



# OFFICE OF THE SHERIFF

COUNTY OF LOS ANGELES

HALL OF JUSTICE

JIM McDONNELL, SHERIFF

211 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

*A Tradition of Service*  
— Since 1850 —



May 03, 2016

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

Dear Supervisors:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

50 May 3, 2016

LORI GLASGOW  
EXECUTIVE OFFICER

**APPROVE AMENDMENTS TO AGREEMENTS WITH KEEFE COMMISSARY  
NETWORK, LLC FOR INMATE COMMISSARY SERVICES AND FIRST CLASS  
VENDING, INCORPORATED FOR VENDING MACHINE SERVICES-INMATES ONLY  
(ALL DISTRICTS) (3 VOTES)**

**SUBJECT**

The Los Angeles County (County) Sheriff's Department (Department) is seeking Board approval and execution of Amendment Number Eight (Amendment Eight) to Agreement Number 76191 (Agreement 76191) with Keefe Commissary Network, LLC (Keefe) and Amendment Number Four (Amendment Four) to Agreement Number 77438 (Agreement 77438) with First Class Vending, Incorporated (First Class), to extend the term of each Agreement for one year from May 30, 2016, through May 29, 2017, plus an option to extend for up to an additional period of 12 months, in any increment. This extension period is required to allow the Department to complete its solicitation for a new agreement for combined commissary and vending machine services (Services) to inmates in County jails.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and instruct the Chair of the Board to sign the attached Amendment Eight to Agreement 76191 with Keefe for the continued provision of inmate commissary services for one year from May 30, 2016, through May 29, 2017, with an option to extend the term of the Agreement for up to an additional period of 12 months, in any increment.
2. Approve and instruct the Chair of the Board to sign the attached Amendment Four to Agreement 77438 with First Class for the continued provision of vending machine services for inmates throughout County jails for one year from May 30, 2016, through May 29, 2017, with an option to extend the term of the Agreement for up to an additional period of 12 months, in any increment.

3. Delegate authority to the Sheriff, or his designee, to execute Amendments to Agreement 76191 and Agreement 77438 (collectively, the "Agreements") to execute the extension options, provided it is in the best interest of the County.

4. Delegate authority to the Sheriff, or his designee, to terminate both Agreements for convenience, either in whole or in part, if necessary, with 30 calendar days advance written notice, once the Department has completed the solicitation process for a new Services agreement.

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

Approval of the recommended actions will allow the Department to complete its combined Services solicitation. The Agreements are both in the final option period and are scheduled to expire on May 29, 2016. The proposed Amendments will extend the term of both Agreements from May 30, 2016, through and including May 29, 2017, with an option to extend for up to an additional period of 12 months, in any increment, at the discretion of the Sheriff.

On September 25, 2013, the Department provided notification to the Board that the Department intended to solicit for inmate Services in one combined competitive solicitation. The combined solicitation and resulting service agreement will streamline the procedures of ordering and delivery of commodity items to inmates, and also improve the efficiency in the management of Services to inmates in the County jails.

The Department is currently researching the possibility to offer "media items" to the commissary/vending menu in the new solicitation in an effort to help in rehabilitating inmates while they are held in County jails. These media items, which include MP3 Players, tablets and other necessary accessories, will enable inmates to gain access to a large variety of digital books, music, educational videos, educational games, classes and basic computer programs. It is anticipated that these new resources will provide inmates with additional opportunities to learn new technology and participate in classes, as well as engage in an alternative method of learning, while being kept gainfully occupied during their stay in County jails.

The Department will continue to search for and identify the appropriate media devices to include in the menu, as well as the most beneficial method of providing those items to the inmates. It is expected that this effort will take an additional six to nine months to complete.

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

The Services provided under the proposed Amendments support the County's Strategic Plan, Goal 1, Operational Effectiveness/Fiscal Sustainability, by enabling the Department to provide Services for inmates.

### **FISCAL IMPACT/FINANCING**

The Agreements are revenue-generating contracts. All net revenue generated is deposited in the Department's Inmate Welfare Fund, which provides funding for various inmate programs and partially offsets County expenses for the maintenance of the County's detention facilities. Pricing for commissary menu items shall remain firm and fixed for the duration of the commissary Agreement. There is no change to the pricing for vending services items under this Amendment.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The Board approved Agreement 76191 on June 19, 2007, with an effective date of July 29, 2007, and Agreement 77438 on November 30, 2010, with an effective date of November 30, 2010. Both Agreements currently expire on May 29, 2016. The Amendments will extend the term of the respective Agreements from May 30, 2016, through May 29, 2017, and include an option to extend for up to an additional period of 12 months, in any increment, at the discretion of the Sheriff.

