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

LEROY D. BACA, SHERIFF

A Tradition of Service

August 10, 2010

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

Dear Supervisors:

**APPROVE AMENDMENT NUMBER 12
TO EXTEND AGREEMENT NUMBER 74376 WITH
COMPASS GROUP USA, DBA (IN CALIFORNIA) COMPASS
GROUP FOOD SERVICES, DBA CANTEEN VENDING SERVICES
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

This Board letter requests approval and execution of Amendment Number 12 (Amendment) to Agreement Number 74376 (Agreement) with Canteen Vending Services (CVS) that will extend the term of the current Agreement for an additional six months. This extension period will enable the Los Angeles County Sheriff's Department (Department) to complete its negotiation process for a new agreement and complete the transition process to a new vendor after your Board awards the new agreement.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chair of the Board to sign the attached Amendment to the Agreement with CVS to continue providing debit card vending machine services to inmates being held in Department detention facilities. The Amendment will extend the term of the Agreement for a period of six months from August 18, 2010, through February 17, 2011.

2. Delegate authority to the Sheriff, or his designee, to terminate the Agreement earlier, in whole or in part, with 30 days advance written notice, once the Department has completed its negotiation process for a new agreement and completed the transition process to the new vendor.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of this action will ensure that there is no interruption of debit card vending machine services to the approximate 19,000 inmates being held in Department detention facilities and to the revenue generated from these vending machines. Also, the extension will allow the Department to complete its negotiation process for a new vending machine services agreement.

Implementation of Strategic Plan Goals

The services provided under this Agreement support the Los Angeles County's (County) Strategic Plan, Goal 1, Operational Effectiveness; and Goal 5, Public Safety. This Amendment will continue to allow inmates to have access to the vending machines that generate revenue and, thereby, continue to support various programs and projects for inmates.

FISCAL IMPACT/FINANCING

This is a revenue-generating agreement. The Contractor pays the Department a commission of 35.5 percent of the total gross of vending machine sales on a monthly basis. Revenue generated is deposited into the Department's Inmate Welfare Fund (IWF), which is used to fund various educational and recreational programs and projects that benefit the inmates.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Sheriff is authorized under Penal Code 4025 to operate a store in the jail facilities to allow inmates to purchase goods, supplies, and certain personal articles. Pursuant to this provision, the products sold in the debit card vending machines are for inmates only. The types of products being sold are snack items, beverages, and over-the-counter medications.

The Department released a Request for Proposals (RFP) on July 24, 2009, to solicit for an agreement with a vendor to provide debit card vending machine services to inmates only. The proposals were due on November 5, 2009, at which time three proposals were submitted. The Department has completed the evaluation of the proposals and selected a vendor to recommend for an agreement award. Notification letters to all three proposers were sent on June 11, 2010. We are currently in the negotiation process.

CVS is in compliance with all Board and Chief Executive Office requirements.

County Counsel has reviewed and approved the Amendment as to form.

Except as expressly provided in the Amendment, all other provisions and conditions of the Agreement will remain the same and in full force and effect.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these actions will ensure uninterrupted debit card vending machine services for inmates who are being held in the Department's detention facilities. Additionally, it will allow for the continued growth of its IWF, which is the principal source of funding for educational and other programs to benefit the inmates.

CONCLUSION

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

Sincerely,

LEROY D. BACA
Sheriff

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Enclosures

COUNTY OF LOS ANGELES

AMENDMENT NUMBER 12 TO AGREEMENT NUMBER 74376
DEBIT-CARD VENDING MACHINE SERVICES

This Amendment Number 12 is entered into by and between the County of Los Angeles (hereinafter "County") and Compass Group USA, Inc. (doing business in California as Compass Group Food Service) dba Canteen Vending Services, a Delaware Corporation (hereinafter "Contractor").

A. WHEREAS, on February 18, 2003, County and Contractor entered into Agreement Number 74376 (hereinafter the "Agreement") to provide debit-card vending machine services; and

B. WHEREAS, the Agreement currently expires on August 17, 2010; and

C. WHEREAS, County and Contractor desire to extend the term of the Agreement for six (6) months to avoid an interruption of services while the Sheriff's Department completes its negotiation process, enters into a new agreement for services, and completes the transition process to the selected contractor; and

D. WHEREAS, County and Contractor agree that the Agreement may terminate prior to its expiration upon thirty (30) days advance written notice by County to Contractor.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, County and Contractor hereby agree as follows:

Effective August 18, 2010, the Agreement shall be extended for a six (6) month period from August 18, 2010 through February 17, 2011. Notwithstanding, the Sheriff, or his designee, may terminate this Agreement earlier, in whole or in part, with thirty (30) days advance written notice of such termination.

Except as expressly provided in this Amendment Number 12, all other provisions, and conditions of the Agreement will remain the same and in full force and effect.

Contractor represents and warrants that the person executing this Amendment Number 12 for Contractor is an authorized agent who has actual authority to bind Contractor to each and every item, condition, and obligation of the Agreement and that all requirements of Contractor have been fulfilled to provide such actual authority.

COUNTY OF LOS ANGELES

AMENDMENT NUMBER 12 TO AGREEMENT NUMBER 74376
DEBIT-CARD VENDING MACHINE SERVICES

IN WITNESS WHEREOF, the County of Los Angeles, by order of its Board of Supervisors has caused this Amendment Number 12 to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, and Contractor has executed this Amendment Number 12, or caused it to be duly executed by its duly authorized officer.

COUNTY OF LOS ANGELES

By:_____
Chair, Board of Supervisors

ATTEST:
SACHI A. HAMAI
Executive Officer
Los Angeles County
Board of Supervisors

by: _____
Deputy

COMPASS GROUP USA INC. (doing business in California as COMPASS GROUP FOOD SERVICES) dba CANTEEN VENDING SERVICES

Signed: Rann Wanamaker

Printed: RANN WANAMAKER

Title: REGION DIRECTOR

APPROVED AS TO FORM:
ANDREA SHERIDAN ORDIN
COUNTY COUNSEL

By: Michele Jackson
Michele Jackson
Deputy County Counsel