



County of Los Angeles
CHIEF EXECUTIVE OFFICE
OPERATIONS CLUSTER

WILLIAM T FUJIOKA
Chief Executive Officer

DATE: May 5, 2011
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) **Update on Health Services – related to the LANES Project**
CEO - Sheila Shima or designee
 - B) **Board Letter – COUNTYWIDE CLASSIFICATION ACTIONS**
Class/Comp – Steve Masterson or designee
 - C) **Update on Prioritization of IT Policies for Review**
CIO – Rich Sanchez or designee
 - D) **Upcoming IT Items**
CIO – Rich Sanchez or designee
 - E) **eCAPS/eHR Update**
Auditor-Controller – Wendy Watanabe or designee
2. Public Comment
3. Adjournment



WILLIAM T FUJIOKA
Chief Executive Officer

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>

Board of Supervisors
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MICHAEL D. ANTONOVICH
Fifth District

May 10, 2011

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:

COUNTYWIDE CLASSIFICATION ACTIONS (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

This letter and accompanying ordinance will update the tables of classes of positions and departmental staffing provisions by amending bonus provisions and by reclassifying positions in various County departments.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve the accompanying ordinance amending Title 6, Salaries, of the County Code to amend bonus provisions applicable to certain positions in the Department of Public Works and to implement results of classification studies in the departments of the Chief Executive Officer, Fire, Health Services, Mental Health, and Public Health.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Your Board of Supervisors (Board) has requested submission of classification letters on a periodic basis throughout the year to facilitate consideration of classification and compensation recommendations in a timely manner. Approval of these recommendations will provide the ordinance authority for County departments to implement the classification recommendations in this letter.

These recommendations will ensure the proper classification of positions based upon the duties and responsibilities assigned to these jobs (Attachment B). This is a primary goal of the County's classification and compensation system. Positions reclassified upward, downward, and laterally are consistent with the class concepts of the proposed classifications.

We are recommending these actions based upon generally accepted principles of classification and compensation. Furthermore, these actions are important in addressing departmental operational needs and in maintaining consistency in personnel practices throughout the County. The proper classification and compensation of positions facilitates good business operations and can reduce the number of costly personnel-related problems.

Deleted Represented Classifications

Six (6) vacant and represented classes have been approved for deletion from their respective bargaining units by the Employee Relations Commission (Attachment A). Therefore, we recommend deleting these classes from the County's Classification Plan. Four (4) of these class deletions are a result of elimination of the Office of Public Safety approved by your Board on August 24, 2010. Class deletions are consistent with the County's strategy to reduce the number of obsolete County classes in the Classification Plan. The affected departments have been informed of and have consented to the deletions.

Bonus Provision Amendment

This provision designates the class of Principal Engineer within the Department of Public Works' Land Development Division as eligible for the Land Surveyor License bonus based on holding valid licensure and duties requiring the direction and review of land surveying work. This revision also deletes the class of Assistant Deputy Director, Public Works as eligible for the land surveyor license bonus and the traffic engineer bonus under Section K of County Code 6.109.020.

Reclassifications

Based upon individual position studies conducted at the request of five (5) departments, we recommend that 15 positions be reclassified (Attachment B). The assigned duties, responsibilities, and/or utilization of these positions have changed since the original allocations were made. The positions would be more appropriately classified to the recommended classes.

Implementation of Strategic Plan Goals

Your Board's approval of the accompanying ordinance will further the County Strategic Plan Goal 1 - Operational Effectiveness. Specifically, it will address the Service Excellence and Organizational Effectiveness Strategy to improve the quality of the workforce, to achieve departmental operational efficiencies, and to maintain consistency in personnel practices throughout the County. These recommendations are in line with the Human Resources Transformation Strategic Initiative Project, which includes the deletion of specialized classes in an effort to streamline the classification system.

FISCAL IMPACT/FINANCING

The projected budgeted annual costs for the 15 positions that will be reclassified is estimated to total \$84,356 (all funds). Please note there is a Net County savings estimated to be \$1,568. Cost increases associated with the compensation changes will be absorbed within the Board's adopted budget for each affected department. No additional funding is required.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County Charter authorizes the establishment and maintenance of "a classification plan and the classification of all positions." This responsibility is further delineated in Civil Service Rule 5.

Appropriate notifications have been made to the impacted employee organizations regarding the recommended classification actions. The accompanying ordinance implementing amendments to Title 6, Salaries, of the County Code has been approved as to form by County Counsel.

The Honorable Board of Supervisors
May 10, 2011
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IMPACT ON CURRENT SERVICES (OR PROJECTS)

Your approval of these classification recommendations will enhance the operational effectiveness of the departments through the proper compensation of positions.

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:BC:EFS:
SJM:LR:KP:ra

Attachments (2)

c: Department of Human Resources
Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Affected Departments

ATTACHMENT A

REPRESENTED CLASSES RECOMMENDED FOR DELETION

Item No.	Title
2836	Captain, Los Angeles County Police
2835	Lieutenant, Los Angeles County Police
2831	Officer Trainee, Los Angeles County Police
2518	Programmer Analyst Trainee
2834	Sergeant, Los Angeles County Police
2280	Yard Supervisor

RECOMMENDATIONS FOR POSITION RECLASSIFICATION

CHIEF EXECUTIVE OFFICER

Number of Positions	Present Classification and Salary	Classification Findings and Salary
1	Program Specialist I, CEO Item No. 0815A NM 86D Non-Represented	Supply Officer I Item No. 2373A NM 83L Represented

The subject position’s proposed assignment will be to oversee the Management Services Section in the Administrative Services Division. The position will report directly to an Administrative Services Manager III and will be responsible for the routine, emergency and complex purchases of equipment, services and supplies as well as soliciting and reviewing vendor bids and verifying lowest bidders.

The aforementioned duties are more consistent with those typically performed by the Supply Officer I class. Based on the proposed responsibilities, the high level of delegated purchasing authority granted the Chief Executive Office and the sensitive nature of the work performed, we recommend downward reclassification to Supply Officer I.

FIRE DEPARTMENT

Number of Positions	Present Classification and Salary	Classification Findings and Salary
Administrative Bureau		
1	Data Control Clerk Item No. 2657A NMV 61L Represented	Intermediate Clerk Item No. 1138A NMV 61L Represented

The subject position is located within the Administrative Bureau and reports to a Senior Typist-Clerk. The position performs specialized clerical support to the Procurement Section by entering data into eCAPS for fuel orders, invoicing, resolving discrepancies with invoices, and filing. These duties are consistent with those typically performed by the Intermediate Clerk class. Therefore, we recommend a lateral reclassification to Intermediate Clerk.

FIRE DEPARTMENT (cont'd)

Number of Positions	Present Classification and Salary	Classification Findings and Salary
Executive Bureau		
1	Intermediate Clerk Item No. 1138A NMV 61L Represented	Intermediate Typist-Clerk Item No. 2214A NMV 62K Represented

The subject position reports to a Departmental Personnel Technician and is located within the Executive Bureau where it provides specialized clerical support to the Return-to-Work coordinators. Specifically, it performs skilled typing of memos and associated workers' compensation correspondence requiring the regular use of computer keyboards and word processing systems.

The duties and responsibilities assigned to this position meet the standards of the Intermediate Typist-Clerk classification. By definition, the Intermediate Typist-Clerk requires skilled typing and performs specialized clerical work. Therefore, we recommend upward reclassification of this position.

Number of Positions	Present Classification and Salary	Classification Findings and Salary
Health Hazardous Materials		
5	Data Conversion Equipment Operator II Item No. 2673 NMV 68E Represented	Senior Typist-Clerk Item No. 2216 NMV 67D Represented

The five subject positions are assigned to the Prevention Bureau's Health Hazardous Materials Division and report to higher-level section managers within the Administration Planning, Inspection, and Special Operations Sections, where they are responsible for providing specialized clerical support germane to the individual section. There are four (4) positions functioning within the Administrative Support Section and one (1) within the division's California Accidental Release Prevention (CalARP) Program.

FIRE DEPARTMENT (cont'd)

The positions are responsible for the provision of departmental quality control reports that require detailed extraction of client-related information, business, and service linkage from electronic data systems as well as generating spreads used for reporting program audits of responses to reported fires. Specifically, the positions develop the reports by utilizing the Hazardous Materials Information System and associated spreadsheet software which requires knowledge of hazardous materials-related codes.

The positions perform the more complex clerical duties requiring a highly-specialized knowledge of a particular function that are more consistent with the definition and class concept of Senior Typist-Clerk. By definition, positions allocated to Senior Typist-Clerk perform skilled typing work and highly-specialized clerical duties requiring a highly-specialized knowledge of a particular function with only general direction. Therefore, we recommend downward reclassification of these positions to Senior Typist-Clerk.

Number of Positions	Present Classification and Salary	Classification Findings and Salary
Operations Bureau		
1	Intermediate Stenographer Item No. 2172A N2M 67D Represented	Senior Typist-Clerk Item No. 2216A NMV 67D Represented

The subject position is located within the North Regional Operations Bureau and reports to a Fire Captain. The position provides specialized clerical support and requires a working knowledge of the Bids and Transfer System, which is critical to this specialized assignment. Specifically, duties include processing bids and transfer request documentation for uniformed personnel. Additional duties include tracking emergency operations staff by entering and obtaining information utilizing the Employee Quickscan System, which is linked into each staff's Fire Station assignment and their assigned equipment. The position is also responsible for creating Word and Excel documents and spreadsheets and for preparing organizational charts to accompany reports of organizational structures and budget requests.

These duties are consistent with those typically performed by the Senior Typist-Clerk, a classification which performs skilled typing work and performs highly specialized clerical duties requiring a highly specialized knowledge of a particular function with responsibility for applying proper procedures and for carrying out the work with only general direction. Therefore, we recommend reclassification to Senior Typist-Clerk. Due to the compensation provision associated with the Senior Typist-Clerk (eight-step salary range), these recommended changes constitute an upward reclassification.

DEPARTMENT OF HEALTH SERVICES – ADMINISTRATION

Number of Positions	Present Classification and Salary	Classification Findings and Salary
1	Programs Administrator, Health Services Item No. 4604A N23 S11 Non-Represented	Administrative Services Manager III Item No. 1004A NM 106B Non-Represented

The subject position reports to the Chief, Audit and Compliance, Health Services (S13), a classification commensurate to division level manager positions within the Department of Health Services (DHS). The position is assigned to the Audit and Compliance Division where it supervises the work of 26 positions through four (4) subordinate supervisors who conduct investigations throughout DHS to ensure compliance with County, State, and Federal regulations. Responsibilities include directing the review and evaluation of existing departmental policies, programs, organizations and systems related to financial management, compliance, and program audits. Duties also include developing policy recommendations to ensure proper internal controls to safeguard County assets as well as streamlining procedures for more effective and efficient organization.

