



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

WILLIAM T FUJIOKA  
Chief Executive Officer

**\*REVISED\***

**DATE:** December 2, 2010  
**TIME:** 12:30 p.m.  
**LOCATION:** Kenneth Hahn Hall of Administration, **Room 830**

**AGENDA**

Members of the Public may address the Operations Cluster on any agenda item by submitting a written request prior to the meeting.  
Three (3) minutes are allowed for each item.

1. Call to order – Ellen Sandt
  - A) **Board Letter – RECOMMENDATION TO ENCUMBER ADDITIONAL FUNDS FOR AS-NEEDED HEARING REPORTER SERVICES**  
Executive Office, BOS – Sachi Hamai or designee
  - B) **LOS ANGELES COUNTY WITHDRAWAL FROM THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**  
CEO – Ellen Sandt or designee
  - C) **Upcoming IT Items**  
CIO – Rich Sanchez or designee
  - D) **eCAPS/eHR Updates**  
Auditor-Controller – Wendy Watanabe or designee
  - E) **Update on Health Coverage Available to SEIU-USWW Workers (February 16, 2010 BOS Motion on Living Wage)**  
CEO – Ellen Sandt or designee
  - F) **Board Letter – ISSUANCE OF RECOVERY ZONE BONDS IN AN AMOUNT NOT TO EXCEED \$33.6 MILLION RELATED TO THE POMONA FAIRPLEX (Agenda item 67 of November 30, 2010 Board agenda) **REVISED FOR MEETING OF DECEMBER 7, 2010****

2. Public Comment

3. Adjournment



# COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 383  
LOS ANGELES, CALIFORNIA 90012  
(213) 974-1411 • FAX (213) 620-0636

SACHI A. HAMAI  
EXECUTIVE OFFICER

MEMBERS OF THE BOARD

GLORIA MOLINA  
MARK RIDLEY-THOMAS  
ZEV YAROSLAVSKY  
DON KNABE  
MICHAEL D. ANTONOVICH

December 14, 2010

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:

## **RECOMMENDATION TO ENCUMBER ADDITIONAL FUNDS FOR AS-NEEDED HEARING REPORTER SERVICES (ALL DISTRICTS) (3 VOTES)**

### **SUBJECT**

Request approval for the Executive Office, Board of Supervisors to encumber an additional \$100,000 annually for as-needed stenographic recording and transcript of administrative hearing services.

### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and authorize the Executive Officer of the Board to encumber an additional \$100,000 per fiscal year, increasing the estimated combined, aggregate, maximum annual cost from \$100,000 to \$200,000, for as-needed stenographic recording and transcript of administrative hearing services, effective upon Board approval.

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

The purpose of this recommendation is to request a supplement of \$100,000 to fund existing contracts previously approved by your Board, for as-needed hearing reporter services. On November 10, 2009 your Board approved a non-exclusive contract with four (4) hearing reporter firms and authorized the Executive Officer of the Board of Supervisors to encumber \$100,000 per fiscal year, representing the estimated combined, aggregate, maximum annual cost for these services. However, due to an increased workload stemming from more hearings being granted by the commissioners, the cost is projected to exceed \$160,000 per fiscal year. Therefore, we are requesting to supplement the estimated combined, aggregate, maximum annual total from \$100,000 to \$200,000 to meet the demand resulting from increases in administrative hearings managed by the Civil Service

The Honorable Board of Supervisors  
December 14, 2010  
Page 2

Commission, Employee Relations Commission, and other client boards and commissions. Funding for this service is available in the Board of Supervisors – Executive Office Adopted Budget.

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

This action is consistent with the County's Strategic Plan Goal No. 1 of Organizational Effectiveness. Contracts will improve internal operations through the utilization of contractors' expertise to effectively provide services in a timely and responsive manner.

### **FISCAL IMPACT/FINANCING**

Rates are standardized for all firms under the contract. Services are used on an as-needed basis and not projected to exceed \$200,000 in any fiscal year. Funding for this service is available in Board of Supervisors, Executive Offices' Adopted Budget.

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

The contracts are intended to be used by the Executive Office to quickly obtain the services of qualified hearing reporter firms to provide stenographic reporters to record administrative hearings. The resulting list of qualified firms will also serve as a resource for departments wishing to hire hearing reporters to record their administrative hearings.

There is no impact to County employees as these services supplement current resources and are intermittent in nature.

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

The approval of this request will not result in any impact on other current services or projects.

### **CONCLUSION**

Please return one adopted copy of this letter to Executive Office, Fiscal Services Division.

Respectfully submitted,

Sachi A. Hamai  
Executive Officer, Board of Supervisors

Attachments

c: Executive Officer – Clerk of the Board of Supervisors

The Honorable Board of Supervisors

December 14, 2010

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Chief Administrative Officer

County Counsel

DRAFT



# 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

XXXX XX, XXXX

James F. Hamill, Program Manager  
California Statewide Communities Development Authority  
2033 N. Main Street, Suite 700  
Walnut Creek, CA 94596

Dear Mr. Hamill:

## LOS ANGELES COUNTY WITHDRAWAL FROM THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

Thank you for sending the outline of a proposal approved by the California Statewide Communities Development Authority (CSCDA) Board to work with the County of Los Angeles to maintain our membership in CSCDA. Both the Chief Executive Office and Treasurer and Tax Collector staff have had an opportunity to consider and discuss the proposal.

We sincerely appreciate the efforts made by your organization to address the County's concerns. At this time, we have decided it is still in the County's overall best interest to withdraw from CSCDA. However, we recognize that extraordinary situations may arise in the future and we want to make it clear that CSCDA is welcome to bring financing proposals to the County on a case by case basis.

Sincerely,

WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:EFS:ef

c: Treasurer and Tax Collector  
Paul McIntosh, Executive Director, CSAC

11.23.10 letter to cscda.docx

*"To Enrich Lives Through Effective And Caring Service"*

**Please Conserve Paper – This Document and Copies are Two-Sided  
Intra-County Correspondence Sent Electronically Only**

# Board IT Agenda Items

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
DPSS	Data Mining Solution Amendment One	Amendment One is a no-cost amendment to an existing agreement with SAS Institute to include a pilot to determine if data mining software will detect fraud in the In-Home Support Service Program (IHSS).  <b>Funding Source: N/A</b> <b>Existing Agreement: 77217</b>	IHSS No-Charge Pilot	Children & Families Well-being	No change	12/7/2010
Public Works	Agreement for LACO-4E Traffic Signal Controller Firmware Development and Support	LACO-4E is a traffic controller firmware program used by DPW, and deployed in 2005. LACO-4E is currently used countywide in support of traffic signal control systems in various cities as well as the County of Los Angeles' Metropolitan Transportation Authority's Bus Signal Priority Program. The proposed Agreement includes a comprehensive review and upgrade of the source code, documentation and user manual, as well as ongoing troubleshooting, repairs and enhancements.  <b>Funding Source: FY 2010-2011 Proposition C Local Return Fund Budget</b> <b>Existing Agreement: N/A</b>	\$400,000	Community & Municipal Services	4 years with 4 optional 1-year terms & 6 one month extensions (maximum duration of 102 months)	12/7/2010
DPH - Childrens Medical Services Program	EMC-Documentum MSA Work Order for DPH-CMS Program e-Chart Project	The Department of Public Health-Children Medical Services Program (DPH-CMS) requires the professional services of EMC Corp. under the CIO's Master Services Agreement with EMC-Documentum to implement Phases 3 and 4 of CMS' Electronic Health Chart System (e-Chart).  <b>Targeted Board Hearing Date: TBD</b> <b>Funding Source: 94% State and federal funds; 6% net County costs (NCC)</b> <b>Existing Contract: EMC Documentum MSA</b>	\$575,000	Health & Mental Health Services	N/A	
DHS	Orsos Amendment	Amendment for adding a new module on Orsos system. Potential issues with interface and strategic direction of DHS.  <b>Funding Source:</b> <b>Existing Agreement:</b>	\$5,000,000	Health & Mental Health Services		

