Board policy generally allows delegated authority to increase the maximum obligation up to 10 percent. However, based on experience in recent years with several other equipment maintenance service agreements, DHS believes that requesting 40 percent for potential increases is appropriate since adding even a few pieces of equipment or an additional facility may require a significant funding increase.

The DHS facilities will only request that equipment or locations be added if additional services are needed and funding is available in the facility's budget

### Talyst

Approval of the third recommendation will allow the Director, or his designee to execute an Amendment, substantially similar to Exhibit II, to increase the maximum obligation to add the automated medication management systems located at LAC+USC MC to the Agreement. The 40 percent delegated authority to increase the Agreement's maximum obligation that was approved by the Board on May 15, 2012 was not sufficient to add LAC+USC MC to the Agreement.

The automated medication management systems, which provide comprehensive inventory control for down-to-the-dose accountability management of dispensing medication, play a pivotal part of inpatient care at hospitals. The systems include Talyst proprietary software that is designed to automate prescription ordering, receiving, stocking, picking, dispensing, as well as recalling medications and tracking lot numbers and expiration dates of medications.

The Talyst systems also provide an automated packaging and barcode label application for medication orders to ensure prescriptions are ready for dispensing at the patient's bedside. A patient's hospital identification wrist band and the prescription barcode are scanned for verification before any medication is given to the patient. The Talyst systems enhance patient safety, as well as meeting The Joint Commission standards on high-alert medications that have a higher likelihood of causing injury if misused.

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

The recommended actions support Goal 1, Operational Effectiveness, and Goal 3, Integrated Services Delivery, of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

The total maximum obligation for each Agreement as well as the estimated cost for each facility by fiscal year is identified in Attachment A.

The total potential increase under the 40 percent delegated authority is \$554,637 and would be funded using existing resources.

Funding is included in DHS' Fiscal Year 2013-14 Adopted Budget and will be funded as necessary, in future fiscal years.

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

#### **Parata**

The Board originally approved the Agreement with Parata for maintenance and repair services of the automated outpatient pharmaceutical dispensing systems for the period of September 1, 2007 through August 31, 2012 for LAC+USC Medical Center, Martin Luther King, Jr. Multi-Service Ambulatory Care Center, Humphrey Comprehensive Health Center, and Roybal Comprehensive Health Center, and delegated authority to the DHS Director to add additional facilities when their original purchase equipment warranties expired. The Board approved an Amendment on July 31, 2012 for a one-year extension to allow time for DHS to finalize negotiations with Parata for the replacement of existing equipment and to assess future needs. Since then, DHS has purchased new Parata equipment to replace the out-of-date equipment which will improve efficiency of filling prescriptions for patients.

#### **Talyst**

DHS purchased the automated medication management systems from CareFusion, LLC (Carefusion), the original equipment manufacturer (OEM), for all four DHS hospitals. Carefusion uses Talyst software to operate the equipment and officially authorizes Talyst as the designated firm to provide services and support through a mutual partnering relationship. Talyst provides training to maintain the software. Talyst also provides system updates and 24 hours/seven days telephone support.

The Board approved an Agreement with Talyst on May 15, 2012 for the provision of equipment maintenance and repair services for automated medication management

systems at H-UCLA MC and OV-UCLA MC. Under delegated authority, DHS added Rancho Los Amigos National Rehabilitation Center to this Agreement on February 27, 2013.

Equipment at LAC+USC MC is scheduled to come off warranty in two groups on September 1, 2013 and January 1, 2014. The current delegated authority is insufficient to cover the equipment. DHS is requesting the Board's approval to increase the maximum obligation to allow this critical equipment be maintained to meet the Joint Commission requirements.

### Two Agreements

The two Agreements contain all of the Board's required provisions. DHS has determined that these Agreements are not a Proposition A agreements because the services provided are intermittent and highly specialized. Therefore, the County's Living Wage Program (County Code Charter 2.201) does not apply.

County Counsel has reviewed and approved Exhibit I and II as to form. The Chief Information Officer reviewed the Amendments and recommends approval (Attachment B).

### **CONTRACTING PROCESS**

Parata and Talyst are the Original Equipment Manufacturers (OEM) and use proprietary technology in their equipment to ensure that the competitors cannot service the equipment or limit the availability of the parts to the third party. When the original equipment purchase warranty expires, the best option is to contract with the OEM to ensure that the equipment is maintained in accordance with equipment specifications. Another benefit to contracting with the OEM is the guarantee of faster access to OEM parts when repair services, especially for emergencies, are needed.

