



TOM TINDALL
Director

County of Los Angeles
INTERNAL SERVICES DEPARTMENT

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"To enrich lives through effective and caring service"

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April 30, 2013

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

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

23 April 30, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**TERMINATION OF EQUIPMENT MAINTENANCE
AND REPAIR SERVICES AGREEMENT FOR CONVENIENCE
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

Termination of an equipment maintenance and repair services agreement with Wiztec Incorporated, for convenience, and approval to add equipment to an existing contract for the remaining contract term.

IT IS RECOMMENDED THAT THE BOARD:

1. Terminate the equipment maintenance and repair services agreement (Agreement Number I104342) with Wiztec Incorporated, in whole, for convenience.
2. Authorize the Director of Internal Services Department (ISD), or his designee, to add equipment from Agreement Number I104342 (Wiztec Incorporated) to current equipment maintenance and repair services Agreement Number I104340 (LogixService, Inc. dba Amtek, or "Amtek") effective June 1, 2013 through September 30, 2015, with two (2) one-year extension options and twelve (12) month-to-month extensions, under the existing terms and conditions of Agreement I104340.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Wiztec Incorporated (Wiztec) provided equipment maintenance and repair services for miscellaneous reproduction equipment for six (6) County departments (Attachment 1).

In a notice dated February 1, 2013, and subsequent letter dated February 6, 2013, Wiztec notified ISD that it would discontinue field operations and cease to provide the contracted services under Agreement Number I104342 effective February 28, 2013. Equipment maintenance and repair services provided under this agreement are critical for the continued operation of high-end equipment at several County facilities. As a temporary solution to maintain uninterrupted equipment maintenance services, ISD solicited bids from three (3) existing equipment maintenance and repair services contractors. One company (Xerox) did not provide a bid, another company (Canon) proposed a price higher than Wiztec's, and the third company (Amtek) proposed a price lower than Wiztec's current prices. As a result, using its delegated authority, ISD added the equipment to Amtek's agreement, at a lower cost, for a ninety (90) day period, from March 1, 2013 through May 31, 2013. ISD notified your Board of this action on February 26, 2013.

ISD recommends that your Board terminate the agreement with Wiztec pursuant to Section 8.42, Termination for Convenience, due to the closing of the company and its resultant inability to continue to provide the contracted services. This termination will be effective the day following Board action.

Implementation of Strategic Plan Goals

The recommended actions support County Strategic Plan Goal Number 1 (Operational Effectiveness) by ensuring the timely delivery of customer oriented and efficient public services.

FISCAL IMPACT/FINANCING

The equipment serviced by Wiztec was added to an existing equipment maintenance and repair services contract (Amtek Agreement Number I104340), at a lower cost to the County, for a ninety (90) day period, from March 1, 2013 through May 31, 2013. The annual cost to provide equipment maintenance and repair services for equipment added to Amtek's agreement is \$310,450. Approval of the recommended actions will allow ISD to add the equipment to Agreement Number I104340, at a cost lower than in Wiztec's current contract, for the remaining term of the contract.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On August 14, 2012, your Board approved, and ISD executed, an agreement for equipment maintenance and repair services with Wiztec, effective October 1, 2012, for three (3) years with two (2) one-year extension options and twelve (12) month-to-month extensions.

Due to Wiztec's inability to continue to provide services under its existing contract terms and conditions, ISD recommends that your Board terminate the agreement with Wiztec pursuant to Section 8.42, Termination for Convenience.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendations will ensure that ISD and County departments continue to receive equipment maintenance and repair services without a lapse in service.

Following approval of the recommended actions, ISD will amend Agreement Number I104340 with Amtek, to add equipment for the remaining term of the agreement.

Respectfully submitted,

A handwritten signature in cursive script that reads "Tom Tindall".

TOM TINDALL

Director

TT:YY

Enclosures

c: Chief Executive Officer
County Counsel
Auditor-Controller

**WIZTEC INCORPORATED
AGREEMENT NUMBER I104342**

| COUNTY DEPARTMENTS |
|---|
| ASSESSOR |
| CHILD SUPPORT SERVICES DEPARTMENT |
| DEPARTMENT OF HEALTH SERVICES (VARIOUS HOSPITALS) |
| DEPARTMENT OF PUBLIC WORKS |
| SHERIFF |
| TREASURER AND TAX COLLECTOR |