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
DHS	Central Pharmacy System	This will be a centralized Pharmacy mail order system. Will be initially targeted for a PILOT at High Desert.  <b>Funding Source:</b> <b>Existing Agreement:</b>		Health & Mental Health Services		
DHS	QuadraMed Amendment 11 and 12	The QuadraMed contract is ending on 12/31/2011. The amendments will effectively extend the contract.  <b>Funding Source:</b> <b>Existing Agreement:</b>		Health & Mental Health Services		
DHS	Provider Advantage, NW Contract - Amendment 2	Amendment to Agreement with Provider Advantage, NW Inc. to add Revenue 360's integrated Address and Demographic Validation Service (ADVS) Module to DHS' Eligibility Response Software.  <b>Targeted Board Hearing Date: January 2011.</b>  <b>Funding Source: DHS' Administration FY 2010-11 Final Budget</b> <b>Existing Agreement: H-701910</b>	\$458,018 (LAC+USC Pilot \$125,428 + \$332,590, if expanded to other DHS facilities)	Health & Mental Health Services	Adds funding only; Does not extend current contract expiration date of March 31, 2014	
DPH	Environmental Health Permit and Inspection Management System (EHPIMS) Contract	Replacement of the current Environmental Health Management Information System (EHMIS) with the web-based Environment Health Permit and Inspection Management System (EHPIMS) to support EH's 16 district offices and 23 program areas.  <b>Targeted Board Hearing Date: TBA</b>  <b>Funding Source: Environment Health Trust Fund (EHTF)</b> <b>Existing Agreement: N/A</b>	\$2,525,306	Health & Mental Health Services	Contract Execution through Nov. 2, 2020 (7-year base + 3-year option)	
LASD	Amendment One to Agreement with Identix Inc. to provide additional Livescan equipment, software and services.	The amendment incorporates new Counting required provisions and adds the ability for Sheriff's Department staff to request that Identix provide additional software, equipment, and/or professional services in connection with the Livescan equipment.  <b>Funding Source: State Cal-ID Funding</b> <b>Existing Agreement: 76819</b>	\$4,547,990	Public Safety	TBD	

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
Public Works	Dams Automated Data Acquisition System (DADAS) - Supplemental Agreement	Professional services, software and hardware to expand and refresh an existing dam monitoring system, including a new telemetry infrastructure and commercial off the shelf (COTS) software.  <b>Targeted Board Hearing Date: TBA</b>  <b>Funding Source:</b> <b>Existing Contract:</b>	\$2,000,000	Community & Municipal Services	Two years	
LASD	Gang Automated Registration System (GARDS)	Requests approval for a Sole Source Agreement with Systems Research and Application Corp. (SRA) to develop a gang registration module as part of the CalGang statewide system that supports the State of California's Gang Violence and Juvenile Crime Prevention Act of 1998, as amended by Proposition 21 approved in 2000. LASD and County Counsel are in final discussions with the vendor.  <b>Funding Source: Grant Funding</b> <b>Existing Agreement: N/A</b>	\$300,545	Public Safety	18 months	
CIO	Enterprise IT Security and Privacy Awareness Training.	Requests approval and authorization to use the Information Technology Fund (ITF) to acquire and implement the enterprise IT security and privacy awareness training content for use in DHR's Learning Net, a countywide learning management system.  <b>Funding Source: ITF</b> <b>Existing Agreement: N/A</b>	\$240,000 (includes 20% contingency)	Operations	N/A	

County of Los Angeles  
**DEPARTMENT OF PUBLIC SOCIAL SERVICES**

12860 CROSSROADS PARKWAY SOUTH • CITY OF INDUSTRY, CALIFORNIA 91746  
Tel (562) 908-8400 • Fax (562) 908-0459



PHILIP L. BROWNING  
Director

SHERYL L. SPILLER  
Chief Deputy



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

December 07, 2010

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:

**APPROVE AMENDMENT NUMBER ONE TO AGREEMENT NO. 77217  
WITH SAS INSTITUTE INC. FOR DATA MINING SOLUTION  
(ALL DISTRICTS - 3 VOTES)**

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

**SUBJECT**

The Department of Public Social Services (DPSS), in collaboration with the Service Integration Branch (SIB) of the Chief Executive Office (CEO), seeks your Board's approval of Amendment Number One to Agreement Number 77217 with SAS Institute Inc. (SAS) for Data Mining Solution (DMS), dated December 22, 2009 (Agreement), in order to conduct a DMS pilot for the In-Home Supportive Services (IHSS) Program (IHSS Pilot) at no additional cost.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Mayor to sign Amendment Number One (Attachment II) to the Agreement, which includes Exhibit A (Attachment II A), Statement of Work, and Exhibit B (Attachment II B), Schedule of Payments, for the IHSS Pilot to be performed by SAS at no additional cost to the County beyond the current cost of the Agreement with SAS for DMS Stage 1 Child Care Program Development and Implementation. The IHSS Pilot is estimated to be completed within 90 days from County's notice to proceed and will include project administration services and assessment of the feasibility of using data mining technology to help County detect and prevent fraud in the IHSS Program.

2. Delegate authority to the DPSS Director or his designee to direct the County's Project Director under the current Agreement to modify the current Agreement by Change Notice in order to (i) reduce the scope of work required under the Agreement by eliminating the requirement that SAS implement and support a back-up server due to County's election to utilize SAS' standard business continuity services which provides for restoration of services within a five hour time period, and (ii) reallocate the cost savings from such reduction in the scope of work, estimated at \$117,290, to the pool dollars to be used for the procurement of optional work requested by County.

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

On December 22, 2009 your Board approved Agreement Number 77217 with SAS for the development, implementation, maintenance and support of data mining technology to target fraud in the CalWORKs Stage 1 Child Care Program. Amendment Number One will allow SAS to conduct a DMS pilot for the IHSS Program at no additional cost.

The goal of the IHSS Pilot is to demonstrate the benefits of utilizing data mining technology to detect and prevent fraud in the IHSS Program. Working with SAS data prepared by County staff, SAS will apply advanced analytical models to assess the degree to which statistical analysis can reliably identify the characteristics of IHSS Program fraud. Target measures will include current indicators of potential fraud such as fraud referrals, current rules-based algorithms, and actual criminal charges and convictions. The outcome of the IHSS Pilot will be a set of preliminary predictive models that can be used to detect potential fraud. Additionally, County will perform an assessment of cost avoidance potential of the IHSS data mining solution. As part of the IHSS Pilot, SAS will provide project administration services and complete an assessment of the feasibility of using data mining technology to help detect and prevent fraud in the IHSS Program.

Amendment Number One delegates authority to the DPSS Director or his designee to direct the County's Project Director to modify the current Agreement by Change Notice in order to (i) reduce the scope of work required under the Agreement by eliminating the requirement that SAS implement and support a back-up server due to County's election to utilize SAS' standard business continuity services instead and (ii) reallocate the cost savings from such reduction in the scope of work, estimated at \$117,290, to the pool dollars to be used for the procurement of optional work requested by County.

### **Implementation of Strategic Planning Goals**

The recommendation is consistent with the principles of County Strategic Plan Goal #1 (Operational Effectiveness) to provide the public with easy access to quality information and services that are both beneficial and responsive. In addition, Amendment Number One is consistent with DPSS' objectives for increasing the efficiency and effectiveness of departmental programs through expanded information technology and communications, and is included in the Department's Business Automation Plan.

### **FISCAL IMPACT/FINANCING**

The current Agreement has a Maximum Contract Sum of \$4,230,937, which includes \$2,510,955 allocated for DMS Development and Implementation, \$1,626,282 for System Maintenance and Support and \$93,700 for pool dollars (optional work). The services for the IHSS Pilot under Amendment Number One will be provided by SAS at no additional cost to the County and the Maximum Contract Sum will remain \$4,230,937.