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

Approval of the recommendations will ensure the ongoing maintenance and repair services for the automated outpatient pharmaceutical dispensing systems at various DHS facilities.

Respectfully submitted,

Reviewed by:

Mitchell H. Katz, M.D.  
Director

Richard Sanchez  
Chief Information Officer

The Honorable Board of Supervisors  
August 6, 2013  
Page 6

MHK:jc

Enclosures (2)

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

August 6, 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:

**AMENDMENT NUMBER FOUR TO AGREEMENT PW 12694 WITH ITERIS, INC.,  
FOR SOFTWARE AND SERVICES FOR THE EL SEGUNDO AREA INTELLIGENT  
TRANSPORTATION SYSTEM PROJECT  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

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

**SUBJECT**

This action is to approve and authorize the Director of Public Works or her designee to execute Amendment Number Four to Agreement PW 12694 with Iteris, Inc., for software and services for the El Segundo Area Intelligent Transportation System Project to extend the agreement term for 2 years to continue services and maintenance of the system with no increase in the total agreement sum. This action will also delegate authority to the Director to execute future no-cost amendment, if necessary, to further extend the term for one additional 2-year term.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and authorize the Director of Public Works or her designee to execute Amendment Number Four to Agreement PW 12694 with Iteris, Inc., for software and services for the El Segundo Area Intelligent Transportation System Project to extend the agreement term for 2 years, effective August 27, 2013, with no increase in the total agreement sum.

2. Delegate authority to the Director of Public Works or her designee to execute future amendment to renew Agreement PW 12694 for one additional 2-year term with no increase in the total agreement sum if, in the opinion of the Director of Public Works or her designee, Iteris, Inc., has successfully performed during the previous agreement term and services are still required; or to suspend work if it is in the best interest of the County of Los Angeles.

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

The purpose of the recommended action is to authorize the Director of Public Works or her designee to execute the enclosed Amendment Number Four to Agreement PW 12694 with Iteris, Inc., for software and services for the El Segundo Area Intelligent Transportation System Project to extend the agreement term for 2 years with no increase in the total agreement sum to provide for continued services and maintenance of the system as provided in the agreement. This action will also authorize the Director to execute future amendment to renew the agreement for up to one additional 2-year term with no increase in the total agreement sum if, in the opinion of the Director, it is in the best interest of the County. To date, approximately \$3,900,000 of the total agreement amount of \$6,800,000 has been expended. The remaining funds will be used to provide continued services and maintenance of the system during the duration of the agreement.

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

The Countywide Strategic Plan directs the provisions of Operational Effectiveness (Goal 1), Fiscal Sustainability (Goal 2), and Integrated Services Delivery (Goal 3). The contractor who has the specialized expertise to provide these services accurately, efficiently, timely, and in a responsive manner will support the Department of Public Works in meeting this Plan.

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

There will be no impact to the County General Fund.

On December 3, 2002, Agenda Item 32, the Board authorized the Director to execute Agreement PW 12694 with Iteris, Inc., for \$3,361,820 to prepare a conceptual design of the El Segundo area of the County and to provide certain early deployment projects for the Advanced Traveler Information System. On June 16, 2009, Agenda Item 47, the Board authorized the Director to execute Amendment Number One to Agreement PW 12694 with Iteris, Inc., for Phases 2 through 4 of the El Segundo Area

Intelligent Transportation System Project. Amendment Number One increased the agreement sum by \$3,458,962 from \$3,361,820 to \$6,820,782.

Approximately 75 percent of the increase is being financed with Federal funds, 20 percent with the Los Angeles County Metropolitan Transportation Authority Proposition C Discretionary Grant Funds, and 5 percent with the Proposition C Local Return funds. Funding for the agreement was included in the Fiscal Year 2008-09 Proposition C Local Return Fund Budget.

The recommended action, if approved by the Board, will extend Agreement PW 12694 for a 2-year term beginning August 27, 2013, through August 26, 2015, with no increase in the total agreement sum to provide for continued work on the remaining phases of the project. There will be no additional impact to Proposition C Local Return Funds or other Public Works' operating funds.

