



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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August 12, 2014

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:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

10 August 12, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**PHASE II BUILDING CONDITION ASSESSMENTS AND ASSET MANAGEMENT DATABASE
SYSTEM DEVELOPMENT SERVICES FOR
THE COUNTY DEFERRED MAINTENANCE PROGRAM
AUTHORIZE AWARD OF A CONSULTANT SERVICES AGREEMENT
(ALL DISTRICTS)
(3 VOTES)**

SUBJECT

The recommended actions will award and authorize the Chief Executive Officer, or his designee, to execute a consultant services agreement with AECOM Technical Services, Inc., to perform the Phase II Building Condition Assessments for 1,154 County-operated and County-maintained buildings, and to update the web-based asset management database and reports for the County Deferred Maintenance Program.

IT IS RECOMMENDED THAT THE BOARD:

Authorize the Chief Executive Officer, or his designee, to execute a consultant services agreement with AECOM Technical Services, Inc., to perform Phase II of building condition assessments and project development for 1,154 facilities operated and maintained by the County, and to update the web-based asset management database and reports for the County Deferred Maintenance Program for a three-year term with options for two 1-year extensions, commencing on the date of the Notice to Proceed. The consultant services agreement shall not exceed a fee of \$13,500,115.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommend action will allow the Chief Executive Office (CEO) to proceed with the Phase II Building Condition Assessments of 24.1 million square-foot (1,154 facilities) of County-

owned and County-maintained buildings, and to update the web-based asset management database and reports for the County Deferred Maintenance Program.

Background

Between June 2007 and April 2014, the Board approved several recommendations and motions to direct the County's focus on improving efforts to address deferred maintenance needs for County facilities that were neglected during periods of economic difficulties.

The focus has been on the development of long-term plans to fund deferred maintenance projects based on priority needs, evaluation of current County practices, determination of best practices and consideration of potential significant energy efficiencies that would reduce consumption of resources and operating costs.

Best Management Practices (BMP) for addressing deferred maintenance must begin with the assessment and ranking of deficiencies in the condition of building structures and mechanical systems, as well as considering the critical nature of functions of a facility. Recommendations for funding of long-term and short-term priority deferred maintenance needs depends on the results of assessments.

On September 28, 2010, the Board authorized the development of the County Deferred Maintenance Program in order to provide a rational basis for short- and long-term planning of deferred maintenance of County facilities. The CEO, with the assistance of the Department of Public Works (Public Works) Architectural and Engineering Division, solicited proposals from technical and engineering firms, through a Request for Proposals (RFP) for a systematic approach for the assessment of building conditions of County-owned facilities and to develop an asset management database system (AMDS) that will track current facility conditions and forecast short- and long-term maintenance requirements.

On September 4, 2012, the Board awarded AECOM Technical Services, Inc., (AECOM) an agreement to perform a pilot phase of its proposed program. The consultant services agreement deliverables included the development of an AMDS and performance of four building condition assessments at County facilities that were representative of the various types of facilities operated and maintained by the County. Based on comprehensive facility condition profile reports produced in the pilot program, deferred maintenance projects were scoped, funded, and implemented at two of the pilot facilities in Fiscal Year (FY) 2013-14.

Pilot Project

A Pilot Project was implemented to develop the framework in which building information will be deposited and to ensure that types of data gleaned from surveys and assessments meets the County's needs and are compatible with existing County systems. The Pilot Project included AMDS development and building condition assessments for A.C. Billbrew Library, El Monte Comprehensive Health Center, Fire Station No. 3, and Roosevelt County Park.

AECOM's project manager and system development team interviewed staff and managers of CEO Capital Projects (CEO-CP) and Internal Services Department Facilities Operations Service (ISD-OPS), to determine the content and design of the AMDS and to ensure compatibility with current County business practices and systems.

Upon determination of the content of the database and design of forms, the field assessment teams,

comprised of mechanical and structural engineers, were able to send assessment data directly from pilot facilities to the AMDS in real-time, using web-enabled hand-held electronic devices. With data loaded in the AMDS, CEO staff was able to test and refine reporting tools and navigation of the system.

The Pilot Project yielded comprehensive historic facility profiles and current condition status of each facility, as well as prioritized condition ratings and deficiencies with cost estimates for building systems and structures; schedules for system repairs and/or replacements (based on life-cycle analysis); and Present Replacement Values that provide a basis for capital planning. These comprehensive facility reports provided the basis for recommending the scopes of work and required funding in FY 2014-13 for the implementation of deferred maintenance projects to address deficiencies identified at A.C. Billbrew Library and El Monte Comprehensive Health Center.

Phase II Assessments and Capital Planning

The AMDS web-based assessment survey and reporting tools have been tested and are ready for use. The next phase in the project is to complete building/facility condition assessments of the remaining 1,154 County-owned and/or County-maintained facilities, excluding Sheriff facilities and Hospitals because those facilities are constructed and operated to comply with specialized requirements regulated by State jurisdictional agencies. Therefore, assessment of, and capital plans for, those facilities, will be addressed separately, as they will require the expertise of specialists. Completion of the assessment surveys will yield additional data that will systematically determine the facilities' specific system's and overall condition index (a numerical rating), estimate the cost to cure deficiencies, and forecast a building's remaining useful life. These factors will provide the basis for a rating system/index on which a rational and systematic priority ranking of all facilities' deferred maintenance needs can be made. Based on the comparison of the cost estimates to address deficiencies, the estimated present replacement value of the facility and its expected useful life, the County will be able to easily determine which facilities are more cost-effective to replace than to invest in major refurbishments.