Following approval of delegated authority by your Board, the County Project Director will issue a Change Notice to reduce the scope of work surrounding the implementation of a back-up server and corresponding DMS Development and Implementation costs by approximately \$78,300 and the System Maintenance and Support costs by approximately \$38,990, and reallocate the resulting \$117,290 in total funds to the pool dollars for the procurement of optional work requested by County during the term of the Agreement. This will result in the same Maximum Contract Sum of \$4,230,937, comprised of \$2,432,655 for DMS Development and Implementation, \$1,587,292 for System Maintenance and Support and \$210,990 for pool dollars (optional work).

### **FACTS AND PROVISIONAL/LEGAL REQUIREMENTS**

Amendment Number One will become effective upon Board approval. All terms and conditions, including information technology provisions included in the current Agreement, will continue to apply to the Agreement following execution of the proposed Amendment Number One.

Amendment Number One has been reviewed and approved as to form by County Counsel. The Chief Information Office (CIO) concurs with this joint DPSS' and CEO-SIB's recommendation (see attached CIO Analysis [Attachment I]).

### **CONTRACTING PROCESS**

On December 22, 2009, your Board approved Agreement Number 77217 with SAS for the DMS development, implementation, maintenance and support, starting with a data mining solution to detect and prevent fraudulent activities among individuals or groups participating in the County's CalWORKs Stage 1 Child Care Program. The Agreement provides for the ability to add other County public assistance programs to the DMS.

Pursuant to your Board's motion of August 17, 2010, Amendment Number One authorizes SAS to conduct a 90 day IHSS Pilot for the purpose of assessing data mining technology to target fraud in the IHSS Program and establishing a platform that can be leveraged to prevent and detect fraud in other County public assistance programs.

While the IHSS Pilot will be provided by SAS at no additional cost, the County is under no obligation to engage SAS to provide data mining services to detect and prevent fraud in the IHSS Program or other County public assistance programs or other services.

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

The use of the data mining technology in the IHSS Program and other County public assistance programs for fraud detection and prevention is expected to result in new fraud referrals, early detection of fraud and increased efficiency, all leading to cost avoidance. As the use of the data mining technology is extended to other public assistance programs beyond CalWORKs and IHSS, the cost avoidance is expected to increase.

**CONCLUSION**

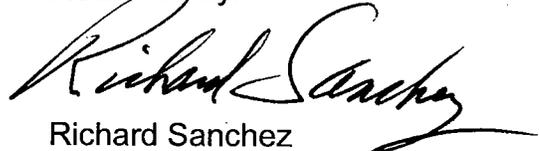
Upon Board approval, it is requested that the Executive Officer of the Board of Supervisors return three original signed copies of the Amendment and two adopted stamped Board letters to the Director of DPSS.

Respectfully submitted,



Philip L. Browning  
Director

Reviewed by:



Richard Sanchez  
Chief Information Officer

PLB:af

Attachments

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Chief Information Officer  
Auditor-Controller  
Chair, Information Systems Commission  
Director, Internal Services Department

## CIO ANALYSIS

### AMENDMENT NUMBER ONE TO AGREEMENT NUMBER 77217 WITH SAS INSTITUTE, INC. FOR DATA MINING SOLUTION

CIO RECOMMENDATION:  APPROVE       APPROVE WITH MODIFICATION  
 DISAPPROVE

**Contract Type:**

New Contract       Contract Amendment       Contract Extension  
 Sole Source Contract       Hardware Acquisition       Other

New/Revised Contract Term: Base Term: 2 Yrs.      # of Option years: 2

**Contract Components:**

Software       Hardware       Telecommunications  
 Professional Services

Project Executive Sponsor: Michael J. Sylvester II, Director, Bureau of Contracts and Technical Services, DPSS

**Budget Information :**

Y-T-D Contract Expenditures	\$1,551,664
Requested Contract Amount	\$4,230,937
Aggregate Contract Amount	\$4,230,937

**Project Background:**

Yes	No	Question
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project subvented? If yes, what percentage is offset? 100% of the cost of the project will be offset using the Department's CALWORKS funds originating from the State of California.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved.

**Strategic Alignment:**

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan? The Department's Data Mining Solution supports County Strategic Plan Goal #1 (Operational Effectiveness) to provide the public with easy access to quality information and services that are both beneficial and responsive.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan? The project is identified in the Department's FY 2009-10 and FY 2010-11 Business Automation Plan.

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document? The Department's Data Mining Solution complies with IT Directions document by conducting government electronically to improve the delivery of services.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards? The Department's data mining project utilizes SAS software which is used by several County departments.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

**Project/Contract Description:**

The Department of Public Social Services (DPSS) is seeking Board approval for Amendment Number One to Agreement Number 77217 with SAS Institute Inc. (SAS) for Data Mining Solution (DMS) to provide the following:

- Conduct a no cost pilot to determine the viability of DMS' technology to detect fraud within DPSS' In Home Support Services (IHSS) Program; and
- Eliminate the requirement for a backup server and reallocate \$117,290 to the Agreement's pool dollars fund.

**Background:**

On December 22, 2009, the Board approved Agreement Number 77217 with SAS for the development, implementation, maintenance, and support of a DMS for County CalWORKs child care fraud detection. The Agreement provides for the ability to add other County public assistance programs to DMS.

Amendment Number One will enable DPSS to conduct a no cost 90-day pilot to determine the viability of DMS' technology to detect fraud within their IHSS Program. If successful, DPSS will submit a subsequent amendment for expansion of the DMS to IHSS fraud analysis capability.

**Project Justification/Benefits:**

Amendment Number One will provide a no cost pilot to determine if DMS can detect and prevent fraudulent activities among clients in the IHSS Program. This increased detection of fraud will enable DPSS to more effectively utilize program funds.

In addition, the Amendment will eliminate a contract requirement to implement and support a DMS backup server and reallocate \$117,290 in contract funding to Agreement pool dollars, which are used to purchase optional services. In lieu of the dedicated server, DPSS has elected to utilize SAS' standard business continuity service offering which provides for a restoration of services within a five (5) hour time period.

**Project Metrics:**

The Agreement clearly identifies the service levels and system performance metrics to be provided by the contractor for the term of the Agreement. The IHSS Pilot will adhere to the same requirements.

**Impact on Service Delivery or Department Operations, if Proposal is Not Approved:**

The Amendment will enable DPSS to conduct a no cost 90-day pilot to determine the viability of DMS' technology to detect fraud within their IHSS Program. If the Amendment is not approved, DPSS will not be able to evaluate the effectiveness of this technology in strengthening their current fraud detection capabilities.

**Alternatives Considered:**

None.

**Project Risks:**

DMS has normal risks for system implementation. DPSS and CEO-SIB have mitigated these risks by providing executive sponsorship, stable project staffing, clear roles and responsibilities, full-time project management, and defined deliverables. The IHSS Pilot will utilize the same project oversight. The Chief Information Security Officer reviewed the Amendment and did not identify any security risks or issues.

**Risk Mitigation Measures:**

DMS' project utilizes the risk mitigation measures described above and will continue to monitor these and other risks as implementation progresses.

**Financial Analysis:**

Amendment Number One does not impact the Agreement's maximum contact sum. It provides the County with a no cost IHSS fraud pilot, and eliminates an Agreement requirement and reallocates \$117,290 in contract funds to the Agreement's pool dollars for optional work.

**CIO Concerns:**

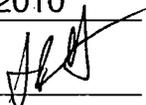
None.

**CIO Recommendations:**

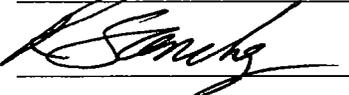
My Office supports this action and recommends approval by the Board.

**CIO APPROVAL**

Date Received: October 21, 2010

Prepared by: James Hall 

Date: October 22, 2010

Approved: 

Date: 11-22-10



# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
<http://dpw.lacounty.gov>

GAIL FARBER, Director

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE  
REFER TO FILE: **AS-0**

December 7, 2010

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 CONTRACT FOR LACO-4E TRAFFIC SIGNAL CONTROLLER  
FIRMWARE DEVELOPMENT AND SUPPORT  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

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

**SUBJECT**

This action is to award a contract for the enhancement, documentation, and support of the LACO-4E traffic signal controller firmware and authorize the Director of Public Works or her designee to execute a contract with Delcan Corporation, d.b.a. Delcan Consulting.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Award the contract for LACO-4E Traffic Signal Controller Firmware Development and Support for a not-to-exceed contract sum of \$400,000 for the entire duration of the contract including the option years, if any, to Delcan Corporation, d.b.a. Delcan Consulting, for a term of four years commencing upon your Board's approval and execution by all parties, with four 1-year renewal options and a month-to-month extension up to six months for a maximum potential term of 102 months (eight and a half years).