The scope of the position's responsibilities meets the Administrative Services Manager III allocation criteria in that the position reports to a division level manager and is responsible for directing, through subordinate managers, a section which provides administrative services to a medium or large County department. Therefore, we recommend a lateral reclassification to Administrative Services Manager III.

DEPARTMENT OF HEALTH SERVICES – VALLEYCARE NETWORK

Number of Positions	Present Classification and Salary	Classification Findings and Salary
1	Physician Specialist (Megaflex) Item No. 5455A N42 D05 Represented	Chief Physician I Item No. 5457A N42 E08 Non-Represented

The subject position is assigned to Olive View/UCLA Medical Center and functions as the Chief, Department of Neurology and reports directly to a Medical Director II. It is immediately responsible for the work objectives of the Neurology Department, which is a medical division of the hospital, and for providing direct technical and administrative supervision to physician specialists, consulting specialists, a nurse practitioner, and support staff. Specific duties include preparing and controlling the division's budget, formulating overall policies and procedures, directing training for residents and interns, providing patient care, and reviewing care prescribed by staff.

By definition, positions allocated to Chief Physician I have immediate responsibility for directing a medical division in a County hospital. Therefore, we recommend upward reclassification.

DEPARTMENT OF MENTAL HEALTH

Number of Positions	Present Classification and Salary	Classification Findings and Salary
1	Head Clinical Psychologist Item No. 8699A NM 103B Represented	Clinical Psychologist II Item No. 8697A N2M 99F Represented
1	Mental Health Psychiatrist Item No. 4735A N19 B01 Represented	Supervising Mental Health Psychiatrist Item No. 4737A N42 E15 Non-Represented

The subject Head Clinical Psychologist position reports to a Mental Health Clinical District Chief. The position’s primary function is to perform a full range of psychological services within the Jail Mental Health Services, Women’s Community Reintegration Services and Education Center Program. The assigned responsibilities are consistent with the classification standards of a Clinical Psychologist II, which provides the full range of professional psychological services relating to the diagnosis and treatment of psychiatric and co-occurring disorders. Therefore, we recommend downward reclassification to Clinical Psychologist II.

The subject Mental Health Psychiatrist position reports to a Mental Health Clinical District Chief and is assigned to the Harbor/UCLA Medical Center Outpatient Programs, Adult Systems of Care Services. The position provides direct client care as well as clinical and administrative supervision to clinic and support staff. Specific responsibilities include consulting with upper-level management regarding the administration, development, and implementation of the comprehensive programs within the Adult Systems of Care Services (i.e., resource allocation, medical and psychiatric issues, etc.); consulting with psychiatric residents concerning medication evaluation and management; and ensuring compliance with clinical guidelines and standards.

The growth of the Adult Systems of Care Services has increased the Mental Health Psychiatrist position’s scope of responsibility. The duties and responsibilities assigned to this position meet the allocation standards of a Supervising Mental Health Psychiatrist, a classification which has full technical and supervisory responsibility for a small program or a unit within a larger program and ensures the proper selection and application of principles and methods of psychiatry and general medicine. Based on the expanded responsibilities, we recommend upward reclassification to Supervising Mental Health Psychiatrist.

DEPARTMENT OF PUBLIC HEALTH – PUBLIC HEALTH SERVICES

Number of Positions	Present Classification and Salary	Classification Findings and Salary
2	Assistant Program Specialist, Public Health Nurse Item No. 5233N N21 RN7 Represented	Public Health Nursing Supervisor Item No. 5236N N21 RN8 Represented

The subject positions report to a Nurse Manager and are assigned to the Nurse Family Partnership and Prenatal Care Guidance Programs (NFP/PCG) of the Maternal, Child, and Adolescent Health Programs. The positions provide direct supervision to a staff of Public Health Nurses (PHN) assigned to provide home visitation to NFP/PCG Program clients to promote the well-being of first-time mothers and their newborns. Duties also include managing each PHN's caseload, conducting quarterly field visits, preparing annual field supervision progress reports, reviewing performance reports for quality assurance and improvement purposes, and ensuring compliance with funding source requirements for the NFP/PCG Program.

The aforementioned duties assigned to these positions meet the definition and allocation standards for the Public Health Nursing Supervisor, a classification which supervises nursing and other personnel who provide nursing services in homes and community health centers, and assists in the administration of the nursing service of a community health district. Therefore, we recommend upward reclassification of the positions to Public Health Nursing Supervisor.

ANALYSIS

This ordinance amends Title 6 - Salaries, of the Los Angeles County Code by:

- Amending Section 6.109.020 (Department of Public Works - Additional information); and
- Adding, deleting, and/or changing certain classifications and numbers of ordinance positions in the departments of the Chief Executive Officer, Fire, Health Services, Mental Health, and Public Health.

ANDREA SHERIDAN ORDIN
County Counsel

By: _____
HALVOR S. MELOM
Principal Deputy County Counsel
Labor & Employment Services Division

HSM:kp

ORDINANCE NO. _____

An ordinance amending Title 6 - Salaries, of the Los Angeles County Code relating to the addition, deletion, and/or changing of certain classifications and number of ordinance positions in various departments to implement the findings of classification studies.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 6.50.010 (Department of the Chief Executive Officer) is hereby amended to add the following class and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
<u>2373A</u>	<u>1</u>	<u>SUPPLY OFFICER I</u>

SECTION 2. Section 6.50.010 (Department of the Chief Executive Officer) is hereby amended to change the number of ordinance positions for the following class:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
0815A	45 <u>14</u>	PROGRAM SPECIALIST I,CEO

SECTION 3. Section 6.76.010 (Fire Department – Executive Budget) is hereby amended to delete the following class and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
4138A	4	INTERMEDIATE CLERK

SECTION 4. Section 6.76.010 (Fire Department – Executive Budget) is hereby amended to change the number of ordinance positions for the following class:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
2214A	42 <u>13</u>	INTERMEDIATE TYPIST-CLERK

SECTION 5. Section 6.76.011 (Fire Department – Administrative Budget) is hereby amended to delete the following class and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
2657A	4	DATA CONTROL CLERK

SECTION 6. Section 6.76.011 (Fire Department – Administrative Budget) is hereby amended to change the number of ordinance positions for the following class:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
1138A	24 <u>22</u>	INTERMEDIATE CLERK

SECTION 7. Section 6.76.012 (Fire Department – Health hazardous materials Budget) is hereby amended to delete the following class and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
2673A	5	DATA CONVERSION EQUIP OPERATOR II

SECTION 8. Section 6.76.012 (Fire Department – Health hazardous materials Budget) is hereby amended to change the number of ordinance positions for the following class:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
2216A	9 <u>14</u>	SENIOR TYPIST-CLERK

SECTION 9. Section 6.76.014 (Fire Department – Operations Budget) is hereby amended to delete the following class and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
2172A	4	INTERMEDIATE STENOGRAPHER

SECTION 10. Section 6.76.014 (Fire Department – Operations Budget) is hereby amended to add the following class and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
<u>2216A</u>	<u>1</u>	<u>SENIOR TYPIST-CLERK</u>

SECTION 11. Section 6.77.010 (Department of Public Health – Public health services) is hereby amended to change the number of ordinance positions for the following classes:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
5233N	25 <u>23</u>	ASSISTANT PROGRAM SPECIALIST,PHN
5236N	5 <u>7</u>	PUBLIC HEALTH NURSING SUPERVISOR

SECTION 12. Section 6.78.010 (Department of Health Services – Administration) is hereby amended to change the number of ordinance positions for the following classes:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
1004A	46 <u>17</u>	ADMINISTRATIVE SERVICES MANAGER III
4604A	2 <u>1</u>	PROGRAMS ADMINISTRATOR,HEALTH SERVS

SECTION 13. Section 6.78.070 (Department of Health Services – San Fernando Valley cluster) is hereby amended to change the number of ordinance positions for the following classes:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
5457A	44 <u>12</u>	CHIEF PHYSICIAN I
5455A	487 <u>186</u>	PHYSICIAN SPECIALIST(MEGAFLEX)

SECTION 14. Section 6.86.010 (Department of Mental Health) is hereby amended to change the number of ordinance positions for the following classes:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
8697A	268 <u>269</u>	CLINICAL PSYCHOLOGIST II
8699A	2 <u>1</u>	HEAD CLINICAL PSYCHOLOGIST
4735A	212 <u>211</u>	MENTAL HEALTH PSYCHIATRIST
4737A	25 <u>26</u>	SUPVG MENTAL HEALTH PSYCHIATRIST

SECTION 15. Section 6.109.020 (Department of Public Works – Additional Information) is hereby amended to read as follows:

6.109.020 Additional information.

...

K. License bonuses.

1. Notwithstanding any other provision of this code, ~~effective April 1, 2007,~~ persons assigned to the ~~Survey Division and Land Development or Survey/Mapping and Property Division,~~ in the classes of Principal Engineer (Item No. 3438) ~~and Assistant Deputy Director, Public Works (Item No. 3310)~~ who holds a valid California license as a land surveyor and registration as a civil engineer and who ~~are~~ is assigned to duties requiring the direction and review of work requiring the knowledge and skill which are both certified and characterized by licensure as a land surveyor shall be compensated at a rate two salary schedules higher than that provided in Section 6.28.050 of this code. Such rate or rates shall constitute a base rate.

2. Notwithstanding any other provision of this code, ~~effective April 1, 2007,~~ persons assigned to the Traffic and Lighting Division in the classes of Principal Engineer (Item No. 3438) and ~~Assistant Deputy Director, Public Works (Item No. 3310)~~ who holds a valid license as a registered traffic engineer and registration as a civil engineer and who are assigned to duties requiring the direction and review of work requiring the knowledge and skill which are both certified and characterized by licensure as a registered traffic engineer shall be compensated at a rate one salary schedule higher than that provided in Section 6.28.050 of this code. Such rate or rates shall constitute a base rate.

SECTION 16. Pursuant to Government Code Section 25123(f), this ordinance shall take effect immediately upon final passage.