Keefe and First Class are in compliance with all Board and Chief Executive Office requirements, as well as all Board required provisions included in the respective Agreements.

The Amendments have been approved as to form by County Counsel.

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

There will be no negative impact on the Department or its Inmate Welfare Fund.

**CONCLUSION**

Upon approval by the Board, please return two adopted copies of this Board Letter and two original copies of the executed Amendment Eight to Agreement 76191, and executed Amendment Four to Agreement 77438 to the Department's Contracts Unit.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim McDonnell". The signature is stylized with a large, looping initial "J" and a cursive "McDonnell".

JIM McDONNELL

Sheriff

JM:JLR:jlr

Enclosures

**AMENDMENT NUMBER EIGHT TO AGREEMENT NO. 76191  
BY AND BETWEEN  
COUNTY OF LOS ANGELES  
AND  
KEEFE COMMISSARY NETWORK, LLC  
FOR INMATE COMMISSARY SERVICES**

This Amendment Number Eight (hereinafter "Amendment") to Agreement Number 76191 (hereinafter "Agreement") is entered into by and between the County of Los Angeles (hereinafter "County") and Keefe Commissary Network, LLC (hereinafter "Contractor"), effective upon execution by both parties.

- A. WHEREAS, on June 19, 2007, County and Contractor entered into the Agreement to provide inmate commissary services; and
- B. WHEREAS, on October 20, 2009, the County Board of Supervisors delegated authority to the Sheriff to execute an amendment to the Agreement to add two (2) additional option years and increase the revenue rate by one and a half percent (1.5%); and
- C. WHEREAS, on February 12, 2010, County and Contractor entered into Amendment Number One to the Agreement to revise the Term of the Agreement to an Initial Term of three (3) years with four (4) additional one-year periods and six (6) month-to-month periods in any increment (each an "Option Term"); and
- D. WHEREAS, on July 13, 2010, County and Contractor entered into Amendment Number Two to the Agreement to extend the Term of the Agreement for the first one-year Option Term from July 29, 2010, through and including July 28, 2011; and
- E. WHEREAS, on July 28, 2011, County and Contractor entered into Amendment Number Three to the Agreement to extend the Term of the Agreement for the second one-year Option Term from July 29, 2011, through and including July 28, 2012; and
- F. WHEREAS, on July 23, 2012, County and Contractor entered into Amendment Number Four to the Agreement to extend the Term of the Agreement for the third one-year Option Term from July 29, 2012, through and including July 28, 2013; and
- G. WHEREAS, on June 4, 2013, County and Contractor entered into Amendment Number Five to the Agreement to extend the Term of the Agreement for the fourth one-year Option Term from July 29, 2013, through and including July 28, 2014; and
- H. WHEREAS, on April 22, 2014, County and Contractor entered into Amendment Number Six to the Agreement to extend the Term of the Agreement for the six month Option Term from July 29, 2014, through and including January 28, 2015; and

76191 Supplement No. 2

**AMENDMENT NUMBER EIGHT TO AGREEMENT NO. 76191  
BY AND BETWEEN  
COUNTY OF LOS ANGELES  
AND  
KEEFE COMMISSARY NETWORK, LLC  
FOR INMATE COMMISSARY SERVICES**

- I. WHEREAS, on October 14, 2014, County and Contractor entered into Amendment Number Seven to (1) extend the Term of the Agreement from January 29, 2015 through and including May 29, 2016, (2) add new County-mandated provisions regarding the Contractor Alert Reporting Database and Time Off for Voting, and (3) update the County-mandated provision regarding Consideration of Hiring Gain/Grow Participants for Employment; and
- J. WHEREAS, the Agreement currently expires on May 29, 2016; and
- K. WHEREAS, County and Contractor desire to extend the Term of the Agreement for an additional one (1) year period, from May 30, 2016, through May 29, 2017, with an option to extend for up to an additional period of twelve months, in any increment.

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

- 1. Paragraph 7 (Term) of the Agreement is deleted in its entirety and replaced as follows to extend the Term of the Agreement through May 29, 2017, with an option to extend the Term of the Agreement for up to an additional period twelve months in any increment:

**7. TERM OF AGREEMENT**

- 7.1 The Term of this Agreement shall be from July 29, 2007 through and including May 29, 2017, unless sooner extended or terminated, either in whole or in part, as provided herein.
- 7.2 The County has the option, at Sheriff's discretion and upon notice to Contractor prior to the end of the then-current period of the Term of the Agreement, to extend the Term of the Agreement for up to an additional period of twelve (12) months in any increment (an "Option Term"). Any such extension shall be in the form of a written Amendment to this Agreement executed by Sheriff and Contractor. As used herein, the "Term" shall mean the base term and, if extended, each Option Term, as the case may be.