2. Authorize the Director of Public Works or her designee to execute the contract; to renew the contract for each additional renewal option if, in the opinion of the Director of Public Works or her designee, the contractor has successfully performed during the previous contract period and the services are still required; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works or her designee, it is in the best interest of the County of Los Angeles to do so.

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

The purpose of this recommended action is to engage the services of a contractor to enhance, document, and support the LACO-4E traffic signal controller firmware. The LACO-4E is the firmware program currently utilized by the Department of Public Works (Public Works) in conjunction with the Kimley-Horn and Associates, Inc., produced traffic control system. On October 19, 2004, Agenda Item 39, your Board approved an agreement with Kimley-Horn and Associates, Inc., for the procurement of traffic control system.

This traffic control system, known as KITS, has thus far been installed at over 227 intersections in the unincorporated area and over 137 intersections in various cities. During the course of deployment of KITS, Public Works identified some desired enhancements to LACO-4E that would allow us to install KITS at increasingly complex intersections. LACO-4E is also being utilized for the Los Angeles County Metropolitan Transportation Authority's (Metro) Bus Signal Priority Program.

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

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). These services will provide improved infrastructure and enhance the quality of life in the affected communities. The use of a contractor who has the specialized expertise will allow Public Works to accurately, efficiently, timely, and in a responsive manner deploy KITS and LACO-4E at additional traffic signals throughout Los Angeles County.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

The contract is for a not-to-exceed contract sum of \$400,000 for the entire duration of the contract including the option years, if any, including \$36,120 for additional work within the scope of the contract, if required. This amount is based on the hourly rates

and fixed prices quoted by the contractor and our estimated utilization of the contractor's services. During the negotiation with the contractor, one of the fixed rates for their service was reduced from \$72,000 to \$69,000, and one of the hourly rates for another part of their service was reduced from \$165 to \$140. This reduction in contract amount has been agreed to without adding extension years or reducing the level of service.

Funding for these services is included in the Fiscal Year 2010-11 Proposition C Local Return Fund Budget. Metro will reimburse \$112,500 of the contract cost from the 2007 Call for Projects Proposition C Discretionary Grant Funds under Memorandum of Understanding P00F1310. On an annual basis, your Board has established a \$2.5 million top-of-pot allocation from the County Proposition C Local Return Fund Budget to be used as a match for these types of Metro grants. As such, the remaining \$287,500 will be funded from this top-of-pot allocation.

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

The recommended contractor is Delcan Corporation, d.b.a. Delcan Consulting, located in La Mirada, California. This contract will commence upon Board approval for a period of four years. With your Board's delegated authority, the Director of Public Works (Director) or her designee may renew the contract for four 1-year renewal options and a month-to-month extension up to six months, for a maximum potential contract period of 102 months (eight and a half years).

The contract agreement will be in the form previously reviewed and approved by County Counsel (Enclosure A). Prior to the Director or her designee executing this contract, the contractor will sign and County Counsel will review it as to form. The recommended contract with Delcan Corporation, d.b.a. Delcan Consulting, was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the requirements of the Chief Executive Officer and your Board. The County's Chief Information Officer (CIO) recommends approval of the contract. CIO Analysis is enclosed as Enclosure B.

The award of the contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. The contract contains terms and conditions supporting your Board's ordinances, policies, and programs including, but not limited to: the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor

Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board-directed clauses that provide for contract termination or renegotiation.

Data regarding the proposers' minority participation is on file with Public Works. The contractor was selected upon final analysis and consideration without regard to race, creed, gender, or color.

Proof of the required Comprehensive General and Automobile Liability insurance policies, naming the County as additional insured, and evidence of Workers' Compensation insurance will be obtained from the contractor before any work is assigned.

Pursuant to the applicable memorandum of understanding, the Request for Proposals (RFP) for these contracted services was submitted on July 6, 2010, to the appropriate unions for review. The unions have not asked to meet with Public Works regarding this solicitation.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to this recommended contract, which is for services required on an as-needed and intermittent basis; hence, this contract is not a Proposition A contract (Los Angeles County Code, Chapter 2.121).

The contract includes a cost-of-living adjustment provision, which is in accordance with your Board's Policy approved January 29, 2002. The cost-of-living adjustment will not increase the not-to-exceed contract sum.

#### **ENVIRONMENTAL DOCUMENTATION**

In accordance with Section 21065 of the Public Resources Code, the proposed action does not constitute a project and is not subject to the requirements of the California Environmental Quality Act. The enhancement, documentation, and support of the LACO-4E traffic signal controller firmware will not cause a physical change in the environment.

**CONTRACTING PROCESS**

On July 7, 2010, Public Works solicited proposals from 136 independent contractors and community business enterprises to accomplish this work. Also, a notice of the RFP was placed on the County's bid website (Enclosure C), and an advertisement was placed in the *Los Angeles Times*.

On August 18, 2010, two proposals were received. The proposals were first reviewed to ensure they met the minimum requirements in the RFP. Both proposals having met these requirements were then evaluated by an evaluation committee consisting of Public Works staff. The evaluation was based on criteria described in the RFP, which included the price, experience, references, work plan, and financial resources utilizing the informed averaging methodology for applicable criteria. Based on this evaluation, it is recommended that this contract be awarded to the highest-rated, responsive, and responsible proposer, Delcan Corporation, d.b.a. Delcan Consulting.

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

The award of this contract will not result in the displacement of any County employees.

**CONCLUSION**

Please return one adopted copy of this letter to the Department of Public Works, Administrative Services Division.

Respectfully submitted,

  
GAIL FARBER  
Director of Public Works

Reviewed by:

  
RICHARD SANCHEZ  
Chief Information Officer

GF:GZ:cg

Enclosures

- c: Chief Executive Office
- Chief Information Office (Janette Parker)
- County Counsel
- Executive Office

AGREEMENT FOR  
LACO-4E TRAFFIC SIGNAL CONTROLLER  
FIRMWARE DEVELOPMENT AND SUPPORT (2010-IT022)

THIS AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2010, by and between the COUNTY OF LOS ANGELES, a subdivision of the State of California, a body corporate and politic (hereinafter referred to as COUNTY) and DELCAN CORPORATION, DBA DELCAN CONSULTING, an Illinois Corporation (hereinafter referred to as CONTRACTOR).

WITNESSETH

WHEREAS, the COUNTY, by and through its Department of Public Works ("Public Works"), desires to employ a contractor to provide development and support services, which includes analyzing, identifying, repairing, and documenting the LACO-4E program, and implementing and supporting current and future software enhancements to the LACO-4E program;

WHEREAS, California Government Code, Section 31000, permits the COUNTY Board of Supervisors to contract for special services with persons specially trained and experienced to perform the services;

WHEREAS, in response to the COUNTY'S Request for Proposals issued with respect to the LACO-4E support services, the CONTRACTOR has submitted its proposal to the COUNTY and desires and is prepared to provide the requested development and support services to COUNTY;

WHEREAS, the CONTRACTOR possesses the necessary special skills, knowledge, and technical competence and sufficient staffing to provide the development and support services with respect to all components of the LACO-4E program described in the Scope of Work (Exhibit A);

WHEREAS, the CONTRACTOR is willing to accept responsibility for performing the requested services set forth herein for the compensation and in accordance with the terms and conditions set forth herein; and

WHEREAS, the COUNTY and the CONTRACTOR desire to enter into a Contract for development and support services of the LACO-4E program.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the COUNTY and the CONTRACTOR agree as follows:

//  
//  
//  
//

FIRST: The CONTRACTOR, for the consideration hereinafter set forth and the acceptance by the Board of Supervisors of said COUNTY of the CONTRACTOR'S Proposal filed with the COUNTY on August 18, 2010, hereby agrees to provide development and support services as described in this Contract for LACO-4E program.