[RECLASSMAY11KPCEO]

Board IT Agenda Items

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
Mental Health	Amendment No. 6 to County Agreement Number 74144 with Sierra Systems	<p>This Amendment is for continued maintenance services of the Integrated System (IS) and to add Pool Dollars for Professional Services/Change Orders</p> <p>Funding Source: DMH Budget Existing Agreement: Contract No. 74144</p>	\$3,790,026	Health & Mental Health Services	2 years, with 2 additional 3-month extensions	5/10/2011
DPH	Software and Services Agreement with Atlas Development Corp. for vCMR System	<p>Requests Board approval of a new Software and Services agreement with Atlas Development Corp. for vCMR (replacing two separate agreements with Atlas - one dealing with Software and Services; the other dealing with Marketing of the vCMR System).</p> <p>This agreement would recast all Software and Services provisions and effectively transfer ownership of all rights the County has in the vCMR Software System to Atlas, thereby eliminating the necessity for a Marketing Agreement.</p> <p>Funding Source: 100% Grant Funded through the federal Centers for Disease Control and Prevention (CDC) Existing Agreements: H-701820 and H-207543</p>	\$3,129,703.50	Health & Mental Health Services	Initial term: 7 years Options: 3 consecutive 12-month extensions	5/10/2011
Internal Services	Approval to Acquire Computer Equipment	<p>Request for approval to acquire computer storage and server hardware, and an electrical generator for the ISD Downey Data Center.</p> <p>Funding Source: ISD 10/11 Budget Existing Agreement: n/a</p>	\$3,759,482	Operations	n/a	5/10/2011
LASD	Amendment Two to Agreement with Identix Inc. to provide additional Livescan equipment, software and services	<p>The amendment incorporates new County 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. This Amendment will increase the Contract amount by \$500,000 to \$4,547,990.</p> <p>Funding Source: State Cal-ID Funding Existing Agreement: 76819</p>	\$500,000	Public Safety	Unchanged	5/10/2011

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
LASD	Sole Source Agreement with DataWorks Plus for Software, Hardware, and Engineering Services	Sole Source Agreement with DataWorks Plus for hardware and software updates and customizations. Funding Source: AFIS Fund Existing Agreement: N/A	\$500,000	Public Safety	1 base year with two 1-year options	
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. Targeted Board Hearing Date: TBA Funding Source: Unknown at present Existing Contract: None	\$2,000,000	Community & Municipal Services	Two years	
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. Targeted Board Hearing Date: TBA Funding Source: Environment Health Trust Fund (EHTF) Existing Agreement: N/A	\$2,525,306	Health & Mental Health Services	Contract Execution through Nov. 2, 2020 (7-year base + 3-year option)	
DHS	QuadraMed Amendment 11 and 12	The QuadrMed Contract is ending on 12/31/2011. The Amendments will effectively extend the Contract. Funding Source: DHS Internal Existing Agreement: 2 contracts	millions	Health & Mental Health Services	Existing	
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. Funding Source: ITF Existing Agreement: N/A	\$240,000 (includes 20% contingency)	Operations	N/A	

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
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). Targeted Board Hearing Date: May 3, 2011 Funding Source: 94% State and Federal funds; 6% Net County Costs (NCC) Existing Contract: EMC Documentum MSA	\$548,968	Health & Mental Health Services	N/A	
LASD	Sole Source Amendment with Cerner Corporation for Jail Hospital Information System ((JHIS) Remote Hosting	This is a sixth Amendment to the Sheriff's Agreement with Cerner to stage and prepare for using Cerner for remote hosting services for its Jail Hospital Information System, similar to Probation Department's Probation Electronic Medical Records System (PEMRS). Funding Source: Inmate Welfare Fund and NCC Existing Agreement: Agreement 71710	\$1.75M	Public Safety	TBD	
Human Resources	Countywide Absence Management System	Request for a sole source contract with ACS/Buck Solutions to provide an absence management system to the County. Funding Source: DHR 10/11 Budget Existing Agreement: N/A	\$2,500,000	Operations	5 Years	
BOS Exec Office	Data Center Renovation and Reconfiguration	Recommendations that will allow the Board of Supervisors Executive Office to renovate and reconfigure the existing data center in the HOA. Funding Source: Exec. Office 2010-11 Budget Existing Agreement: N/A	\$565,000	Operations	6 months	
DHS	Orsos Amendment	Amendment for adding a new module on Orsos system. Potential issues with interface and strategic direction of DHS. Funding Source: DHS Internal Existing Agreement: Yes	\$5,000,000	Health & Mental Health Services	N/A	

Department	Board IT Agenda Item	Description	Amount	CEO Cluster	New Term	Planned Hearing Date
DHS	Agreement to Purchase UCS equipments for DHS - MLK DataCenter	Servers, network, and Storage Area Network(SAN) equipment need to be purchased to create a Virtualized environment for DHS - MLK data center. Funding Source: DHS Internal Existing Agreement: New	\$2,000,000	Health & Mental Health Services	New Term	5/31/2011
DHS	Central Pharmacy System	This will be a centralized Pharmacy mail order system. Will be initially targeted for a PILOT at High Desert. Funding Source: DHS Internal Existing Agreement: New	\$200,000	Health & Mental Health Services	New Term	7/12/2011

COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

ROBIN KAY, Ph.D.
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director



BOARD OF SUPERVISORS

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

DEPARTMENT OF MENTAL HEALTH

<http://dmh.lacounty.gov>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601
Fax: (213) 386-1297

May 10, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 6 TO COUNTY AGREEMENT NUMBER 74144
WITH SIERRA SYSTEMS, INC.
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

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

SUBJECT

Request approval of Amendment No. 6 to extend the term of the Agreement with Sierra Systems, Inc., a Washington Corporation, for continued maintenance services of the Integrated System and to add Pool Dollars for County-requested Professional Services/Change Orders.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Director of Mental Health, or his designee, to prepare, sign, and execute Amendment No. 6, substantially similar in format to the Attachment, to the existing Department of Mental Health (DMH) Health Insurance Portability and Accountability Act (HIPAA) Remediation Project, County Agreement No. 74144 with Sierra Systems, Inc., a Washington Corporation (Sierra Washington) effective upon Board approval, to provide for continued maintenance services of the Integrated System (IS) in the amount of \$2,640,026; extend the term of the Agreement through June 30, 2014; provide an additional \$1,150,000 in Pool Dollars for Professional Services/Change Orders; and increase the Maximum Contract Sum (MCS) to \$31,735,551, funded by County General funds, Federal and State revenues and other sources; and
2. Delegate authority to the County Project Director, in his sole discretion, to extend the term of the Agreement for up to two additional 3-month periods, for a total extension not to exceed six months, through December 31, 2014.

"To Enrich Lives Through Effective And Caring Service"

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Board approval of the recommended actions will extend the Agreement for the continued maintenance of the IS and increase Pool Dollars from \$4,135,705 to \$5,285,705 for County-requested Professional Services/Change Orders for IS-related work. The IS is the system by which contract providers and DMH directly-operated programs are able to claim services and receive reimbursement from various funding sources. The extension is required because additional work is needed to comply with State-mandated changes in claiming methodologies and to ensure an orderly transition to the Integrated Behavioral Health Information System (IBHIS), which is the planned successor system to the IS.

The primary reason for the increase in Pool Dollars is the significant State-mandated IS changes which are required to implement the Short-Doyle/Medi-Cal (SD/MC) Phase II project. SD/MC Phase II will bring the State into full compliance with the HIPAA Transactions and Code Sets (TCS) rules and provide the State with a more modern and more flexible application for the future. The State transition requires California counties to make substantial changes to their Medi-Cal claiming systems, the IS in the case of Los Angeles County, in order to be compatible with SD/MC Phase II. Changes will also be required in the Day Treatment Units of Service application. Additionally, changes to the Legacy mainframe system may be necessary although these changes will be far less substantial and less costly than the IS changes.

Because of the potential fiscal impact of this project, SD/MC Phase II has been and will continue to be the top priority information technology and business process change project in DMH. DMH was able to meet the State's February 1, 2010 deadline for SD/MC Phase II implementation by meeting the minimum mandatory requirements. However, due to the complexity of the project, DMH was forced to request an extension from the State to fulfill the rest of the mandatory requirements and continually modify its system in order to meet the State's ongoing adjustments to SD/MC Phase II. Failure to meet the State's SD/MC Phase II requirements means that DMH would be unable to submit claims to the State of California Department of Mental Health (SDMH); this would stop all Medi-Cal revenue to DMH until SD/MC Phase II compliance was achieved.

A second contributing factor for the need to increase available Pool Dollars is the implementation of short-term changes that must be made to the IS in order to comply with provisions of the California Medi-Cal Uninsured Care 1115 Waiver (1115 Waiver). Under the 1115 Waiver, new providers and provider types, such as Federally Qualified Health Centers and Public Private Partnerships, may be included in DMH's contract provider network. New client populations will be served, resulting in an increase in the

exchange of information between DMH specialty mental health care providers and physical health care providers including the Department of Health Services (DHS) and Public Health-Substance Abuse Prevention and Control (PH). An increase in demand for specialty mental health care services for individuals previously not served by the local mental health care plan is possible. DMH must invest in the necessary software changes to prepare the IS for these challenges before June 30, 2011.

A third contributing factor to the need to increase available Pool Dollars is the transition to DMH's new IBHIS. The implementation of IBHIS will require Sierra Washington to perform professional services that will facilitate a smooth shut-down of the IS and transition to the acquired IBHIS without disturbing DMH's fundamental business processes, relationships with business partners, and transactions with third party payers. Coordination of such a transition will also require DMH to extend the term of the Agreement through June 30, 2014, with two additional optional 3-month extensions, not to exceed six months, through December 31, 2014, and adjust the MCS as to reflect an increase in maintenance fees in order to ensure uninterrupted day-to-day operations and continued maintenance of the IS. Plans to extend the Agreement beyond June 30, 2014 will only be considered by DMH if it is absolutely necessary.

Implementation of Strategic Goals

The recommended actions are consistent with County Strategic Plan Goal 4, Health and Mental Health.

FISCAL IMPACT/FINANCING

The Amendment increases the MCS by a maximum of \$3,790,026 for a revised total MCS of \$31,735,551 for the full term of the Agreement. This includes: additional Pool Dollars for Professional Services/Change Orders in the amount of \$750,000 for Fiscal Year (FY) 2010-11; additional Pool Dollars of \$100,000 for FY 2012-13; \$200,000 in Pool Dollars for FY 2013-14; \$100,000 in Pool Dollars for FY 2014-15; and \$2,640,026 for maintenance services. The increase in the MCS for FY 2010-11 is fully funded by DMH's FY 2010-11 Budget. Funding for future years will be requested by DMH as part of the annual budget process. Funding will come from realignment of DMH's existing appropriation given the priority of this effort; there is no increase in net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On September 3, 2002, your Board approved County Agreement No. 74144 with Sierra Systems Group, Inc., a California Corporation (Sierra California), a wholly owned subsidiary of Sierra Systems Group, Inc., a British Columbia corporation, to develop an

IS in order to assist DMH in achieving compliance under the HIPAA TCS by the extended Federal deadline of October 16, 2003.

