



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

SACHI A. HAMAI
Chief Executive Officer

DATE: November 17, 2016
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 – James Blunt / 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 – Dave Chittenden or designee
 - B) **Board Letter – AWARD OF TWO CUSTODIAL SERVICES CONTRACTS**
ISD – Dave Chittenden or designee
 - C) **Board Memo – UPDATE – RANSOMWARE INCIDENT AT TREASURER AND TAX COLLECTOR**
TTC – Joseph Kelly or designee
CIO – Peter Loo or designee
2. Public Comment
3. Adjournment



DAVE CHITTENDEN
Chief Deputy Director

County of Los Angeles INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

Telephone: (323) 267-2103
FAX: (323) 264-7135

"To enrich lives through effective and caring service"

December 6, 2016

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) Construction Task Catalog and Specifications; approve for advertisement bids to be received; award agreements to the Lowest Responsive and Responsible Bidders for 12 separate JOC agreements.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the adoption of the JOC Construction Task Catalog and Specifications, advertisement for bids and award of JOCs are exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this letter and in the record of the action.
2. Adopt the December 2016 JOC Construction Task Catalog and Specifications.
3. Instruct the Executive Officer of the Board to advertise for bids to be received for twelve 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 five general and seven specialty (two HVAC, one electrical, one low voltage, one plumbing, one roof and one paint) JOC agreements in the form previously approved

by County Counsel, and to establish the effective date following receipt of approved Faithful Performance and Payment for Labor and Materials Bonds, and insurance certificate filed by the contractors, and contract execution. JOC135, JOC136, JOC137, JOC138, JOC139, HVAC JOC1, HVAC JOC2 (each for a maximum amount of \$4.6 million), EJOC41 (for a maximum of \$4 million), Low Voltage JOC1, Plumbing JOC1, Roof JOC1 (each for a maximum of \$3 million), and Paint JOC9 (for a maximum amount of \$500,000). The aggregate maximum amount for the twelve agreements is \$45.7 million.

5. Authorize the Director of ISD or his designee, to reject all nonresponsive bids and determine, in accordance with the applicable contract and bid documents, the lowest responsive and responsible bidders.
6. Authorize the Director of ISD or his designee, to issue work orders for maintenance of County facilities subject to the maximum amount of each JOC; and for repair, remodeling and refurbishment of County facilities in an amount not to exceed \$75,000 pursuant to authority granted under Public Contract Code Section 20145.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Approval of the recommended actions will find that adoption of the JOC Construction Task Catalog and Specifications, advertisement for bids and award of JOCs are exempt from 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) 2016-17 Adopted Budget includes \$45 million for these JOC agreement expenditures, ISD

will request adequate appropriation in the FY 2017-18 budget submission. ISD will only incur JOC expenditures to the extent that they are offset through County department and Contract Cities billings and within available appropriation. Because the agreements cross fiscal years, funding for these costs will be requested in future fiscal year budget requests. 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 \$4.6 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 and Targeted Worker Hiring 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 December 2016 Construction Task Catalog and Specifications include the contractual provisions, methods, and material requirements necessary for this project are on file with ISD.

ENVIRONMENTAL DOCUMENTATION

The recommended actions, to adopt the JOC Construction Task Catalog 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

Please return one adopted copy of this Board letter to the ISD Facilities Operations Service.

Respectfully submitted,

Dave Chittenden
Chief Deputy Director

DC:PE:JA:AE:lc

Attachments

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

DRAFT

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:

BID DEADLINES

<u>SPECS.</u>	<u>PROJECT</u>	<u>BID DOC. FEE</u>	<u>DATE</u>	<u>TIME</u>
JOC Specs.	JOC 135	\$50.00 each	01/17/2017	9:00 a.m.
JOC Specs	JOC 136	\$50.00 each	01/17/2017	9:00 a.m.
JOC Specs	JOC 137	\$50.00 each	01/17/2017	9:00 a.m.
JOC Specs	JOC 138	\$50.00 each	01/17/2017	9:00 a.m.
JOC Specs	JOC 139	\$50.00 each	01/17/2017	9:00 a.m.
JOC Specs	HVAC JOC 1	\$50.00 each	01/17/2017	9:00 a.m.
JOC Specs	HVAC JOC 2	\$50.00 each	01/17/2017	9:00 a.m.
JOC Specs	EJOC 41	\$50.00 each	01/17/2017	9:00 a.m.
JOC Specs	Low Voltage JOC 1	\$50.00 each	01/17/2017	9:00 a.m.
JOC Specs	Plumbing JOC 1	\$50.00 each	01/17/2017	9:00 a.m.
JOC Specs	Roof JOC 1	\$50.00 each	01/17/2017	9:00 a.m.
JOC Specs	Paint JOC 9	\$50.00 each	01/17/2017	9:00 a.m.