SECOND: This Agreement, together with Exhibit A, Scope of Work; Exhibit B, Information Technology Service Contract General Requirements; Exhibit C, Schedule of Payments and Deliverables; Exhibit D, Contractors Employee Acknowledgement Confidentiality & Assignment of Rights; Exhibit E, Task/Deliverable Acceptance Certificate; Exhibit F, Third Party Software; Exhibit G, LACO-4E Users Manual; Exhibit H, Bond for Faithful Performance; Exhibit I, Internal Revenue Service Notice 1015; Exhibit J, Safely Surrendered Baby Law Posters; Exhibit K, Defaulted Property Tax Reduction Program; the CONTRACTOR'S Proposal, all attached hereto; the Request for Proposals; and Addenda to the Request for Proposals, all of which are incorporated herein by reference, are agreed by the COUNTY and the CONTRACTOR to constitute the Contract.

THIRD: This Contract's initial term shall be for a period of four years commencing upon Board approval (Effective Date). At the sole discretion of the COUNTY, this Contract may be extended in increments of one year, not to exceed a total contract period of eight years. The COUNTY, acting through the Director of Public Works (Director), may give a written notice of intent to extend this Contract at least ten days prior to the end of each term. At the sole discretion of the COUNTY, in lieu of extending the Contract for the full one year, this Contract may be extended on a month-to-month basis, upon written notice to the Contractor at least ten days prior to the end of a term. The Director will provide a written notice of nonrenewal at least ten days before the last day of any term, in which case this Contract shall expire as of midnight on the last day of that term. Where all option years have been exercised, the Director will not provide a written notice of nonrenewal. In addition, upon notice of at least ten days, the Director may extend the final contract term on a month-to-month basis, not to exceed a total of six months, for the convenience of the COUNTY.

FOURTH: The COUNTY agrees, in consideration of satisfactory performance of the foregoing services in strict accordance with the Contract specifications to the satisfaction of the Director, to pay the CONTRACTOR pursuant to the Schedule of Prices set forth in the Proposal and attached hereto as Form PW-2.1, an amount of \$400,000 for the initial four-year term and option years, if any, or such greater amount as the Board may approve (Maximum Contract Sum). In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the Maximum Contract Sum authorized by the Board. The Maximum Contract Sum shall include all items set forth in the Form PW-2.1, Schedule of Prices including, but not limited to, taxes, Tasks, subtasks, Deliverables, items, repairs, services, installations, upgrades, and optional Tasks. CONTRACTOR acknowledges and agrees that the Maximum Contract Sum is an all-inclusive, not-to-exceed price, that is an agreed upon assessment of the amount to be paid by the COUNTY to CONTRACTOR in exchange for CONTRACTOR delivering to COUNTY, and COUNTY accepting, within the required delivery schedule as set forth by the Contract Manager, development and support services of the LACO-4E program.

The CONTRACTOR understands and agrees that only the designated Contract Manager is authorized to request or order Work under this Contract. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any Work that would result in the CONTRACTOR earning an aggregate compensation in excess of this Contract's Maximum Contract Sum.

FIFTH: The COUNTY reserves the right to change any portion of the Work required under this Contract, or amend such other terms and conditions, as may become necessary. Any such revision shall be accomplished in the manner described in Exhibit B, Section 2.A., Amendments/Change Orders.

SIXTH: The CONTRACTOR shall not perform or accept Work requests from the Contract Manager or any other person that will cause the Maximum Contract Sum of this Contract to be exceeded. The CONTRACTOR shall monitor the balance of this Contract's Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing. The CONTRACTOR shall send written notification to the Contract Manager when this Contract is within six months from expiration of the term or within 75 percent of Maximum Contract Sum as provided for hereinabove.

SEVENTH: The CONTRACTOR shall invoice the COUNTY upon completion of Tasks, subtasks, Deliverables, items, repairs, services, installation, upgrade, optional Tasks, and other Work, which are specified in this Contract, Exhibit A (Scope of Work), and any Change Orders, as applicable, and which have been approved in writing by the COUNTY as set forth in this Paragraph. The CONTRACTOR agrees not to submit any invoice for payment until the COUNTY has approved in writing the Work for which payment is claimed other than as provided in Exhibit A. COUNTY approval will be in the form of Exhibit E (Task/Deliverable Acceptance Certificate), which shall be issued by Public Works to the CONTRACTOR upon the successful completion of Tasks and Deliverables. Other than as provided in the Scope of Work (Exhibit A), no partial or progress payments towards anticipated or substantial completion of Tasks, subtasks, Deliverables, items, repairs, services, installations, upgrades, optional tasks, or other Work will be made under this CONTRACT. The COUNTY will endeavor reasonably to process each invoice received from the CONTRACTOR within thirty (30) days. All invoices and supporting documents under this Contract shall be submitted in duplicate to the following address:

County of Los Angeles Department of Public Works  
Attention Fiscal Division, Accounts Payable  
P.O. Box 7508  
Alhambra, CA 91802-7508

Each invoice submitted by CONTRACTOR shall include the following:

- a. The Tasks, subtasks, Deliverables, items, repairs, services, installation, upgrade, optional tasks, or other Work as described in Exhibit A, any Change Order, as applicable, and all Task/Deliverable Acceptance

Certificates (Exhibit E) together with any additional supporting documentation reasonably requested by the COUNTY, for the Contract Manager's written approval.

- b. If the invoice is for additional services, the Change Order, approved and executed by the Contract Manager, and any additional supporting documentation reasonably requested by the Contract Manager must be submitted.

The Contract Manager or his/her designee shall review all invoices for any discrepancies and provide an "Invoice Discrepancy Report" (or "IDR"), orally and/or in writing, to the CONTRACTOR within fifteen (15) days of receipt of invoice if payment amounts are disputed. The CONTRACTOR shall review the disputed charges and issue a corrected invoice or send a written explanation detailing the basis for the charges within ten (10) days of receipt of the IDR from the Contract Manager or his/her designee. If the Contract Manager or his/her designee does not receive a written response within ten (10) days of the COUNTY'S notice to the CONTRACTOR of an IDR, then the COUNTY payment will be made, less the disputed charges.

In addition to any rights of the COUNTY provided in this Contract, or at law or in equity, the COUNTY may, upon notice to the CONTRACTOR, withhold payment for any Work while the CONTRACTOR is in default hereunder, or at any time that the CONTRACTOR has not provided COUNTY approved Work.

The CONTRACTOR acknowledges that notwithstanding anything herein to the contrary it must complete all Work required to develop and support the LACO-4E program. In no event shall the COUNTY be liable or responsible for payment respecting a particular Task prior to the approval by the Contract Manager.

EIGHTH: The CONTRACTOR agrees that all software upgrades, including any and all updates and custom programming modifications, if applicable, shall be delivered (a) solely in electronic form (e.g., via electronic mail or Internet download), or (b) personally by the CONTRACTOR staff who may load the software and documentation onto COUNTY'S hardware, CONTRACTOR shall retain possession of all originals and copies of such tangible media (e.g., CD-ROM, magnetic tape, printed manuals) used to deliver the software and documentation to the COUNTY. The CONTRACTOR, including CONTRACTOR'S subcontractors, shall not deliver or provide any tangible items to the COUNTY, and the COUNTY will not accept delivery of any of the same. Without limiting the generality of the foregoing, CONTRACTOR shall not deliver or provide any software, documentation, or training materials on magnetic, optical, print or other tangible media under this Contract.

NINTH: The CONTRACTOR shall bill, in arrears, upon completion and acceptance by Contract Manager as specified in the SEVENTH Paragraph of this Contract, for Tasks, subtasks, Deliverables, items, repairs, services, installation, upgrades, optional Tasks, and other Work provided by CONTRACTOR, including any additional services, for the Work

performed during the preceding month. Work performed shall be billed at the unit cost and fixed price quoted in Form PW-2.1, Schedule of Prices, and according to the Payment Criteria in the Scope of Work (Exhibit A).