Subsequently, pursuant to the Agreement, DMH executed Amendment Nos. 1, 2, 3, 4, and 5 on March 26, 2003; December 15, 2005; September 16, 2008; November 3, 2009; and January 20, 2010, respectively. Amendment No. 1 revised standard County contract language regarding HIPAA. Amendment No. 2 changed the names of the County Project Director and County Project Manager, added standard contract monitoring language to protect against contract overruns, added and revised certain standard contract provisions, and amended contract language regarding HIPAA. Amendment No. 3 acknowledged the merger of Sierra California with and into Sierra Washington, effective as of December 31, 2003, extended the term of the Agreement through June 30, 2012, with an additional six-month extension through December 31, 2012, increased the MCS by a total of \$8,224,968 to a total of \$27,245,525, and added and revised certain other County-required provisions of the Agreement. Amendment No. 4 increased the MCS by a total of \$700,000 to a total of \$27,945,525. Amendment No. 5 revised contract provisions to the Business Associate Agreement.

Short-Doyle/Medi-Cal Phase II Project

Short-Doyle is an abbreviated way of describing a group of related local assistance programs and activities associated with Medi-Cal behavioral health services delivery. The State's Legacy claiming system, referred to as SD/MC HIPAA Phase I, processed health care claims submitted from counties and direct service providers to the SDMH. SDMH acts as an agent of the Federal Medicaid Program, operating as Medi-Cal, and maintains the mainframe-based system that makes the actual payments to counties and direct service providers.

The State SD/MC Phase II project addresses several gaps between the SD/MC Phase I system and the full set of HIPAA TCS compliance requirements. Significant business and system changes are required of DMH. SD/MC Phase II involves a significant re-design of the IS claiming system, as well as extensive changes to the Day Treatment Units of Service application and changes to the Legacy mainframe system.

The proposed Amendment increases Pool Dollars for Professional Services/Change Orders, which will include, without limitation, IS-related work needed to implement the SD/MC Phase II compliance in DMH and to facilitate a smooth transition to DMH's new IBHIS.

The Amendment has been reviewed and approved as to form by County Counsel. The Chief Information Officer has reviewed and approved the recommended actions (CIO

Analysis attached). The Chief Executive Office has been advised of the recommended actions.

CONTRACTING PROCESS

Sierra California was selected through a formal open-competitive solicitation process. On September 3, 2002, your Board awarded the Agreement, with a three-year term measured from the date of system acceptance (with an automatic extension for three 2-year extension periods and a single 1-year extension period unless either party elected not to extend the term further) in the amount of \$19,020,557, to Sierra California, which merged with and into Sierra Washington, to provide an information technology solution to allow DMH to achieve compliance with the HIPAA TCS rules while continuing to use and improve its legacy system, the Mental Health Management Information System.

DMH did not advertise this proposed Amendment No. 6 on the Office of Small Business Countywide Web Site as a contracting opportunity because it is for the continued provision of technical services which the current contractor is uniquely qualified to perform. To select a new contractor at this time would be extremely costly to the County.

IMPACT ON CURRENT SERVICES

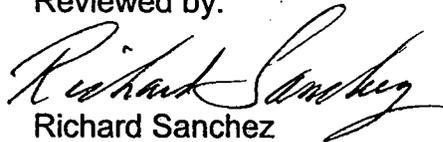
The execution of Amendment No. 6 will allow DMH to continue sending HIPAA compliant Medi-Cal claims to SDMH and ensure that a smooth transition from the IS to IBHIS occurs. Failure to approve this Amendment will mean that DMH will be unable to submit Medi-Cal claims to SDMH and will jeopardize DMH's ability to successfully transition to IBHIS.

Respectfully submitted,



Marvin J. Southard, D.S.W.
Director of Mental Health

Reviewed by:



Richard Sanchez
Chief Information Officer

MJS:MM:RG:RK

Attachment

c: Chief Executive Officer
County Counsel
Chief Information Officer

Executive Officer, Board of Supervisors
Chairperson, Mental Health Commission

CIO ANALYSIS

APPROVAL OF AMENDMENT NO. 6 TO COUNTY AGREEMENT NUMBER 74144 WITH SIERRA SYSTEMS, INC

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 Months 6

Contract Components:

Software Hardware Telecommunications
 Professional Services

Project Executive Sponsor: Marvin J. Southard, D.S.W

Budget Information :

Y-T-D Contract Expenditures	\$ 1,204,509
Requested Contract Amount	\$ 3,790,026
Aggregate Contract Amount	\$31,735,551

Project Background:

Yes	No	Question
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project subvented? If yes, what percentage is offset?
<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?
<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 type="checkbox"/>	<input checked="" 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 Mental Health (DMH) is requesting approval of Amendment No. 6 to the existing agreement with Sierra Systems, Inc. for continued maintenance services of the Integrated System (IS) and to provide additional professional services pool dollars to implement IS changes to comply with State mandates. This Amendment will extend the term of the existing agreement through June 30, 2014. DMH is also requesting delegated authority to extend the agreement for up to two additional 3-month periods, for a total extension not to exceed six months, through December 31, 2014.

Background:

On September 3, 2002, the Board approved County Agreement No. 74144 with Sierra Systems to develop the IS to allow DMH to achieve compliance with the HIPPA regulations while continuing to use and improve its legacy system, the Mental Health Management Information System (MHMIS).

IS is used by contract providers and DMH directly operated programs to claim services and receive reimbursement. The extension of the maintenance agreement and the additional pool dollars are required to implement IS changes to comply with State mandated changes in claiming, and to ensure an orderly transition to the Integrated Behavioral Health Information System (IBHIS), which will replace the IS in 2014.

Project Justification/Benefits:

The key benefits to extending this agreement are:

- Continued technical and administrative support for the IS until the IBHIS is fully implemented;
- Support for State mandated changes related to the Short-Doyle/Medi-Cal Phase II project; and
- Compliance with the provisions of the California Medi-Cal Uninsured Care 1115 Waiver.

Project Metrics:

The primary metrics will be the uninterrupted operation of the IS, and the Department's continued ability to submit claims and post payments in the IS, in compliance with State mandated claim changes.

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

If this Amendment is not approved, the Department's ability to submit Medi-Cal claims to the State Department of Mental Health and its ability to transition to the new IBHIS may be impacted.

Alternatives Considered:

None. This is an extension of an existing Agreement.

Project Risks:

Risks associated with this project are:

- DMH's ability to fully implement the new IBHIS before the end of this extension (December, 2014); and
- Sierra Systems' resources to support the IS may be limited because the system is nearing the end of its useful life.

The Chief Information Security Officer (CISO) has reviewed the Amendment and did not identify any security risks or issues.

Risk Mitigation Measures:

Risk mitigation measures associated with this project are:

- DMH along with its IBHIS vendor partner, has developed a detailed implementation strategy to ensure the IS can be retired as planned; and
- DMH will manage Sierra Systems' efforts through the successful retirement of the IS, based on established service levels in the Agreement.

Financial Analysis:

This Amendment increases the Maximum Contract Sum (MCS) by a maximum of \$3,790,026 (\$2,640,026 for continued maintenance services and \$1,150,000 in pool dollars for professional services/changes orders). The new revised total MCS is \$31,735,551. The increase in MCS for FY 2010-11 is fully funded by DMH's budget. Funding for future years will be requested by DMH as part of the annual budget process. There is no increase in net County cost.

CIO Concerns:

None.

CIO Recommendations:

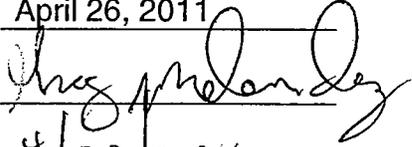
Based on our review of the Board Letter and discussions with the Department, this Office recommends approval by the Board.

CIO APPROVAL

Date Received: April 19, 2011

Prepared by: Henry Balta

Date: April 26, 2011

Approved: 

Date: 4/22/2011



JONATHAN E. FIELDING, M.D., M.P.H.
Director and Health Officer

JONATHAN E. FREEDMAN
Chief Deputy Director

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BOARD OF SUPERVISORS

Gloria Molina
First District

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Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

May 10, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF NEW SOFTWARE AND SERVICES AGREEMENT
WITH ATLAS DATABASE SOFTWARE CORPORATION
dba ATLAS DEVELOPMENT CORPORATION**

(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

CIO RECOMMENDATION: (X) APPROVE

SUBJECT:

Request approval to enter into a software and services agreement with Atlas Database Software Corporation to supersede and replace County Agreement Numbers H-701820 and H-207543.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Director of the Department of Public Health (DPH), or his designee, to execute the Software and Services Agreement (Exhibit I) with Atlas Database Software Corporation dba ATLAS Development Corporation (Atlas), effective on Board approval for an initial term of seven years with an option to add three additional terms for a total maximum obligation of \$3,129,703.50, 100 percent offset by the Centers for Disease Control and Prevention (CDC) Public Health Preparedness and Response for Bioterrorism Grant Number 5U90TP917012.
2. Authorize the Director of DPH, or his designee, to execute amendments to the Software and Services Agreement extending the initial term of the Software and

Services Agreement for up to three (3) additional and consecutive twelve (12) month periods, for a total term of up to ten (10) years, at the rates for maintenance, support, and hosting set forth on Exhibit C (Price and Schedule of Payments) to the Software and Services Agreement, and making related changes to the Software and Services Agreement in connection with such extensions.

3. Authorize the Director of DPH, or his designee, to execute all other amendments to the Software and Services Agreement and the County's project director, or such person's designee, to execute all change orders to the Software and Services Agreement, in each case, as described in Exhibit II.
4. Authorize termination of County Agreement Number H-701820 and County Agreement Number H-207543, with Atlas, with such termination to be effective concurrently with the effective date of the Software and Services Agreement and with such agreements to be superseded and replaced in their entirety by the Software and Services Agreement.
5. Authorize the Director of DPH, or his designee, to execute (a) one or more assignment documents effectuating the transfer of the County's rights in the property to be transferred under the Software and Services Agreement, and (b) such forms as are required to make the County a beneficiary under Atlas's source code escrow agreement.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Visual Confidential Morbidity Reporting Software (vCMR Software) is used by DPH's Acute Communicable Disease Control Unit (ACDC) as its advanced electronic reporting system for communicable diseases (CD). The vCMR Software allows management of the 'life-cycle' of a disease incident or outbreak from its report to DPH through its final resolution. It offers tracking and managerial oversight of all CD case reports and has been configured to electronically parse case and lab reports to other programs within DPH.