Copies of the project manual and technical specifications may be obtained at the **mandatory** Pre-bid Conference or ISD's Bid Office located at 1100 N. Eastern Avenue, Los Angeles, California, 90063 for the fee stated above. It is **required** that the pre-bid conference be attended by the President or Owner of each Bidder only. The Bidder must submit to the County the Articles of Incorporation or a notarized document identifying the attendee within 24 hours after the conference. In County's sole discretion, failure to comply with the requirement of this Article may be a basis to reject the bid as nonresponsive.

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 by ISD Job Order Contract (JOC) Administration approximately 15 minutes following the deadlines for submission of bids stated above in Conference Room G101, 1100 N. Eastern Avenue, Los Angeles, CA 90063. For bid information, please call (323) 267-3129.

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 (JOC135, JOC136, JOC137, JOC138, JOC139). Contractors bidding the HVAC JOCs (HVAC JOC1, HVAC JOC2) are required to possess a "C-20" license at time of bid. Contractors bidding the Electrical JOC (EJOC41) are required to possess a "C-10" license at time of bid. Contractors bidding the Low Voltage JOC (Low Voltage JOC1) are required to possess a "C-7" license at time of bid. Contractors bidding the Plumbing JOC (Plumbing JOC1) are required to possess a "C-36" license at time of bid. Contractors bidding the Roof JOC (Roof JOC1) are required to possess a "C-39" license at time of bid. Contractors bidding the Paint JOC (Paint JOC9) are required to possess a "C-33" 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 JOC contracts/projects at 9:00 a.m. on January 4, 2017, 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. It is **required** that the pre-bid conference be attended by the President or Owner of each Bidder only. The Bidder must submit to the County the Articles of Incorporation or a notarized document identifying the attendee within 24 hours after the conference. In County's sole discretion, failure to comply with the requirement of this Article may be a basis to reject the bid as nonresponsive. For further directions, please contact Ms. Sue Chang at (323) 267-3129 or Ms. Lolitta Cheung 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) 267-3130.



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) 881-4599 or (323) 267-2445, 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) 881-4599 or (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 December 6, 2016.

LORI GLASGOW, ACTING EXECUTIVE OFFICER
OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF LOS ANGELES



County of Los Angeles
INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

DAVE CHITTENDEN
Chief Deputy Director

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December 6, 2016

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 TWO CUSTODIAL SERVICES CONTRACTS
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

Approval of two custodial contracts to provide services to various County departments.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that custodial services can be more economically performed by an independent contractor than by County employees.
2. Approve and instruct the Chair to sign the attached contracts (Attachments 1-2) with Servicon Systems, Inc., to provide custodial services effective on January 1, 2017, for an initial period of two years, with three one-year renewal options and six month-to-month extensions. The annual cost for the Hall of Justice and Patriotic Hall (Region 18) is \$1,074,438 for the first year, \$1,117,891 for the second year, for a total cost of \$2,192,329 for the initial term. The annual cost for the Zev Yaroslavsky Family Support Center (Region 19) is \$442,318 for the first year, \$458,472 for the second year, for a total cost of \$900,790 for the initial term.
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.
4. Authorize the Director of ISD or his designee to increase the contract amount up to an additional ten percent to allow for any possible cost of living adjustments in

accordance with County policy and terms of the contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

ISD currently contracts for custodial services for 22 County departments at approximately 180 buildings located throughout the County. The services for Regions 18 and 19 are currently being provided under contracts with DMS Facility Services, Inc., and Pride Industries One, Inc., respectively. Approval of the recommended contracts will allow ISD to continue providing custodial services to three client departments.

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 contract supports County Strategic Plan Goals Number 1 (Operational Effectiveness) maximize the effectiveness of the County's processes structure and operations to support timely delivery of customer oriented and efficient public service by providing custodial services countywide.

FISCAL IMPACT/FINANCING

The initial annual costs for the recommended contracts are as follows:

Contract	Region	Annual Cost 2017	Annual Cost 2018	Total Cost Initial Term
1	18	\$1,074,438	\$1,117,891	\$2,192,329
2	19	\$442,318	\$458,472	\$900,790

Sufficient appropriation for the recommended contracts is included in ISD's FY 2016-17 Adopted Budget and sufficient appropriation will be requested in future years. Expenditures will be offset through billings to County departments.