**AMENDMENT NUMBER EIGHT TO AGREEMENT NO. 76191  
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FOR INMATE COMMISSARY SERVICES**

7.3 County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether County will exercise an Option Term extension of the Agreement.

2. Section 15.0 (Pricing) of Exhibit B (Statement of Work) of the Agreement is deleted in its entirety and replaced as follows to fix the pricing for existing items for the remainder of the Term of the Agreement:

15.0 Pricing

15.1 All pricing shall remain firm and fixed for the Term of the Agreement.

15.2 At all times during the Agreement Term, prices of items shall not exceed 2% above the local convenience store retail prices for the new items presented to County by the Contractor, with exceptions of kits and packs listed in Section 15.7 of this section. Convenience stores and/or full-service grocery stores shall be used as the basis for the pricing of new menu items.

15.2.1 Contractor shall compare retail prices from any three local convenience stores and/or full-service grocery stores, subject to the County Project Manager's approval, located within 12 miles of the Men's Central Jail located in Los Angeles.

15.2.2 Contractor shall provide the store locations, date of survey, items and price comparison.

15.2.3 Contractor shall provide County Project Manager with a manufacturer's price increase letter and/or market analysis.

15.2.4 The final price list shall be signed by the County's Project Director and the Contractor's Project Director, and the list shall become a part of the Agreement.

15.3 Postage stamped envelopes and postage stamps shall not be subject to State and local sales tax. Therefore, Contractor shall sell these items at face value. If the postage cost adjusts per the Federal

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FOR INMATE COMMISSARY SERVICES**

guideline, the Contractor shall be authorized to adjust the cost of postage to reflect the change.

- 15.4 Contractor shall provide County with proof of the retail price for any new items presented to the County by the Contractor, as indicated in Sections 15.1.1, 15.1.2 and 15.1.3. The price at which each new item will be sold shall be memorialized in Attachment 14 of this Statement of Work and shall be executed by County's Project Director and Contractor's Project Director. These prices shall remain firm and fixed for the duration of this Agreement.
  - 15.5 Attachment 14 may be amended only to add new items and only with a revised Attachment 14 that is executed by the County Project Director, with the concurrence of County Counsel, and Contractor Project Director, to reflect changes to the menu authorized by Section 4.0 (Menu).
  - 15.6 The price of each kit and pack described in Sections 10.0 and 11.0 of the Statement of Work and Exhibits 8 and 9 of this Statement of Work shall equal the combined total price of each individual item as stated in Attachment 14 of this Statement of Work.
  - 15.7 At all times during the Agreement Term, prices for items sold in the Hygiene Maintenance Kit, Indigent Kit, Emergency Kit, County Gift Pack and Pro-Per Inmate Kit shall not exceed 3% of the Wholesale price.
3. Except as expressly provided in this Amendment Number Eight, all terms, covenants, and conditions of the Agreement will remain the same and in full force and effect.
  4. Contractor represents and warrants that the person executing this Amendment Number Eight for Contractor is an authorized agent who has actual authority to bind Contractor to each and every item, condition, and obligation of the Amendment and that all requirements of Contractor have been fulfilled to provide such actual authority.

AMENDMENT NUMBER EIGHT TO AGREEMENT NO. 76191  
BY AND BETWEEN  
COUNTY OF LOS ANGELES  
AND  
KEEFE COMMISSARY NETWORK, LLC  
FOR INMATE COMMISSARY SERVICES

IN WITNESS WHEREOF, the County of Los Angeles, by order of its Board of Supervisors has caused this Amendment 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 caused this Amendment to be duly executed on its behalf by its authorized officer.



COUNTY OF LOS ANGELES

By: Hilda F. Solis  
Chair, Board of Supervisors

ATTEST:  
LORI GLASGOW  
Executive Officer-Clerk  
of the Board of Supervisors

By: Lachelle Smitherman  
Deputy  
MAY 03 2016

KEEFE COMMISSARY NETWORK, LLC

By: [Signature]

Name: TEAM SCHROEDER

Title: GROUP VICE PRESIDENT

I hereby certify that pursuant to  
section 25103 of the government code,  
delivery of this document has been made

LORI GLASGOW  
Executive Officer  
Clerk of the Board of Supervisors

By: Lachelle Smitherman MAY 03 2016  
DEPUTY

APPROVED AS TO FORM:  
MARY C. WICKHAM  
County Counsel

By: Michele Jackson  
Michele Jackson  
Principal Deputy County Counsel

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

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MAY 03 2016

Lori Glasgow  
LORI GLASGOW  
EXECUTIVE OFFICER

76191 Supplement No. 2



**AMENDMENT NUMBER FOUR  
TO  
AGREEMENT NUMBER 77438  
FOR VENDING MACHINE SERVICES - INMATES ONLY**

This Amendment Number Four to Agreement Number 77438 (hereinafter "Agreement") is entered into by and between the County of Los Angeles (hereinafter "County") and First Class Vending, Inc. (hereinafter "Contractor"), effective upon execution by both parties.