Approval of the first recommendation will allow the Director of DPH, or his designee, to execute the Software and Services Agreement, substantially similar to Exhibit I, with Atlas, which will, in summary, transfer any and all of County's rights in the vCMR Software and the servers currently being used to host the vCMR Software identified in Exhibit P (Transferred Servers) of the Software and Services Agreement, in exchange for the consideration described in the Contracting Process section of this letter. As further described in the Contracting Process, Background section of this letter, DPH is recommending this transfer to reduce the burden of monitoring its existing marketing agreement with Atlas for the vCMR Software (County Agreement Number H-207543), as well as more effectively control the costs of maintaining, supporting, and hosting the full

vCMR Software and the other software products described on Exhibit D (Description of System Software) to the Software and Services Agreement (collectively, vCMR System) in the coming years.

The Software and Services Agreement will additionally grant the County a perpetual, royalty free license to use the vCMR System and engage Atlas to provide ongoing maintenance, support, and hosting of the vCMR System, as well as as-needed other professional services, for an initial term of seven (7) years.

Approval of the second recommendation will allow the Director of DPH, or his designee, to execute future amendments to the Software and Services Agreement extending the initial term of the Software and Services Agreement for up to three (3) additional and consecutive twelve (12) month optional terms, for a total term of up to ten (10) years. These future amendments will allow for the continued maintenance, support, and hosting of the vCMR System.

Approval of the third recommendation will allow (a) the Director of DPH, or his designee, to execute all other amendments to the Software and Services Agreement as described in Exhibit II to this letter, and (b) the County's project director under the Software and Services Agreement, or such person's designee, to execute all change orders to the Software and Services Agreement as described in Exhibit II to this letter. These amendments and change orders may be necessary to continue enhancing vCMR to meet critical needs of the vCMR System users as well as to meet the federal CDC initiatives that promote the use of data and information system standards to advance development of integrated surveillance systems.

Approval of the fourth recommendation will terminate the existing County agreements with respect to the vCMR System, County Agreement Number H-701820 and County Agreement Number H-207543, which are scheduled to expire August 9, 2011 and June 30, 2011, respectively. Such termination will be effective concurrently with the effective date of the Software and Services Agreement, with such Software and Services Agreement superseding and replacing County Agreement Number H-701820 and County Agreement Number H-207543 in their entirety.

Approval of the fifth recommendation will allow the Director of DPH, or his designee, to execute (a) one or more assignment documents effectuating the transfer of the County's rights in the property to be transferred under the Software and Services Agreement, and (b) such forms as are required to make the County a beneficiary under Atlas's source code escrow agreement. Additional assignment documents may be necessary, for example, to file notice of the transfer with the United States Copyright Office.

Implementation of Strategic Plan Goals

The recommended actions support Goal 1, Operational Effectiveness; Goal 4, Health and Mental Health; and Goal 5, Public Safety, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

During the initial seven (7) year term of the Software and Services Agreement: (a) \$280,000 is allocated to maintaining the vCMR System; (b) \$595,000 is allocated to supporting the vCMR System; (c) \$1,484,000 is allocated to hosting the vCMR Software and other software products; (d) \$1,399,685 is allocated to the pool of dollars that may be used to engage Atlas to provide additional software and/or as-needed professional services (such as programming services to create County-specific enhancements, additional training services, etc.) with respect to the vCMR System; and (e) \$187,694.50 is allocated to payments remaining under change orders that were entered into under County Agreement No. H-701820 that will be consolidated and completed under the Software and Services Agreement.

Atlas has provided a credit in the amount of \$816,676 that the County may use in equal installments annually during the initial term of the Software and Services Agreement to offset payments owed for maintenance, support, hosting, and/or professional services. After giving effect to this credit, the maximum contract sum for the initial term is \$3,129,703.50.

Maintenance, support, and hosting fees may be increased in the sixth and seventh years of the initial term of the Software and Services Agreement by a cost-of-living adjustment, if any, under Board Policy 5.070 (Multi-Year Services Contract Cost of Living Adjustments). Maintenance fees may additionally be increased if the number of County users increases in excess of the projected number of increased users indicated in Schedule C.1 (Maintenance Fees Detail) of Exhibit C (Price and Schedule of Payments) to the Software and Services Agreement.

The cost of this project is 100 percent offset by CDC Public Health Preparedness and Response for Bioterrorism Grant Number 5U90TP917012. Approximately \$380,154.54 in CDC grant funding that was previously allocated to County Agreement Number H-701820, but has not yet been spent, will be transferred to the Software and Services Agreement to support the maximum contract sum of \$3,129,703.50 for the initial term. Should there be a reduction at any point in grant funding during the term of this contract, DPH will identify alternate funding.

DPH has included funding for the Software and Services Agreement in its fiscal year (FY) 2010-11 budget and will include funding for the Software and Services Agreement in its budget for future FYs as necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Software and Services Agreement includes all applicable legally required provisions. In addition, the Software and Services Agreement includes all applicable Board required provisions.

County Counsel has approved the Software and Services Agreement as to form. In accordance with your Board's policy regarding technology contracts, outside counsel also reviewed and commented on the Software and Services Agreement. The Chief Executive Office's Risk Management Division has reviewed Atlas's exceptions to the general indemnification provision and the negotiated limitation of liability provision (see Paragraph 12.0 [Indemnification; Limitation of Liability] of Exhibit A [Additional Terms and Conditions] to the Software and Services Agreement) and finds these provisions to be acceptable.

Please refer to the attorney-client privileged communication that County Counsel is submitting to your Board under separate cover, for a discussion of the material changes to the County's standard terms and conditions that were modified during negotiations with Atlas.

County Counsel has reviewed and approved Exhibit I as to form. Exhibit II summarizes the process for change orders and amendments to the Software and Services Agreement. Attachment A is the Sole Source Checklist that has been approved and signed by the CEO.

The Chief Information Office (CIO) concurs with DPH's recommendations and has provided the CIO analysis (Exhibit III).

CONTRACTING PROCESS

Background

Since September 10, 1996, your Board accepted CDC grant funding to develop and maintain surveillance activities to infectious disease for DPH's Acute Communicable Disease Control Program (ACDC). On May 19, 1998, your Board approved County Agreement No. H-209231 with Atlas to assist DPH in the development of the vCMR Software as DPH's communicable disease reporting system, as well as to license to the County other software products included in the vCMR System, all funded by CDC grants.

On November 1, 2005, your Board approved County Agreement Number H-701820 with Atlas, which replaced then-expired County Agreement Number H-209231, to further expand and develop the vCMR Software, and to provide ongoing maintenance and support of the vCMR System, all funded by CDC grants. Since that time, your Board has approved a number of amendments to County Agreement Number H-701820, as well as authorized the Director of DPH, or his designee, to approve additional

amendments on behalf of your Board, thereby allowing further expansion, development, maintenance, and support of the vCMR System, 100 percent offset by CDC grants.

On April 2, 2002, your Board approved County Agreement Number H-207543 (Marketing Agreement) with Atlas, on a sole source basis, allowing Atlas (a) to market the vCMR Software, (b) to enter into sublicense and services agreements for the vCMR Software, and (c) to make modifications and enhancements to the vCMR Software under such sublicense and services agreements. In exchange, the County is entitled to receive royalty payments from Atlas in the amount of ten percent (10%) of the gross monthly revenue received by Atlas. Since approval of the Marketing Agreement in April 2002, your Board has approved three (3) amendments to the Marketing Agreement including to extend the term thereof.

From the inception of the Marketing Agreement in April 2002 through December 2009, the County had received a total of \$313,992.01 in royalty payments. During this period, ACDC has found it increasingly onerous to effectively monitor Atlas's activities under the Marketing Agreement and had to divert valuable staff resources to that task alone, which has resulted in a deviation from ACDC's core functions. DPH began to evaluate alternatives to the current structure of the relationship with Atlas to reduce the burden of monitoring the Marketing Agreement as well as more effectively control the costs of maintaining, supporting, and hosting the vCMR System in the coming years.

To this end, on May 5, 2010, DPH notified your Board of DPH's intention to negotiate a sole source agreement with Atlas to change the structure of the County's relationship with Atlas by transferring the County's rights in the vCMR Software, as modified and enhanced, to Atlas in exchange for a perpetual and royalty-free license to such software together with a number of other rights, concessions, and valuable consideration. The Software and Services Agreement is the product of these negotiations.

Transfer of Ownership

Under the Software and Services Agreement, the County will transfer all rights it currently has including: (a) the vCMR Software, as modified and enhanced, (b) all intellectual property and other proprietary rights therein, anywhere in the world, and (c) the servers listed on Exhibit P (Transferred Servers) to the Software and Services Agreement currently used to host the vCMR System. In exchange for the County's transfer of these rights, Atlas will provide the following to the County during the initial term of the Software and Services Agreement.

1. At no cost to the County, up to a negotiated projected increase in the number of users, a perpetual, royalty free license to use the vCMR System, as well as all enhancements, updates, revisions, improvements, bug fixes, patches, and/or modifications (a) required to maintain full compliance with the CDC Public Health Information Network and National Electronic Disease Surveillance System

- requirements and other related federal or State laws, rules, regulations, and standards, and/or (b) as otherwise provided by Atlas to its other customers as part of maintenance for the vCMR System, regardless of whether those customers' vCMR software applications are hosted by Atlas;
2. At no cost to the County, all work associated with (a) incorporating into version 10.0 of the vCMR Software (and all subsequent versions) all County-identified functionality from the current version used by the County, (b) migrating the County to version 10.0 (including implementation, data conversion, testing and training), and (c) implementing full interconnectivity to the State of California's CalREDIE system, all valued at approximately \$495,000;
 3. A credit for the initial term of the Software and Services Agreement in the amount of \$816,676, which may be applied by the County in equal annual installments of \$116,668 over seven years toward the fees owed by the County for maintenance services, support services, hosting services, and/or as-needed other professional services with respect to the vCMR System. Approximately \$186,678 of the aggregate credit represents undisputed royalties that have accrued under the Marketing Agreement with respect to FY 2009-10 and as of February of FY 2010-11;
 4. Maintenance services for the vCMR System at the discounted rates that the County currently pays under County Agreement Number H-701820. The agreed upon rates reflect a discount of approximately \$261,227.88 per year from the annual rates Atlas charges for the corresponding products under its current federal General Services Administration Authorized Federal Supply Service Information Technology Schedule Price List (see Attachment C.7 to Exhibit C [Price and Schedule of Payments] to the Software and Services Agreement). These discounted rates will be of greater value to the County under the Software and Services Agreement once Atlas has completed all work associated with migrating the County to version 10.0 of the vCMR Software because, under the restructured relationship, the County will receive enhancements, updates, revisions, improvements, bug fixes, patches, and/or modifications provided by Atlas to its other customers as part of maintenance for the vCMR Software, whereas under County Agreement Number H-701820, the County typically funds development of these items as the owner of the vCMR Software. Note that the rates for maintenance services are subject to a potential cost-of-living adjustment during the sixth and seventh year of the initial term of the Software and Services Agreement, as described in the Fiscal Impact/Financing section of this letter;
 5. Enhanced hosting services for the vCMR System at discounted rates, including maintenance of all hosting hardware, software, and networking infrastructure as is necessary to maintain (a) vCMR System availability for 99.9 percent of each calendar month, excluding scheduled downtime, and (b) vCMR System response

times for most transactions of 99% processed within one (1) second, and the remaining one percent (1%) processed within five (5) seconds; and

6. Discounted rates for as-needed other professional services for the vCMR System of \$145/hour for the first five (5) years of the initial term, and \$175/hour for the sixth and seventh year of the initial term.