The COUNTY acknowledges that the amounts payable by the COUNTY to the CONTRACTOR under this Contract will not include taxes for products or services provided by the CONTRACTOR hereunder. The COUNTY shall not be liable or responsible for reimbursement of any taxes associated with such procurement except as set forth in Form PW-2, Schedule of Prices, and Exhibit C, Schedule of Payments and Deliverables. CONTRACTOR will be solely liable and responsible for, and shall pay such tax directly to the State or other taxing authority. In addition, CONTRACTOR shall be solely responsible for all taxes based on CONTRACTOR'S income or gross revenue, or personal property taxes levied or assessed on CONTRACTOR'S personal property to which COUNTY does not hold title.

TENTH: The CONTRACTOR hereby represents, warrants, and covenants to the COUNTY that for the term of this Contract, the CONTRACTOR'S Work shall be fully compatible with and shall fully integrate, perform, and function with the LACO 4-E program and shall otherwise conform to the specifications set forth in Exhibit A (Scope of Work).

ELEVENTH: CONTRACTOR shall deliver to COUNTY, in an electronic format specified by COUNTY Project Manager and in accordance with the Scope of Work, a copy of the Customizations Source Code, **including all Custom Interfaces and Programming Modifications**, and CONTRACTOR further covenants and agrees that during the Term, it shall promptly notify COUNTY of any changes, modifications, amendments, or Updates to the Customizations Source Code and shall promptly deliver to COUNTY a copy of such changed, modified, updated, or amended Source Code.

TWELFTH: CONTRACTOR hereby represents and warrants that none of the software other than the Third Party Software as specified in Exhibit F ("Third Party Software"), is owned by a person or entity other than CONTRACTOR. CONTRACTOR represents and warrants that it has not modified and shall not modify, nor does CONTRACTOR have any need to modify, Third Party Software in order for the system to fully perform in accordance with all requirements of this Agreement. CONTRACTOR represents and warrants that all Third Party Software is provided to COUNTY in the same unmodified form as received by CONTRACTOR from the applicable third party. CONTRACTOR represents and warrants that Third Party Software shall, together with the remainder of the software, fully satisfy all requirements of the Agreement without the need for any modification of Third Party Software by CONTRACTOR or otherwise.

COUNTY acknowledges that it may have to execute certain third party license agreements in respect of such Third Party Software. These third party license agreements shall be at no additional cost to COUNTY. To the extent that any such third party license agreement conflicts with this Agreement or in any way restricts COUNTY'S full use and enjoyment of the system as contemplated herein, CONTRACTOR shall take all necessary action and

pay all sums required for COUNTY fully to enjoy all the rights and benefits in respect of the software granted under this Agreement. CONTRACTOR shall promptly and at no cost to County, either: (1) obtain a license from the appropriate third party, which shall enable CONTRACTOR to modify such Third Party Software, and CONTRACTOR shall provide all necessary modifications, or (2) to the extent that CONTRACTOR is unable to obtain such a license, provide an Update or alternative solution, which is functionally equivalent, in the sole determination of CONTRACTOR and COUNTY Project Manager, in lieu of modifying such Third Party Software.

THIRTEENTH: Following the completion of Tasks, subtasks, Deliverables, items, repairs, services, installations, upgrades, optional Tasks, or other Work as described in Exhibit A (Scope of Work), and any Change Order, as applicable, for which payment is claimed, by the CONTRACTOR and prior to acceptance of Work by the COUNTY, the COUNTY shall have the right to use, in production mode, if applicable, any completed portion of the software without any additional cost to the COUNTY where the COUNTY determines that it is desirable or necessary for COUNTY operations. Such production use, if applicable, shall not restrict the CONTRACTOR'S performance under this Contract and shall not be deemed to be the CONTRACTOR'S achievement of Task completion.

FOURTEENTH: All notices or demands required or permitted to be given or made under this CONTRACT, unless otherwise specified, shall be in writing and shall be addressed to the parties at the following addresses and delivered: (1) by hand with signed receipt, (2) by first-class registered or certified mail, postage prepaid, (3) by facsimile or electronic mail transmission followed within twenty-four (24) hours by a confirmation copy mailed by first-class registered or certified mail, postage prepaid, or (4) by overnight commercial carrier with signed receipt. Notice is deemed given at the time of signed receipt in the case of hand delivery, three (3) days after deposit in the United States mail as set forth above, on the date of facsimile or electronic mail transmission if followed by timely confirmation mailing, or on the date of signature receipt by the receiving part of any overnight commercial carrier delivery. Addresses may be changed by either party giving ten (10) days prior notice in accordance with the procedures set forth above to the other party.

To COUNTY:

County of Los Angeles Department of Public Works  
Traffic and Lighting Division  
Attention Ms. Jane White  
P.O. Box 1460  
Alhambra, CA 91802-1460  
Telephone: (626) 300-2020  
Fax: (626) 979-5319  
E-mail: [jwhite@dpw.lacounty.gov](mailto:jwhite@dpw.lacounty.gov)

with a copy to:

County of Los Angeles Department of Public Works  
Administrative Services Division  
Attention Contracting Section  
P.O. Box 1460  
Alhambra, CA 91802-1460  
To CONTRACTOR:

Delcan Corporation, d.b.a. Delcan Consulting  
Attention Mr. Glenn Murphy  
14320 Firestone Boulevard, Suite 100  
La Mirada, CA 90638-5541

The Contract Manager shall have the authority to issue all notices or demands, which are required or permitted by COUNTY under this Contract.

FIFTEENTH: The Director may adjust the rate of compensation set forth in Form PW-2.1 (Schedule of Prices) annually starting 12 months after the "Effective Date," including each year of the Option Term(s) based on the increase or decrease in the United States Department of Labor, Bureau of Labor Statistics', All Urban Consumers Price Index (CPI) for the Los Angeles-Riverside-Orange County Area for the 12-month period preceding the Contract anniversary date, which shall be the effective date for any such cost-of-living adjustment.

The percentage change in the rate of compensation shall equal to 12 times the average monthly change in the CPI over the first nine months of the Contract term preceding the effective date. However, any percentage increase shall not exceed the general salary movement granted to COUNTY employees as determined by the COUNTY'S Chief Executive Office as of July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in COUNTY employee salaries, no cost-of-living adjustment will be granted.

SIXTEENTH: A faithful performance bond, substantially in the form attached as Exhibit H, is required in a sum not less than 50 percent of the Contract amount payable to the COUNTY, executed by a corporate surety admitted to transact business as a surety insurer in the State of California (or by the surety's agent with a notarized copy of Power of Attorney). The admitted surety and its agent shall have sufficient bonding limitations to provide bonds in the amount required by this Contract. The bond shall be conditioned upon faithful performance of the terms and conditions of this Contract by CONTRACTOR in a manner that is satisfactory and acceptable to the COUNTY and must be in effect continuously throughout the entire four-year initial term. During any Contract extensions, including any option years exercised by the COUNTY, the bond shall be renewed, at the request of the COUNTY in its sole discretion, in a timely manner to provide for continuing liability in the above amount notwithstanding any payment or recovery thereon. Subject to COUNTY conditions and approval, a Certificate of Deposit or an irrevocable Letter of Credit



IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the Director of Public Works, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Director of Public Works

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN  
County Counsel

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

DELSCAN CORPORATION, DBA  
DELSCAN CONSULTING

By \_\_\_\_\_  
Its President

\_\_\_\_\_  
Type or Print Name

By \_\_\_\_\_  
Its Secretary

\_\_\_\_\_  
Type or Print Name

# CIO ANALYSIS

## CONTRACT WITH DELCAN CORPORATION D.B.A DELCAN CONSULTING FOR LACO-4E TRAFFIC SIGNAL CONTROLLER FIRMWARE DEVELOPMENT AND SUPPORT

**CIO RECOMMENDATION:**     **APPROVE**             **APPROVE WITH MODIFICATION**  
     **DISAPPROVE**

**Contract Type:**

**New Contract**                             **Contract Amendment**             **Contract Extension**  
 **Sole Source Contract**             **Hardware Acquisition**             **Other**

**New/Revised Contract Term:**    **Base Term:** 4 Yrs.                            **# of Option Yrs:** 4.6

**Contract Components:**

**Software**                                     **Hardware**                                     **Telecommunications**  
 **Professional Services**

**Project Executive Sponsor:** Pat DeChellis, Deputy Director, Department of Public Works

**Budget Information :**

Y-T-D Contract Expenditures	\$0
Requested Contract Amount	\$400,000
Aggregate Contract Amount	\$400,000

**Project Background:**

	Yes	No	Question
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project subvented? If yes, what percentage is offset? Proposition C Local Return Fund Budget (72%) and Metro 2007 Call for Projects. Proposition C Discretionary Grant Funds (28%).
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved. Yes, the software interfaces with the County of Los Angeles' Metropolitan Transportation Authority's Bus Signal Priority Program.

