



SCOTT MINNIX
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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

27 August 14, 2018

CELIA ZAVALA
ACTING EXECUTIVE OFFICER

August 14, 2018

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:

**AUTHORITY TO AMEND CONTRACT NUMBER 77731 AND CONTRACT NUMBER 77895 WITH
PRIDE INDUSTRIES ONE, INC. FOR CUSTODIAL SERVICES
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

Request delegated authority to extend two contracts with Pride Industries One, Inc. (Pride) to continue providing custodial services to the Internal Services Department (ISD) and its client departments.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Director of ISD, or his designee, to execute amendments to extend the subject custodial services contracts with Pride for six months with six month-to-month extension options.
2. Delegate authority to the Director of ISD, or his designee, to execute future amendments to the contract to add or delete facilities, approve necessary changes in scope of services, or effectuate amendments should the contracting entity merge, be acquired, or otherwise has a change of entity.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The extension of the current contracts is imperative to enable ISD to continue providing custodial services to various County departments while ISD performs a comprehensive workforce reinvestment analysis to present the feasibility of insourcing custodial services in the County to the Board. ISD's goal is to deliver a completed workforce reinvestment analysis to the Board within six months of Board approval.

Implementation of Strategic Plan Goals

The recommended actions support the County's Strategic Plan Strategy III.3 (Operational Effectiveness, Fiscal Responsibility, and Accountability) by maximizing the effectiveness of the County's processes structure and operations to support timely delivery of customer oriented and efficient public service by providing custodial services countywide.

FISCAL IMPACT/FINANCING

Funding for the services is included in ISD's Fiscal Year 2018-19 Adopted Budget. Costs funded under ISD's budget will be recovered through billings to customer departments. Total cost to extend the subject custodial services contracts with Pride for six months is \$6,116,258 (Attachment 1).

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On February 7, 2012, the Board awarded Contract 77731 for custodial services, effective February 21, 2012. The initial term of contract was for three years with three one-year renewal option and six month-to-month extensions. The final six month option period of the current contract term expires on August 20, 2018.

On December 11, 2012 the Board awarded Contract 77895 for custodial services, effective February 11, 2013. The initial term of contract was for two years with three one-year renewal option and six month-to-month extensions. The final six month option period of the current contract term expires on August 20, 2018.

CONTRACTING PROCESS

Under the existing contracts, Pride provides custodial services for 19 County departments at approximately 128 buildings located throughout the County. On July 27, 2017, ISD released a Request for Proposals (RFP) for Custodial Services provided under subject contracts. As required for Proposition A contracts, in May 2018, ISD sent its cost analyses of the selected vendor's proposals to Auditor Controller (A-C) for review and approval.

During its review of ISD's cost analysis, the A-C requested that ISD provide more detailed information and documentation regarding start-up, non-recurring, and recurring costs. This, in turn, would allow the A-C to make a more accurate determination of true costs of in-sourcing custodial services. As a result, ISD recognized the need for a more in-depth analysis of its outsourced custodial services, and the viability of performing custodial services in-house.

The CEO has approved the Sole Source Contract Checklist (Attachment 2) and recommendations. In accordance with your Boards contract policy requirements for Sole Source Contracts, ISD notified your Board on June 12, 2018 of its intent to extend the contract with Pride. The recommended contract amendments will be executed after County Counsel review and approval as to form.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendations is imperative to enable ISD to continue providing custodial services for various County departments throughout the County of Los Angeles, and provide time to perform the workforce reinvestment analysis to present to the Board.

CONCLUSION

It is requested that the Executive Office, Board of Supervisors return two stamped copies of the approved Board letter to the Director, ISD.

Respectfully submitted,



SCOTT MINNIX
Director

SM:SH:JS:CC:ct

Enclosures

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

COST
CONTRACT #77731 AND #77895

CONTRACT #	CONTRACTOR	MONTHLY COST EFFECTIVE 01/01/18	MONTHLY COST EFFECTIVE 01/01/19	AMENDMENT 6 MONTHS 8/21/2018-2/20/2019 *
77731	PRIDE	\$ 384,982	\$ 401,252	\$ 2,364,394
77895	PRIDE	\$ 619,194	\$ 644,555	\$ 3,801,440
TOTAL \$				6,165,833

*Daily cost calculated for August 2018 and February 2019.

Includes Living Wage Rate of \$15.00 effective January 1, 2018 and \$15.79 effective January 1, 2019 .

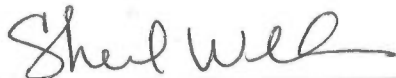
SOLE SOURCE CHECKLIST

Department Name: Internal Services Department

New Sole Source Contract

Existing Sole Source Contract Date Sole Source Contract Approved: _____

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS Identify applicable justification and provide documentation for each checked item.
<input type="checkbox"/>	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. A monopoly is an <i>"Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist."</i>
<input type="checkbox"/>	➤ Compliance with applicable statutory and/or regulatory provisions.
<input type="checkbox"/>	➤ Compliance with State and/or federal programmatic requirements.
<input type="checkbox"/>	➤ Services provided by other public or County-related entities.
<input type="checkbox"/>	➤ Services are needed to address an emergent or related time-sensitive need.
<input type="checkbox"/>	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
<input type="checkbox"/>	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
<input checked="" type="checkbox"/>	➤ Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract which has no available option periods.
<input type="checkbox"/>	➤ Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/ system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available option periods.
<input type="checkbox"/>	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
<input type="checkbox"/>	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
<input type="checkbox"/>	➤ It is in the best economic interest of the County (e.g., significant costs to replace an existing system or infrastructure, administrative cost savings and excessive learning curve for a new service provider, etc.) In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.



Chief Executive Office

6/12/18

Date