Should the County elect to exercise the three (3) additional and consecutive twelve (12) month option terms under the Software and Services Agreement, Atlas will additionally provide the following to the County:

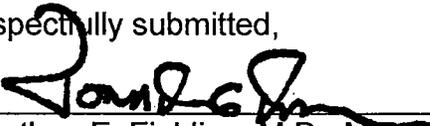
1. Rates for maintenance services of the vCMR System in an amount not to exceed the applicable rates set forth in Atlas's federal General Services Administration Authorized Federal Supply Service Information Technology Schedule Price List, as are in effect on the effective date of the Software and Services Agreement (see Attachment C.7 to Exhibit C (Price and Schedule of Payments) to the Software and Services Agreement). Note that the rates for maintenance services may be increased (a) in any option term if the number of County users increases in excess of the projected number of increased users indicated on Schedule C.1 (Maintenance Fees Detail) of Exhibit C (Price and Schedule of Payments) to the Software and Services Agreement, and (b) in the second and third option term by a cost-of-living adjustment, if any, under Board Policy 5.070 (Multi-Year Services Contract Cost of Living Adjustments);
2. An annual credit for each option term of the Software and Services Agreement in an amount equal to 50 percent of the rates for maintenance services of the vCMR System for such option term. At estimated rates and number of users, the annual credits would equal \$205,701.50 for the first option term, \$211,872.55 for the second option term, and \$218,228.72 for the final option term;
3. Continued enhanced hosting services for the vCMR System at discounted rates. Note that the rates for hosting services may be increased during each option term by a cost-of-living adjustment, if any, under Board Policy 5.070 (Multi-Year Services Contract Cost of Living Adjustments); and
4. Continued discounted rate for as-needed other professional services for the vCMR System of \$175/hour.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will allow DPH to: (a) maintain current services with respect to communicable disease surveillance and control while avoiding costs it would otherwise incur to keep the vCMR Software up-to-date; (b) move to the latest version of the vCMR Software without incurring the costs of data migration,

implementation, training, and hardware acquisition; (c) continue expansion and development of the vCMR Software to support emergency preparedness and response as well as meet full CDC requirements with the burden of paying for system improvements to comply with changing State and federal requirements shifted to Atlas; (d) be relieved of the cost of maintaining the system hardware and replacing it as required; and (e) transfer ownership which will eliminate the administrative burden borne by DPH in monitoring the Marketing Agreement.

Respectfully submitted,

JEF

Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer

Reviewed by,


Richard Sanchez
Chief Information Officer

JEF:im

Enclosures (4)

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

CIO ANALYSIS

APPROVAL OF NEW SOFTWARE AND SERVICES AGREEMENT WITH ATLAS DATABASE SOFTWARE CORPORATION DBA ATLAS DEVELOPMENT CORPORATION

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: 7 Yrs # of Option Yrs 3

Contract Components:

Software Hardware Telecommunications
 Professional Services

Project Executive Sponsor: Jonathan E. Fielding, M.D., M.P.H., Director and Health Officer

Budget Information :

Y-T-D Contract Expenditures	\$0
Requested Contract Amount	\$3,129,703.50
Aggregate Contract Amount	\$3,129,703.50

Project Background:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project legislatively mandated? DPH is required under federal law to perform the types of services provided and managed by the vCMR System
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project subvented? If yes, what percentage is offset? Project will be 100% funded through grants from the Federal Centers for Disease Control (CDC) in varying amounts over the life of this agreement.
<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?
<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 type="checkbox"/>	<input checked="" type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

Project/Contract Description:

Department of Public Health (DPH) is requesting authorization to enter into a new Software and Services Agreement with Atlas Database Software Corporation (Atlas), which will supersede and replace its current software development and marketing agreements with Atlas as they relate to the Visual Confidential Morbidity Reporting (vCMR) system. In addition to establishing entirely new terms and conditions for DPH's ongoing use of the vCMR System and all of its components, this new Agreement will transfer all County ownership for the vCMR Software to Atlas in exchange for significant financial credits that applied to DPH contract obligations, no-cost perpetual licenses for the use of all vCMR-related software, and discounted rates for maintenance, support and hosting services over the entire term of the Agreement, including option years.

Background:

DPH is responsible for monitoring infectious diseases occurring within Los Angeles County. In May 1998, the Board approved an Agreement with Atlas to develop the vCMR System for surveillance response and reporting system and to license other software products included in the vCMR System. The costs incurred under this Agreement and its subsequent Amendments have all been funded by Federal Centers Disease Control (CDC) grant funding.

In 2002, DPH obtained Board approval to enter into a sole source marketing agreement with Atlas, which would allow Atlas to market the vCMR Software, enter into sublicensing and services agreements with other jurisdictions, and to make modifications and enhancements to the vCMR Software under those sublicensing agreements. In exchange, Atlas agreed to pay the County royalties amounting to 10% of the gross monthly revenue it received as a result of the sale of licenses to other jurisdictions for the use of the vCMR Software, as well as any proceeds Atlas received for services it provided under those sublicensing agreements. Since the initial marketing agreement, there have been four amendments, permitting Atlas to continue its sale of licenses and services to vCMR and extending the royalties arrangement.

From the inception of the marketing agreement in April 2002 through December 2009, DPH had only received a total of \$313,992 in royalties. Over the nine years that this arrangement has been in place, Atlas has developed additional enhancements to the vCMR Software for which DPH has not provided funding. As a result, DPH has found monitoring and management of the marketing agreement increasingly complex, requiring an inordinate commitment of staff resources and often resulting in significant disagreements with Atlas over what components of vCMR were subject to royalty payment and what components were not.

Accordingly, DPH determined that it was in the best interests of the County to enter into an agreement that would transfer any and all rights of ownership in the vCMR Software to Atlas, thereby eliminating any further royalty agreement between Atlas and DPH. In exchange, Atlas

would provide the County consideration that would fairly compensate the County for the value of those ownership rights.

Project Justification/Benefits:

This proposed Agreement affords the County considerable value in the form of credits, a variety of discounts on Atlas products licenses and other services, conversion to vCMR Version 10 at no cost, and price increase protections in an amount that has been determined to fairly compensate the County for the value of the software. It will also eliminate the necessity for DPH to expend considerable staff resources to continuously monitor the vendor's activities and performance under the current marketing agreement. Additional benefits to the County include Atlas accepting responsibility for maintenance of the software to ensure compliance with laws, regulations, and standards; Atlas accountability for specific service levels with regard to application performance and availability; and access to system improvements developed on behalf of other Atlas customers.

Project Metrics:

DPH has done a considerable amount of work to attempt to determine a fair and equitable value of the ownership rights the County has to the vCMR Software. With the assistance of County Counsel and the Chief Information Office (CIO), it has engaged in lengthy negotiations with Atlas to arrive at what has been determined to be a fair and equitable agreement, providing mutual value to both the County and Atlas.

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

If this proposal is not approved, DPH will either have to extend the current marketing agreement or it could decide not to extend the marketing agreement, thereby precluding Atlas from marketing the components of the vCMR Software product that are owned by the County.

Continuing the Marketing Agreement would likely result in considerable ongoing DPH resources to monitor agreement, which has yielded relatively little royalty revenue in return. Moreover, it would likely result in the continuation of disputes between DPH and Atlas, resulting in a less-than-ideal relationship between the County and Atlas.

Terminating the marketing agreement could very likely result in Atlas pursuing legal remedies that would permit them to continue to market and sell the vCMR Software and attendant services, potentially costing the County far more in litigation costs than it could ever expect to receive in royalties.

Alternatives Considered:

No other alternatives are currently being considered.

Project Risks:

The proposed Agreement represents little risk to the County. The vCMR System availability and performance should be enhanced by the upgraded system server equipment and the strengthened service level agreement. The current hosting arrangement already meets County's minimum standards to address HIPAA and HITECH requirements and concerns. Accordingly, no additional security issues requiring the County's Chief Information Security Officer's (CISO) review have resulted.

Risk Mitigation Measures:

No risk mitigation measures are deemed necessary.

Financial Analysis:

The total Contract Sum of **\$3,129,703.50** will be apportioned as follows:

Description/Category	Amount
Maintenance and Support Fees	\$ 875,000.00
Hosting Fees	1,484,000.00
Professional Services	1,587,379.50
Credits given to County by Atlas	(816,676.00)
Maximum Contract Sum	\$3,129,703.50

Additionally, under the terms of this Agreement, in exchange for the County's transfer of all rights it currently has to the vCMR Software, Atlas will provide to the County over the initial term of this Agreement:

- a) A no-cost, perpetual, royalty-free license to use the vCMR System and all subsequent revisions, including all work associated with upgrading and migrating the County to new software versions and implementing full interconnectivity to the State of California's CalREDIE system;
- b) A credit which may be applied by the County in equal annual installments toward the fees owed by the County for maintenance, support and hosting services, as well as other professional services DPH may require of the vendor over the course of this Agreement;
- c) Discounted rates for maintenance services DPH pays under its existing software development agreement with Atlas;
- d) Discounted rates for enhanced hosting services for the vCMR System, over and above the normal level of services provided by Atlas; and
- e) Discounted rates for as-needed other professional services for work provided by Atlas for desired enhancements to the vCMR Software system.

Should the County elect to exercise the three year option terms, Atlas will additionally provide:

- a) Discounted rates for maintenance services of the vCMR System equal to the Federal General Services Administration rates in effect on the date of this Agreement, subject to an annual cost-of-living adjustment in accordance with Board Policy 5.070;

- b) An annual credit for each option term equal to 50% of the discounted rate for maintenance services;
- c) Continuation of the enhanced hosting services discounted rates, subject to an annual cost-of-living adjustment in accordance with Board Policy 5.070; and
- d) Continuation of discounted rates for as-needed other professional services for the vCMR System.