**Strategic Alignment:**

	Yes	No	Question
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan?
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan?
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions document?

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT standards?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

### **Project/Contract Description:**

The Department of Public Works (DPW) is requesting approval of a professional services contract with Delcan Corporation, d.b.a. Delcan Consulting (Delcan) to analyze, repair, document, and support an existing traffic signal controller firmware system (LACO-4E) developed many years ago via-in-house DPW staff. The proposed contract includes fixed price deliverables for a number of specific tasks, as well as hourly rates for routine maintenance and support.

The maximum contract sum is \$400,000 for the entire duration of the contract, which includes a base term of four years and optional extensions totaling four years and six months.

### **Background:**

Since the 1990s, the DPW has developed and deployed various releases of their LACO traffic signal controller firmware. The most recent version, known as LACO-4E, provides an interface between traffic signal controllers (hardware) and the software applications that support intelligent traffic control systems. As an example, since 2005 the LACO-4E has been used in conjunction with the Kimley-Horn Intelligent Traffic System (KITS) to manage traffic control systems at more than 360 intersections in various cities and unincorporated areas of the County.

For several years, DPW has utilized a Sole Source Purchase Order (PO) to obtain LACO-4E maintenance services from the original developer, who left County service some time ago. However, the Department has concluded that it would be in the County's best interests to competitively bid the LACO-4E maintenance. Delcan was selected through this competitive solicitation process.

### **Project Justification/Benefits:**

Services provided via the proposed contract will include two project phases. Phase 1 is an extensive review of the LACO-4E code and documentation, as well as current configuration management and code revision control practices. Based on findings, the LACO-4E code and supporting policies and practices will be revised to conform to industry best practices and standards. Phase 2 will implement enhancements to LACO-4E firmware to enable its use at intersections with more complex traffic control needs.

### **Project Metrics:**

The Department has developed an implementation plan that appropriately balances deliverable-based tasks and hourly services.

### **Impact on Service Delivery or Department Operations, if Proposal is Not Approved:**

The risks associated with the increasing age of the existing LACO-4E program and the 'single thread' nature of the current maintenance services increase each year. If the proposed contract is not approved, the Department could eventually be faced with an inability to enhance or even maintain the LACO-4E code.

### **Alternatives Considered:**

In 2008, DPW contemplated renewal of a Sole Source PO to acquire services from the original developer of the LACO-4E code, as had been the practice for several years. Following discussions with the Chief Information Office, the Department chose to issue a Request for Proposals (RFP) to assess whether other vendors could in fact meet the Department's requirements. The CIO agrees with and supports the DPW's decision to use an alternative to the Sole Source services.

### **Project Risks:**

The only risk currently identified is that the full scope of "Task 4, Upgrade/Convert the LACO-4E Program" cannot be fully defined until an earlier Task has been completed. The associated risk is that the budget currently allocated for Task 4 may be insufficient to achieve all recommendations. In addition, the Chief Information Security Officer (CISO) has reviewed the Contract and did not identify any security risks or issues.

### **Risk Mitigation Measures:**

The Department is aware of the risk and plans to manage it by prioritizing, if necessary, the recommendations made in "Task 2, Documentation for the Existing Source Code and Revisions and Configuration Management". Additionally, the Department retains full control and approval of the final scope and deliverables for Task 4, and can, therefore, ensure the scope is supported by the budget for that Task.

### **Financial Analysis:**

The maximum contract expenditure throughout the duration of the contract, including optional extensions is \$400,000. This budget will be used solely for professional services, at rates identified within the contract's Payment Schedule.

Funding is included in the Department's FY 2010-11 Proposition C Local Return Fund Budget and there will be no impact to the County General Fund. The Los Angeles County Metropolitan Transportation Authority (Metro) will be reimbursing \$112,500 of the contract cost (28%). Based on the Metro grant, the Department is authorized to fund the remaining \$287,500 from of the Board's annual allocation of 'top-of-pot' allocation from the County Proposition C Local Return Fund Budget.

**CIO Concerns:**

None.

**CIO Recommendations:**

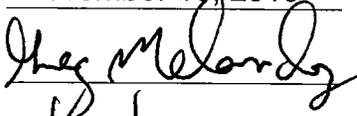
Based on our review of the Board Letter and discussions with the Department, this office recommends approval by the Board.

**CIO APPROVAL**

Date Received: October 27, 2010

Prepared by: Janette Parker

Date: November 10, 2010

Approved: 

Date: 11/22/2010

## ENCLOSURE C

## Bid Detail Information

**Bid Number :** PW-ASD 790  
**Bid Title :** LACO-4E Traffic Signal Controller Firmware Development and Support (2010-IT022)  
**Bid Type :** Service  
**Department :** Public Works  
**Commodity :** TRAFFIC SIGNALS AND EQUIPMENT - ELECTRIC SYSTEMS  
**Open Date :** 7/7/2010  
**Closing Date :** 7/19/2010 10:00 AM  
**Bid Amount :** \$ 300,000  
**Bid Download :** Not Available  
**Bid Description :** PLEASE TAKE NOTICE that Public Works requests proposals for the contract for LACO-4E Traffic Signal Controller Firmware Development and Support (2010-IT022). The total contract amount of this service is estimated to be \$300,000.

The Request for Proposals (RFP) with contract specifications, forms, and instructions for preparing and submitting proposals may be accessed at <http://dpw.lacounty.gov/asd/contracts> or may be requested from Ms. Lorena Calderon at (626) 458 4169, [lcalderson@dpw.lacounty.gov](mailto:lcalderson@dpw.lacounty.gov), Monday through Thursday, 7 a.m. to 5 p.m.

PLEASE CHECK THE WEBSITE FREQUENTLY FOR ANY CHANGES TO THIS SOLICITATION. ALL ADDENDA AND INFORMATIONAL UPDATES WILL BE POSTED AT <http://dpw.lacounty.gov/asd/contracts>.

PLEASE NOTE THAT A PRINTED COPY OF THIS RFP WILL NOT BE PROVIDED AT THE CONFERENCE. PROPOSERS MUST ACCESS THE RFP AT THE ABOVE-MENTIONED LINK AND DOWNLOAD A COPY FOR THEIR USE.

Minimum Requirement(s): Proposers must meet all minimum requirements set forth in the RFP document at the time of proposal submission including, but not limited to:

- Proposers' supervisors and employees performing the requested services must have a minimum of five years' experience providing all of the following services:
  - o Working with RS-232 AB3418E communications.
  - o Working with Model 170 Traffic Signal Controller architecture.
  - o Working with an In-Circuit Emulator for the Motorola/Freescale WC68HC11F1.
  - o Writing traffic signal controller applications in any programming language.
  - o Writing applications using the Freescale's MC68HC11 in Assembly language.
- Proposer must have access to an In-Circuit Emulator for the Motorola/Freescale MC68HC11F1.
- Proposer must have access and provide their own Type 170 Controller in full controller cabinet environment.
- Proposer must possess a Software Development System Compiler program that is fully compatible with Cosmic "C Cross Compiler/Assembler for Freescale HC11" Version 4.6.8 (or newer) or provide a copy of the vendor's compiler program to the County.