- A. WHEREAS, on November 30, 2010, County and Contractor entered into the Agreement to provide Vending Machine Services for inmates for the Los Angeles County Sheriff's Department (hereinafter "Department"); and
- B. WHEREAS, the Agreement had an Initial Term, as defined in the Agreement, with two (2) additional one-year option periods and one (1) six-month period in any increment (each an "Option Term"); and
- C. WHEREAS, on November 8, 2013, County and Contractor entered into Amendment Number One to the Agreement to extend the Term of the Agreement for its first one-year Option Term, add the County-mandated provision regarding the Contractor Alert Reporting Database, and update the County-mandated provision regarding Indemnification and Insurance; and
- D. WHEREAS, on November 25, 2014, County and Contractor entered into Amendment Number Two to the Agreement to extend the Term of the Agreement for its second one-year Option Term, update the County-mandated provision regarding Consideration of Hiring GAIN/GROW Participants, and add the County-mandated provision regarding Time Off for Voting; and
- E. WHEREAS, on August 21, 2015, County and Contractor entered into Amendment Number Three to the Agreement to extend the Term of the Agreement for its final six-month Option Term; and
- F. WHEREAS, the Agreement currently expires on May 29, 2016; and
- G. WHEREAS, County and Contractor agree to extend the Term of the Agreement for an additional one (1) year period, from May 30, 2016 through May 29, 2017, with an option to extend for up to an additional period of twelve months, in any increment.

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

**AMENDMENT NUMBER FOUR  
TO  
AGREEMENT NUMBER 77438  
FOR VENDING MACHINE SERVICES - INMATES ONLY**

1. Section 7 (Term) of the Agreement is deleted in its entirety and replaced as follows to extend the Term of the Agreement from May 30, 2016 through May 29, 2017, with an option to extend for up to an additional period of twelve months in any increment:

**7. TERM**

- 7.1 The Term of this Agreement shall commence November 30, 2010 and shall terminate on May 29, 2017, unless terminated earlier in whole or in part, as provided in this Agreement.
  - 7.2 The County has the option, at Sheriff's discretion and upon notice to Contractor prior to the end of the then-current period of the Term of the Agreement, to extend the Term of the Agreement for up to an additional period of twelve (12) months in any increment (an "Option Term"). Any such extension shall be in the form of a written Amendment executed by Sheriff and Contractor. As used herein, the "Term" shall mean the base term and, if extended, each Option Term, as the case may be.
  - 7.3 The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether County will exercise an agreement term extension option.
2. Except as expressly provided in this Amendment Number Four, all other provisions, terms, and conditions of the Agreement will remain the same and in full force and effect.
3. Contractor represents and warrants that the person executing this Amendment Number Four for Contractor is an authorized agent who has actual authority to bind Contractor to each and every item, condition, and obligation of this Amendment Number Four and that all requirements of Contractor have been fulfilled to provide such actual authority.

**AMENDMENT NUMBER FOUR  
TO  
AGREEMENT NUMBER 77438  
FOR VENDING MACHINE SERVICES - INMATES ONLY**

IN WITNESS WHEREOF, the County of Los Angeles, by order of its Board of Supervisors has caused this Amendment Number Four 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 Four, or caused it to be duly executed by its duly authorized officer.



ATTEST:  
LORI GLASGOW  
Executive Officer-Clerk  
of the Board of Supervisors

By: *Rachelle Smitherman*  
Deputy MAY 03 2016

COUNTY OF LOS ANGELES

By: *Hilda J. Solis*  
Chair, Board of Supervisors

I hereby certify that pursuant to  
section 25103 of the government code,  
delivery of this document has been made

LORI GLASGOW  
Executive Officer  
Clerk of the Board of Supervisors

By: *Rachelle Smitherman*  
DEPUTY MAY 03 2016

FIRST CLASS VENDING, INC.

By: *Matthew Marsh*

Name: Matthew Marsh

Title: President

APPROVED AS TO FORM:  
MARY C. WICKHAM  
County Counsel

By: *Mary C. Wickham*  
Principal Deputy County Counsel

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

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MAY 03 2016

*Lori Glasgow*  
LORI GLASGOW  
EXECUTIVE OFFICER

77438 Supplemental No. 1