The total value of credits, discounts and other financial consideration the County would receive over the seven-year base term of this Agreement as compensation for its transfer of all rights of ownership of the vCMR Software to Atlas is approximately \$3,776,075 (see table below).

Description	Dollar Value
Professional services credits	\$ 495,000
Credits the County may use in equal installments annually during Years 1-7 of the Agreement to offset payments owed for maintenance, support, hosting, and/or professional services under the new Agreement (included in the cost table above)	816,676
Discounted rates for vCMR System Maintenance Services (approximately \$261,228 per year) from rates paid under the current County Agreement	1,828,596
Annual credits for Maintenance Services for each option year of three option years (\$205,701 for Year 8; \$211,873 for Year 9; and \$218,229 for Year 10)	635,803
Total	\$ 3,776,075

CIO Concerns:

The CIO has been involved from the beginning of this project in the development of all Agreement-related documents as well as actively participating in the County's negotiations with Atlas throughout and has no concerns with the approval of this Agreement.

CIO Recommendations:

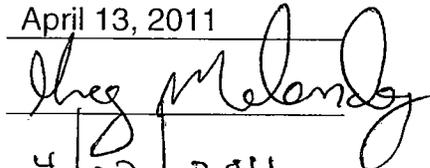
The CIO recommends approval of this Agreement.

CIO APPROVAL

Date Received: March 14, 2011

Prepared by: Earl Bradley

Date: April 13, 2011

Approved: 

Date: 4/22/2011



TOM TINDALL
Director

County of Los Angeles INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

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

"To enrich lives through effective and caring service"

May 10, 2011

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:

**REQUEST FOR APPROVAL
TO ACQUIRE COMPUTER AND ELECTRICAL GENERATOR EQUIPMENT
(ALL DISTRICTS - 3 VOTES)**

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

SUBJECT

Request approval to acquire computer and electrical generator equipment with a unit cost greater than \$250,000 to meet the needs of County departments.

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Internal Services Department (ISD) to acquire computer and electrical generator equipment for a total financed expenditure of \$3,759,482, to support County-wide automated applications.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On an ongoing basis, ISD acquires data processing equipment to meet the computer application needs of County departments. Pursuant to County Policy, Board approval is required when individual components of this equipment exceed \$250,000.

This request is for approval to acquire computer and electrical generator equipment at a total acquisition cost, including financing, of \$3,759,482 as follows:

- Acquire one (1) large capacity EMC disk storage array to consolidate and replace two old technology storage arrays. The total capital asset cost of this array is \$1,527,190. This acquisition will result in a net 5-year savings of \$3,037,665 due to reduced annual maintenance expenses.

- Acquire one (1) IBM mainframe computer processor to replace old computer technology and increase needed capacity for a total capital asset cost, including financing, of \$1,690,765. This acquisition will result in a net 5-year savings of \$889,161 due to reduced hardware maintenance and software licensing costs.
- Acquire one (1) electrical generator as a backup to the Downey Data Center Uninterruptible Power Supply (UPS) generators for a total capital asset cost, including financing, of \$541,525. This portable generator will provide additional emergency backup power for critical data center computing and chiller systems.

Implementation of Strategic Plan Goals

The acquisition of this equipment is necessary to meet the information technology requirements of the departments served by ISD and supports the County strategic goal for Operational Effectiveness.

FISCAL IMPACT/FINANCING

Equipment acquisitions will be financed as follows:

Equipment	Base Purchase Cost	FY 10-11 Lease Costs	Future FY Lease Costs	Term	Total Financed Costs
EMC Disk Storage	\$1,269,072	\$0	\$305,438	5 Yrs	\$1,527,190
IBM Mainframe Computer	\$1,405,000	\$0	\$338,153	5 Yrs	\$1,690,765
Electrical Generator	\$450,000	\$0	\$108,305	5 Yrs	\$541,525
Total	\$3,124,072	\$0	\$751,896		\$3,759,482

The above acquisitions will be financed through LAC-CAL over five years. Due to the timing of these acquisitions, ISD will not incur a lease payment in the FY 2010-11 Other Charges appropriation for the first year of equipment leasing costs. ISD has requested adequate funding in the FY 2011-12 Proposed Budget, and will request funding in future fiscal years' budget requests. ISD will also incur a total of \$1,192,491 in Services & Supplies (S&S) costs in the current fiscal year for prepaid maintenance for the disk storage and mainframe equipment. ISD recovers all costs through usage-based charges to client departments. No additional NCC is required for these acquisitions.

Honorable Board of Supervisors
May 10, 2011
Page 3

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This request complies with the County Equipment Policy that your Board approved on October 16, 2001. This policy requires that departments obtain Board approval to purchase or finance equipment with a unit cost of \$250,000 or greater.

The County's Chief Information Officer recommends approval of this request (CIO Analysis attached).

CONTRACTING PROCESS

These equipment items are commodity acquisitions under the statutory authority of the County Purchasing Agent. The acquisitions will be competitively bid by the Purchasing Agent in accordance with the standard County Purchasing policies and procedures.

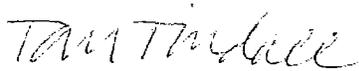
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Your approval will ensure that ISD can acquire the resources necessary to operate County computer systems managed by the Department.

CONCLUSION

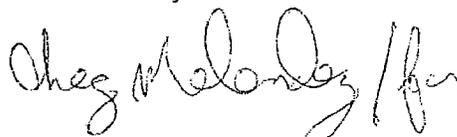
The Executive Office, Board of Supervisors, is requested to return one stamped copy of the approved Board letter to the Director, ISD.

Respectfully submitted,



TOM TINDALL
Director

Reviewed by:



RICHARD SANCHEZ
Chief Information Officer

DC:AB:SD:sg

Attachment

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

CIO ANALYSIS

REQUEST FOR APPROVAL TO ACQUIRE COMPUTER AND ELECTRICAL GENERATOR EQUIPMENT

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: N/A Yrs. # of Option Yrs: N/A

Contract Components:

Software Hardware Telecommunications
 Professional Services

Project Executive Sponsor: Tom Tindall, Director, ISD

Budget Information :

Y-T-D Contract Expenditures	\$0
Requested Contract Amount	\$3,759,482
Aggregate Contract Amount	\$3,759,482

Project Background:

Yes	No	Question
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project subvented? If yes, what percentage is offset?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved. The equipment will be used by ISD to provide computing services to all departments.

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 type="checkbox"/>	<input checked="" type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

Project/Contract Description:

In compliance with Board policy, Internal Services Department (ISD) is requesting Board authorization to procure computer and electrical generator equipment for a total of \$3,759,482, which includes a combination of financed and one-time purchases.

Background:

Periodically, ISD needs to purchase large-scale computer equipment for the County's primary data center located in Downey. The focus of this purchase is to replace two older computer storage arrays and an end-of-life mainframe server, which is expected to save \$3,926,826 in maintenance costs over the next five years. In addition, ISD is requesting authorization to add a new portable generator to supplement the data center's emergency electrical power.

Project Justification/Benefits:

ISD's computer purchase involves three components:

1. Replacement of a computer storage array

This is a financed purchase of an EMC Symmetrix vMax disk storage array that will replace two older EMC disk storage arrays in the Downey Data Center, which are increasingly becoming costly to maintain and operate. The cost of the new equipment and maintenance is less than the maintenance cost of the old equipment. Over the five year equipment life, the monthly savings will be an average of \$50,628 (52% of the \$92,291 cost without replacement).

Initially, there is no overall increase in storage capacity. However, the new storage array is expandable and can add additional storage engines and disk drives to more than double capacity when demand requires. It is very likely that this equipment will be expanded, with industry estimates forecasting year-over-year growth of 55% for storage capacity.

2. Replacement of a mainframe computer server

This is a financed purchase of an IBM z10 Business Class mainframe computer server to replace an IBM z990 mainframe computer server that has reached technological end-of-life and can no longer be upgraded. In addition, the existing server is currently using loaned equipment that cannot be extended and ISD will be billed \$10,000/monthly for this equipment starting July 1, 2011. While the primary reason for this purchase is to replace end-of-life equipment, the software and maintenance cost savings are significant. The total monthly savings over the next five years resulting from this new purchase is \$24,312 (9% of the \$275,332 cost without replacement).

3. New electrical generator

This is a purchase of a new portable electric generator that will be used in conjunction with five existing generators to provide backup power and cooling to the Downey Data Center. ISD is deferring the replacement of the five generators, which are over 30 years old, due to the anticipated occupancy of the new Data Center at the Rancho Los Amigos campus in 2014. This new generator will be used to supplement the Data Center backup power and cooling, and after the Downey site is migrated will be repurposed for other emergency backup power needs.

Project Metrics:

The new computer equipment projects will be considered complete when the new hardware has been installed, all operational systems have been verified for production release in the ISD data centers, and all computer systems and data have been migrated to the new equipment.

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

If the existing computer storage equipment is not replaced, ISD will incur higher software and equipment maintenance costs to provide the same level of service and the future expansion possibilities would be limited.

Retaining the existing mainframe computer server could impact the availability of applications running on this platform because vendor upgrades are no longer available, would result in higher costs for hardware when the IFL processor loan agreement ends in June 2011, and negate software savings by moving to the new platform.

Deferring the backup generator acquisition would impact ISD's ability to provide adequate power and cooling for the Downey Data Center in case of an outage. The existing five backup generators at the data center would need to operate for another 4 years of service increasing the risk of mechanical failure.

Alternatives Considered:

The computer storage and servers are newer models of standard computing platforms used in the data center. The hardware configurations were scaled down to be the most cost-effective.

The replacement of the five old backup generators was considered and found to be not cost effective due to the planned move of the data center in 2014. After the short-term lease was found to be the same cost as the purchase, the decision was made to go with a new electrical backup generator.

Project Risks:

Minimal risks exist for the installation of new storage and server equipment because they are highly compatible with the existing infrastructure. The installation of the backup electrical generator will decrease the risk from a generator failure in event of a site power outage.

The Chief Information Security Officer (CISO) has reviewed the request and did not identify any security risks or issues.

Risk Mitigation Measures:

Proper planning and careful implementation activities will be established to minimize risk.

Financial Analysis:

There is no additional Net County Cost associated with this request. All costs are offset by billing to County Departments through composite billing rates of computer utilization.

CIO Concerns:

None.

Recommendations:

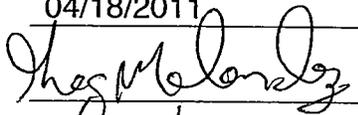
Recommend Board authorization of the proposed procurements.