A Proposers' Conference will be held on Monday, July 19, 2010, at 10 a.m. at Public Works Headquarters, 900 South Fremont Avenue, Alhambra, California 91803, in Conference Room B. ATTENDANCE BY THE PROPOSER OR AN AUTHORIZED REPRESENTATIVE AT THE CONFERENCE IS MANDATORY. Public Works will reject proposals from those whose attendance at the conference cannot be verified. Attendees should be prepared to ask questions at that time about the specifications, proposal requirements, and contract terms. After the conference, Proposers must submit questions in writing and request information for this solicitation within seven calendar days from the date of the conference. After the seventh day, it may be impossible to respond to further requests for information.

The deadline to submit proposals is Wednesday, August 4, 2010, at 5:30 p.m. Please direct your questions to Ms. Calderon.

**Contact Name :** Lorena Calderon  
**Contact Phone# :** (626) 458-4169  
**Contact Email :** [lcalderson@dpw.lacounty.gov](mailto:lcalderson@dpw.lacounty.gov)  
**Last Changed On :** 7/7/2010 10:19:03 AM



# 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

*DRAFT*  
*Ops*  
*for*  
*cluster mtg.*

November 30, 2010

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

To: Supervisor Gloria Molina, Chair  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

## **CLOSE-OUT REPORT ON LIVING WAGE ORDINANCE AND POLICY REVIEW (FEBRUARY 16, 2010 BOARD AGENDA, ITEM NO. 16)**

On February 16, 2010, at the request of Supervisor Ridley-Thomas, your Board instructed the Chief Executive Officer (CEO) to review and report back on the Board's previous policy decision, in a larger context, as it relates to the Living Wage Ordinance, to determine if it needs to be revisited. During the public comment for Item 16, SEIU-United Service Workers West (SEIU-USSW), who represents private sector employees, requested that the County consider a different approach to negotiating with contractors for custodial and security services rather than using the County's current method of applying Living Wage requirements.

This issue was discussed with Board deputies, departments and representatives from SEIU-USWW in an Operations Cluster meeting. Subsequently, a smaller committee was formed with representatives from Board offices, the CEO, SEIU-USWW, Internal Services Department, the Department of Health Services and the Office of Affirmative Action Compliance (OAAC). This group met to more fully discuss the SEIU-USWW proposal and the County's current Living Wage ordinance and policy. Attached is the August 16, 2010 status report from those meetings.

Another matter raised by the SEIU-USWW team was affordable health care for their members. In an effort to provide viable solutions to SEIU-USWW, the County team made them aware of the following options where the County might be of assistance:

[File Name]

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- The CEO could work with the Department of Health Services (DHS) to evaluate the feasibility of whether contract employees such as those represented by SEIU-USWW might be provided service through the Community Health Plan (CHP).
- Department of Health Services staff could work with SEIU-USWW to educate and sign the employees up on available free or low cost health care plans.
- Department of Public Health (DPH) staff could work with SEIU-USWW to educate the employees about Public Health clinic services, as well as information available through 211.

This Office contacted DHS and CHP to obtain additional information regarding health insurance options that might be available to the SEIU-USWW. CHP stated that one resource immediately available for SEIU-USWW workers with children was to enroll in the Healthy Families Program, which has coverage starting at \$4 per child per month, as described in the CHP website <http://chp.dhs.lacounty.gov/1healthyfam.htm>. This information was provided by email in September to an SEIU-USWW representative. CEO and CHP staff also discussed the SEIU-USWW goal of more affordable health care. CHP reviewed the concept and subsequently responded to the CEO that a low cost plan (similar to that provided for In-Home Health Services workers) was not financially feasible without a significant subsidy from the County or other entity. ***(add in after contact has been made: We have notified SEIU-USWW about the outcome of the CHP review.)***

The County's Living Wage rate is updated annually by the Auditor-controller. The updated rate is included in the Office of Affirmative Action's Annual Living Wage Report issued to the Board of Supervisors. The next report is expected to be issued in                      ***(December 2010? OAAC dates)***. When that report is issued, the Board of Supervisors will have an opportunity to review the findings and to determine whether any revisions should be made to the current Living Wage ordinance.

As the issues of contracting and County assistance related to health programs have been completed, this report closes out the assignment related to the February 16, 2010 Board motion. If you have any questions, please contact me or have your staff contact Ellen Sandt, Deputy Chief Executive Officer at (213) 974-1186 or [esandt@ceo.lacounty.gov](mailto:esandt@ceo.lacounty.gov).

WTF:EFS:ef

Attachment

c: Executive Officer, Board of Supervisors  
 County Counsel  
 Auditor-Controller  
 Office of Affirmative Action

[File Name]

Department of Health Services  
Internal Services Department



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

August 16, 2010

To: Supervisor Gloria Molina, Chair  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: 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

## **STATUS REPORT ON LIVING WAGE ORDINANCE AND POLICY REVIEW - (FEBRUARY 16, 2010 BOARD AGENDA, ITEM NO. 16)**

On February 16, 2010, at the request of Supervisor Ridley-Thomas, your Board instructed the Chief Executive Officer (CEO) to review and report back on the Board's previous policy decision, in a larger context, as it relates to the Living Wage Ordinance (LWO), to determine if it needs to be revisited. During the public comment for Item 16, individuals from the Service Employee International Union – United Service Workers West (SEIU), which represents private sector employees, requested that the County consider a different approach to negotiating with contractors for custodial and security services rather than using the County's current method of applying wage requirements.

This issue was discussed with Board deputies, departments and representatives from SEIU in an Operations Cluster meeting. Subsequently, a smaller committee was formed with representatives from Board offices, the CEO, SEIU, Internal Services Department, the Department of Health Services and the Office of Affirmative Action Compliance (OAAC). This group met to more fully discuss the SEIU proposal and the County's current LWO and policy.

During the first meeting, SEIU staff proposed that the County follow a contract solicitation and award model recently used by several private sector building owners which SEIU believed to be a contributing factor to the successful labor negotiations in such cases. While the proposed model described by SEIU may have merit in the private sector, it is inconsistent with public sector contracting principles, and the policies and procedures that County must follow related to non-interference in bargaining between a contractor and a labor group, competitive bid requirements including treating all bidders equally, application of the County's LWO, and the County's current fiscal challenges. After discussions surrounding the proposed approach, and at the request of SEIU, County Counsel and SEIU legal staff participated in an initial conference call and a follow-up call has also been arranged. The purpose of the legal expert's discussions is to provide SEIU with a better understanding of the County's legal issues as they relate to this matter.

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Each Supervisor  
August 16, 2010  
Page 2

After internal consultation with County Counsel, on July 14, 2010, the County team met a second time with the SEIU team to once again convey the reasons why it is not feasible for the County to participate in the type of process SEIU proposed. The County staff explained that the approach that SEIU is proposing is both inconsistent with current County policies and procedures, and disadvantages those companies not represented by SEIU. A discussion ensued regarding the LWO and its application and that SEIU may want to consider revising language in their collective bargaining agreement to state that it does not supersede any provisions of the LWO.

Another matter raised by the SEIU team was affordable health care for their members. In an effort to provide viable solutions to SEIU, the County team made them aware of the following options where the County might be of assistance:

- The CEO can work with the Department of Health Services to evaluate the feasibility of whether contract employees such as those represented by SEIU might be provided service through the Community Health Plan.
- Department of Health Services staff can work with SEIU to educate and sign the employees up on available free or low cost health care plans.
- Department of Public Health staff can work with SEIU to educate the employees about Public Health clinic services, as well as information available through 211.

SEIU expressed an interest and indicated that they may follow-up at a later time. We anticipate there will be one more group meeting with County and SEIU staff to discuss health care related information.

The County team also reviewed the status of the County's living wage during a discussion of the March, 2010 report prepared by OAAC. The County team did not identify any changes needed to the County's LWO or policy at this time.

If you have any questions, please contact me or have your staff contact Ellen Sandt, Deputy Chief Executive Officer at (213) 974-1186 or [esandt@ceo.lacounty.gov](mailto:esandt@ceo.lacounty.gov).

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c: Executive Office, Board of Supervisors  
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Health Services  
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