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

On December 3, 2002, Agenda Item 32, the Board authorized the Director to execute Agreement PW 12694 for a not-to-exceed amount of \$3,361,820 to prepare a conceptual design of the El Segundo Area of the County and to provide certain early deployment projects for the Advanced Traveler Information System. Phase 1 laid the foundation for the early deployment projects and for final design and deployment under Phases 2 through 4 of the project. On June 16, 2009, Agenda Item 47, the Board authorized the Director to execute Amendment Number One to Agreement PW 12694 with Iteris, Inc., for Phases 2 through 4 of the El Segundo Area Intelligent Transportation System Project. Amendment Number One increased the agreement sum from \$3,361,820 to \$6,820,782. Subsequently, on July 12, 2011, and July 18, 2012, Amendment Number Two and Amendment Number Three, respectively, were executed under the Director's delegated authority to provide for extensions of the term of the agreement for two 1-year periods, from August 27, 2011, to August 26, 2013, respectively.

Amendment Number Four will be reviewed and approved, as to form, by County Counsel and will provide for a no-cost extension of the agreement term for 2 years.

All other terms, conditions, requirements, prices, and specifications of the agreement will remain unchanged.

The Chief Information Office (CIO) reviewed and recommends approval of Amendment Number Four. The CIO determined that because this recommended action does not include any new technology-related matters, no formal CIO analysis is

required. The CIO completed a formal analysis in June 2009 for Amendment Number One of the agreement.

### Background

The primary goal of the project is to provide traveler information services to the residents of the County. To this end, free/basic and premium subscription-based/enhanced services have been deployed.

The Free/Basic Services include:

- **CommunityView - Internet (CV-I)** – provides travelers in Southern California with access to freeway traffic conditions at [www.bluecommute.com](http://www.bluecommute.com) and other local agency Internet sites;
- **CommunityView - Cable TV (CV-C)** – provides cable television viewers at home with access to local road and freeway traffic conditions; and
- **CommuteCall BASIC** - provides an automated Interactive Voice Response (IVR) system that gives travelers access to general freeway travel conditions through their telephone.

The Premium Subscription-Based/Enhanced Services include:

- **BlueCommute** – provides a personalized traveler information service that allows users to establish customized route specific information and receive traffic reports via e-mail or text message about their selected routes.
- **CommuteCall ENHANCED** – enables a user to obtain their BlueCommute route specific information via an automated IVR system. In addition, the user will be able to obtain more specific freeway information not available via CommuteCall BASIC.

Another primary goal of the project is to include local roadway information to the suite of services deployed. The original scope of work proposed to use County's Information Exchange Network and the Los Angeles County Metropolitan Transportation Authority's Regional Integration of Intelligent Transportation System to provide this arterial congestion information. Upon more detailed investigation, it was determined these sources were not viable. This created delays with the project, thus requiring an extension of the agreement term. The new approach involves using a third-party information service provider for the information.

To date, the project has expended over \$3,900,000 of the total \$6,800,000 agreement sum. The current agreement balances by phase are detailed below:

- Phase 1, Conceptual Design - approximately \$300,000 remaining of the total agreement amount of \$3,400,000.
- Phase 2, Detailed Design – approximately \$400,000 remaining of the total agreement amount of \$500,000.
- Phase 3, System Deployment and Integration – approximately \$1,000,000 remaining of the total agreement amount of \$1,400,000. It should be noted, approximately \$780,000 of \$1,000,000 remaining Phase 3 funds are not available until Iteris, Inc., can demonstrate that it has maintained 600 paid subscribers for the premium subscription-based enhanced services.
- Phase 4, Marketing, Operations, and Maintenance – approximately \$1,200,000 remaining of the total agreement amount of \$1,500,000. Within Phase 4, approximately \$5,000 of the total marketing amount of \$250,000 has been expended. This marketing expense is for the CV-C services only. Marketing of the premium subscription-based/enhanced services is the responsibility of Iteris, Inc., and is not a part of this agreement.

#### **ENVIRONMENTAL DOCUMENTATION**

Approval of the recommended action is not a project pursuant to Section 15378(b)(5) of the California Environmental Quality Act (CEQA) Guidelines and, hence, is not subject to the requirements of CEQA. The proposed action is an administrative activity of government that will not result in direct or indirect physical changes to the environment.

The Honorable Board of Supervisors  
August 6, 2013  
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**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There will be no negative impact on current County services or projects during the performance of the recommended consultant services.

**CONCLUSION**

Please return one adopted copy of this letter to the Department of Public Works, Traffic and Lighting Division.

Respectfully submitted,

Reviewed by:

GAIL FARBER  
Director of Public Works

RICHARD SANCHEZ  
Chief Information Officer

GF:DRL:cmb

Enclosure

c: Chief Executive Office (Rita Robinson)  
Chief Information Office  
County Counsel  
Executive Office