The proposed agreement with AECOM includes a work plan and cost estimate of \$13.5 million to perform the building condition assessment surveys for the balance of the remaining 24.1 million square-feet of County-owned and County-maintained facilities, deficiency data analysis, cost estimates to cure deficiencies, calculation of the present replacement value for each building, and development of a capital plan to address the deficiencies and lifecycle replacements to be prioritized by system necessity and building function.

The Phase II assessments are estimated to take 24 to 30 months to complete from the date the Notice to Proceed is issued. To address the potential need to include additional information or functions to the AMDS, we recommend delegating authority to the CEO to extend the period of service beyond the 2.5 years it is estimated to complete Phase II of the project with two 1-year extensions.

Implementation of Strategic Plan Goals

The recommended action supports the County's Strategic Plan Goal of Operational Effectiveness/Fiscal Sustainability (Goal 1), by implementing a systematic process to determine, manage, and address the County's capital and deferred maintenance needs; thereby providing safe and efficient infrastructure to support timely delivery of customer-oriented public services.

FISCAL IMPACT/FINANCING

The proposed amendment to the consultant services agreement with AECOM will be executed for a maximum fee of \$13,500,115 for Phase II of the Deferred Maintenance Program Management Project, including the facility condition assessments and project development for approximately 24.1 million square-feet over 1,154 facilities operated and maintained by the County.

The amendment is funded with \$13.5 million in net County cost allocated to Extraordinary Maintenance Budget in the FY 2014-15 Recommended Budget.

Operating Budget Impact

The CEO anticipates that the operation and maintenance of the AMDS will require additional General Fund resources. Concurrent with the performance of the proposed assessments, the CEO will work with each County Department to assess its current practices for managing maintenance needs and how they will be integrated with AMDS. Upon evaluation of options to meet new needs for the operation of the AMDS, the CEO will return to the Board to make recommendations for the appropriate level of services and/or staff required to operate and maintain the AMDS.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard agreement will be used in the form previously reviewed and approved as to form by County Counsel. The contract will be in compliance with the Board's requirements.

Award of the contract will be in full compliance with Federal, State, and County regulations. The agreement will contain terms and conditions supporting the Board's ordinances, policies, and programs including, but not limited to, County's Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work (GROW) Programs, Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; and the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; Defaulted Property Tax Reduction Program, Los Angeles County Code, Chapter 2.206; and the standard Board-directed clauses that provide for contract termination or renegotiation.

ENVIRONMENTAL DOCUMENTATION

The recommended action, approval of Phase II building condition assessments of various County facilities, is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a project by Section 15378(b) (4) and (5) of the State CEQA Guidelines. The proposed actions are limited to record review and visual inspections and, as such, are organizational or administrative activity of the government that will not result in direct or indirect changes to the environment and involve the creation of a government funding mechanism, which does not involve commitment to any specific project, which may result in a potentially significant physical impact on the environment. The appropriate environmental documentation, as required under CEQA, will be completed and the Board will be requested to make appropriate CEQA findings, as necessary, when any activities which would constitute a project under CEQA are recommended for approval.

CONTRACTING PROCESS

On November 2, 2011, Public Works, at the request of the CEO, issued an RFP for building condition assessment and asset management database development services. On February 2, 2012, a total of seven firms responded to the RFP. The Evaluation Committee (Committee) comprised of representatives from ISD's and Public Work's technical staff, and the CEO-CP Division evaluated the proposals. The Committee evaluated these proposals based on technical expertise, experience, personnel qualifications, work plans, and understanding of the work requirements.

Based on the review and evaluations of these proposals, the Committee determined that AECOM demonstrated appropriate qualifications to perform the building condition assessments and asset management database development services. The initial contract term for the pilot phase of the project was one year commencing on the issuance of the initial Notice to Proceed. Now that the pilot phase of the project is complete, the CEO is opting to execute the proposed agreement to assess conditions and develop capital planning for the balance of the 1,154 facilities that the County operates and maintains.

All evaluations were completed without regard to race, creed, color, or gender.

As requested by the Board on February 3, 1998, these agreement opportunities were listed on the County's "Doing Business with Us" website.

Public Works has evaluated and determined that Los Angeles County Code Chapter 2.201 (Living Wage Program) does not apply to the recommended contracts.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current County services or projects as a result of authorizing the recommended consultant services agreement. The consultant services agreement will provide for building condition evaluations and asset management database development to assist the County in implementing a County-wide Deferred Maintenance Program in an efficient and cost-effective manner.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Facilities and Asset Management Division; and the Department of Public Works, Architectural Engineering Division.

The Honorable Board of Supervisors

8/12/2014

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Respectfully submitted,

A handwritten signature in black ink, appearing to read 'WTF', followed by a large, stylized flourish that resembles a heart or a large 'M' shape, and then a horizontal line extending to the right.

WILLIAM T FUJIOKA

Chief Executive Officer

WTF:SHK:DJT

SW:RB:rp

c: Executive Office, Board of Supervisors
County Counsel
Public Works