CIO APPROVAL

Date Received: 03/29/2011

Prepared by: Tom Travis

Date: 04/18/2011

Approved: 

Date: 4/22/2011



LEROY D. BACA, SHERIFF

County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169



May 10, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Dear Supervisors:

**APPROVE AMENDMENT NUMBER TWO
TO AGREEMENT NUMBER 76819 WITH IDENTIX INCORPORATED
FOR EQUIPMENT MAINTENANCE SERVICES
(ALL DISTRICTS) (3 VOTES)**

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

SUBJECT

Request Board approval and execution of Amendment Number Two (Amendment) to Agreement Number 76819 (Agreement) with Identix Incorporated (Identix) for equipment maintenance services to increase the contract sum for contingency funds for additional work, including software, hardware, and other professional services.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Mayor of the Board to sign the attached Amendment to the Agreement with Identix to add a contingency fund of \$500,000 to be used to acquire as-needed additional work, including software, hardware, and other professional services for a revised total maximum contract sum of \$4,547,990.
2. Delegate additional authority to the Sheriff or his designee to execute Change Orders and/or Amendments to the Agreement to engage Identix to provide as-needed additional work using the contingency funds.

A Tradition of Service

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will add contingency funds to the Agreement that will allow the Los Angeles County Sheriff's Department (Department) to keep its existing 173 livescan devices (also known in the industry as tenprint machines) current with the criminal identification requirements, as well as allow for the purchase of additional livescan devices as needed by the Department and/or the Los Angeles County's (County) District Attorney's Office, Probation Department, and Department of Coroner, in order to meet law enforcement needs. The contingency funds will additionally allow for continued development of the livescan system resulting from any change or modification of any system that interfaces with the livescan system, as well as development of any additional interfaces needed with the livescan system such as the Department's upcoming Gang Automated Registration Database System.

Implementation of Strategic Plan Goals

The services and purchases provided under this Amendment support the County's Strategic Plan Goal 1, Operational Effectiveness; and Goal 5, Public Safety, by ensuring that the Department will be able to provide information on suspects in a responsive manner, partnering with private organizations to provide the necessary expertise and equipment, and enhancing public safety by rapidly and correctly identifying suspects.

FISCAL IMPACT/FINANCING

The additional cost is funded through the Remote Access Network (RAN) Board, approved by the California State Department of Justice's Automated Identification Fingerprint Identification System (AFIS) Fund Number 41079. The RAN Board approved the contingency funding of \$500,000 on March 25, 2010. The maximum contract sum will be increased from \$4,047,990 to \$4,547,990.

The RAN Board appropriates funds for the Agreement in the AFIS account under the County's budget from the State of California pursuant to Government Code Section 76102 and/or Vehicle Code Section 9215.19. There will be no net County costs incurred.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In 2005, through competitive bid, Identix was awarded a purchase order contract issued by the County's Internal Services Department in the amount of over \$6 million for the purchase of new and more advanced tenprint machines, printers, and peripheral

equipment to replace the equipment purchased in 1993. The livescan system is proprietary and can only be maintained and updated by Identix, thus the Agreement was approved by the Board in November 2008 to provide for the continued maintenance of the livescan system. The Agreement is set to expire on November 30, 2012. The Los Angeles County Regional Identification System (LACRIS) maintains the world's largest network of criminal identification livescan fingerprint workstations and needs to ensure that the system is functioning adequately through the term of the Agreement.

Upgrades to the livescan system are necessary to interface and access the State of California, Department of Justice's AFIS in order to search fingerprint data, images, and to provide timely identification of all arrestees, as well as fingerprint images to ensure proper identification at crime scenes.

Identix is in the process of being acquired by Morpho (Morpho) Track, a wholly-owned subsidiary of SAFRAN USA. The Department has conducted a review of the acquisition under Board Policy Number 5.053. In order to alleviate concerns regarding Morpho's business plan with respect to the livescan devices, the Department has included provisions in the Amendment regarding: (1) Identix's obligation to perform maintenance services with respect to each model of livescan devices for a specified period of time following such model's last date of manufacture; (2) Identix's obligation to notify the County of such last date of manufacture; and (3) Identix's or, should the County approve of an assignee of Identix under Paragraph 38 (Assignment by Contractor) of Exhibit A (Additional Terms and Conditions) to the Agreement, Identix's assignee's obligation to replace the livescan devices with similar devices should Identix or such assignee determine to stop providing maintenance services with respect to the livescan devices prior to the expiration or termination of the Agreement.

The Chief Information Officer recommends approval of this Amendment (CIO Analysis attached). County Counsel has approved this Amendment as to form.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The contingency funds will provide the ability for the Department to acquire needed upgrades for expeditious fingerprint and palm print identification processing, as well as reduce the untimely release of arrestees due to identification issues. This action will save time for law enforcement officials using the livescan system.

There will be no negative impact on current Department operations and services.

The Honorable Board of Supervisors
May 10, 2011
Page 4

CONCLUSION

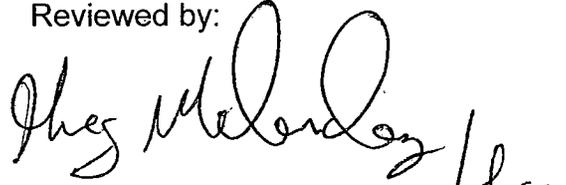
Upon approval by your Board, please return three adopted copies of this action and three adopted copies of the Amendment to the Department's Contracts Unit.

Sincerely,



LEROY D. BACA
SHERIFF

Reviewed by:



RICHARD SANCHEZ
CHIEF INFORMATION OFFICER

LDB:MEM:mm
(Fiscal Administration - Contracts Unit)

Attachments

c: Board of Supervisors, Justice Deputies
Sachi A. Hamai, Executive Officer, Board of Supervisors
William T Fujioka, Chief Executive Officer
Brence Culp, Chief Deputy, Chief Executive Officer
Jacqueline A. White, Deputy Chief Executive Officer
Sheila Williams, Assistant Division Chief, Chief Executive Office (CEO)
Michael Iwanaga, Analyst, CEO
Jocelyn Ventilacion, Senior Analyst, CEO
Brian Lew, Public Affairs Office
Andrea Sheridan Ordin, County Counsel
Amanda M.L. Drukker, Senior Deputy County Counsel
Marvin O. Cavanaugh, Assistant Sheriff
Paul K. Tanaka, Assistant Sheriff
Victor Rampulla, Division Director, Administrative Services Division (ASD)
Glen Dragovich, Assistant Division Director, ASD
Glen Joe, Director, Fiscal Administration
Susie Cousins, Assistant Director, Fiscal Administration
Ben W. Seno, Lieutenant, Records and Identification Bureau
Mona Whittouck, Manager, Contracts Unit, ASD
Milton N. Murphy, Sergeant, ASD
Jill B. Deschamps, Deputy, ASD
Marcelle Murr, Contracts Analyst, Contracts Unit, ASD
(Contracts – Identix 05-10-11)

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan? This project was identified in the Sheriff's FY 2010-11 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? LACRIS complies with the following Strategic Directions: <ul style="list-style-type: none"> • Conduct government electronically by using digital and information technology for fingerprint analysis and identification; and • Utilization of enterprise solutions to meet common business needs of the regional law enforcement agencies.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards? The technology used by LACRIS is a highly specialized and proprietary and is utilized specifically for fingerprint analysis and identification.
<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 Sheriff's Department is seeking Board approval of an Amendment to the Agreement with Identix (Amendment) to:

1. Establish a \$500,000 contingency fund to the Agreement with Identix for hardware, software, and professional services to support the ongoing operations of the livescan equipment, as needed; and
2. Provide delegated authority to execute work orders and change notices using the contingency funds.

Identix is also in the process of being acquired by Morpho Track, a wholly owned subsidiary of SAFRAN USA. The Amendment also includes provisions to preserve Identix's obligation to maintain and support the livescan devices under the current terms of the Agreement.

Background:

The Sheriff's Department maintains the County's LACRIS network of criminal identification livescan fingerprint workstations. These workstations are located in every full service Sheriff and police station in Los Angeles County. The equipment is also used in the Los Angeles County and Los Angeles City jails, courts, juvenile detention facilities, as well as the District Attorney, Coroner, and Adult Probation.

The LACRIS network is interfaced to numerous County systems: the Sheriff's Automated Justice Information System (AJIS), the Sheriff's mug shot image management system, the California Department of Justice's Automated Fingerprint Identification System (AFIS), the

Sheriff's Custody Division's Inmate Movement Management System (DIMMS), as well as local law enforcement agency record management systems.

Livescan equipment and software are proprietary and can only be maintained by Identix, who does not license or authorize any third party to maintain its equipment.

Project Justification/Benefits:

The LACRIS system provides numerous County and local agencies, including the Sheriff's Department, Los Angeles Police Department (LAPD), local police stations, and courts with accurate identification services for law enforcement prosecution, identification and investigation purposes. This Amendment will allow the Sheriff's Department to make software revisions/enhancements and develop or modify interfaces, as needed, to support the participating law enforcement agencies.

Project Metrics:

The Agreement clearly identifies the service levels to be provided by the contractor for the term of the Agreement.

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

This Amendment, if not approved, will cause LASD to be unable to support LACRIS, which will significantly hamper the provision of fingerprint analysis and identification services to law enforcement agencies within the County.

Alternatives Considered:

No alternatives currently exist that would provide uninterrupted equipment maintenance services.

Project Risks:

There is minimal project risk since LASD has been using consulting services from Identix to maintain livescan equipment and peripherals since 1996 and is satisfied with the level of service and quality of deliverables provided by the Contractor.

The Chief Information Security Officer (CISO) has reviewed the Agreement and did not identify any security risks or issues.

Risk Mitigation Measures:

Adequate mitigation measures have been established in the Agreement and its Service Level Agreement. All work to be completed under this Amendment will be specified in a work order that will describe the tasks and deliverables and comply with the Agreement and its Service Level Agreement.

Financial Analysis:

The cost of this Amendment (\$500,000) is 100% funded by LACRIS Fund administered by the Remote Access Network Board and does not include any Net County Cost.

CIO Concerns:

None.

CIO Recommendations:

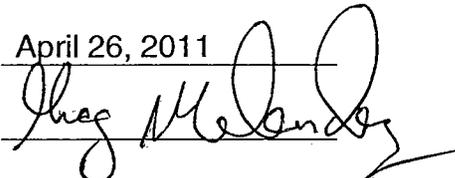
My Office supports this action and recommends approval by the Board.

CIO APPROVAL

Date Received: April 18, 2011

Prepared by: Peter Loo

Date: April 26, 2011

Approved: 

Date: April 27, 2011