The Department conducted cost analyses for Regions 18 and 19 to ensure the contracts are cost effective, summaries of which are attached (Attachment 3). ISD also took into consideration other low-cost resource options and found that the services can be more economically performed by an independent contractor.

Pursuant to the Fiscal Manual, the Auditor-Controller reviewed the cost analysis for the Region 18 contract and approved the cost analysis that demonstrates that the Region 18 contract is cost effective.

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. The contracts are subject to the Living Wage Program (County Code Chapter 2.201). There is no impact to current County employees.

The contract rates are fixed for the two 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 pertaining to COLA's for Living Wage contracts.

CONTRACTING PROCESS

On March 2, 2016, ISD released a Request for Proposals (RFP) for Custodial Services for Regions 18 and 19 and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" web site (Attachment 4). Notice of the RFP was sent by electronic mail to approximately 532 vendors registered with the County (Attachment 5). In addition, the contracting opportunity was advertised in the following publications: Los Angeles Times, Press Telegram, and La Opinión (Spanish language newspaper).

The mandatory proposer's conference was held on March 23, 2016. On April 25, 2016, ten proposals were received for both Regions.

Proposals for both Regions were reviewed for responsiveness and compliance with the minimum requirements stated in the RFP. Two proposals were disqualified for failure to comply with solicitation submission requirements.

The eight proposals that met the minimum requirements for both Regions were evaluated by an evaluation committee in accordance with the evaluation process identified in the RFP.

The Honorable Board of Supervisors
December 6, 2016
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The non-selected proposers for both Regions received debriefings from July 7 through July 19, 2016.

One proposer submitted protests for both Regions and requested a County Independent Review (CIR). A CIR was reviewed by an independent reviewer and found to have partial merit for the assertion related to the recommended proposer's compliance with the Displaced Janitor Opportunity Act. As recommended by the CIR reviewer, the department confirmed that the recommended proposer's compliance with the Displaced Janitor Opportunity Act will have no effect on their proposed price.

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 custodial services for various County departments throughout the County of Los Angeles.

Respectfully submitted,

DAVE CHITTENDEN
Chief Deputy Director

DC:JS:YY:ct

Attachments

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

November 7, 2016

To: Supervisor Hilda L. Solis, Chair
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: Joseph Kelly
Treasurer and Tax Collector

Peter Loo
Acting Chief Information Officer

UPDATE - RANSOMWARE INCIDENT AT TREASURER AND TAX COLLECTOR

On Thursday, October 13, 2016, the Office of the Chief Information Security Officer (CISO) was notified by the Treasurer and Tax Collector's (TTC) Department Information Security Officer (DISO) of a possible ransomware incident, when an employee accessed her personal email account from a County workstation. Ransomware is a type of malicious software (malware) that encrypts and blocks access to computer data and files until a password is provided. TTC technical staff was quick to identify and quarantine the affected workstation and computer server and worked with the CISO to notify the District Attorney's Cyber Investigative Response Team (DA-CiRT) to perform forensics analysis of the infected computer.

On Friday, October 14, 2016, the DA-CiRT identified the characteristics of the ransomware which was subsequently used to confirm that the TTC user was the only person affected by the ransomware. Overall, approximately 13,000 TTC files were encrypted, however, TTC technical staff were able to restore files from their backup with minimal impact to TTC operations. The TTC did not pay the required ransom of \$250 in bitcoin equivalent, and at no time did the incident compromise the financial assets safekept by the County Treasury.

Several operational preventive measures were implemented by the Internal Services Department (ISD) to block the website where the ransomware/malware was initiated and all associated external Internet IP addresses to prevent future infections from the same malware. TTC also provided McAfee Security, the County's Anti-Malware Vendor, with information regarding the ransomware infection to update their product and prevent future infections from this ransomware variant. Having determined that the ransomware incident was isolated at TTC, an Information Security Advisory notice was sent to all departments informing them of the incident including characteristics of the ransomware and proactive steps to mitigate such incidents.

While the County will always be exposed to these cyber threats, we have implemented practices and capabilities to respond to these cyber threats as they emerge. Additionally the following proactive measures are also being implemented:

1. Develop and implement a plan to block access to personal email services on County computers secured behind the County firewall;
2. Evaluate results from a current phishing campaign to increase employee awareness of social engineering cyber threats; and
3. Issue a technical advisory to department CIOs to reinforce best practices for back-ups and business continuity plans.

Please contact Robert Pittman at 213-253-5631 if you have any questions regarding this matter.

c: Chief Executive Office
Executive Office of the Board of Supervisors
Operations Cluster Board Deputies

DRAFT