



July 11, 2023

Honorable Board of Commissioners
Los Angeles County Development Authority
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

4-D July 11, 2023

CELIA ZAVALA
EXECUTIVE OFFICER

**AMENDMENT TO THE PROJECT TRACKING SOFTWARE AND DATABASE
SERVICES CONTRACT
(ALL DISTRICTS) (3 VOTE)**

CIO RECOMMENDATION: (X) APPROVE

SUBJECT

This letter requests approval of Amendment One to the Los Angeles County Development Authority's (LACDA) Contract with HKA Global, Inc. (HKA) for Construction and Project Tracking Software and Database Services to provide additional software subscription fees to remain in Contract software compliance, software upgrade support services, and optional pool dollars.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Executive Director or his designee to execute the attached Amendment One to the existing Contract with HKA to purchase additional add-on licenses for the remaining four (4) years of the Contract, and to increase the original Contract amount of \$500,000.00 by \$212,790.85 and \$71,279.09 in pool dollars, for a total of \$784,069.94.
2. Find that approval of an Amendment to the existing Contract for Project Tracking Software and Database solution Services is not subject to the California Environmental Quality Act (CEQA) because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.



Administrative Office
700 West Main Street, Alhambra, CA 91801
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Executive Director: Emilio Salas

Commissioners: Hilda L. Solis, Holly J. Mitchell, Lindsey P. Horvath, Janice Hahn, Kathryn Barger

3. Authorize the Executive Director or designee, upon his determination and as necessary and appropriate under terms of the contract, to amend the Contract to add or delete services and utilize pool dollars, and if necessary, to terminate for convenience the Contract with HKA.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to authorize a Contract Amendment with HKA to increase the maximum Contract amount to enable the LACDA to purchase additional eComply software subscription fees to remain in compliance with the HKA contract software licensing; acquire professional services to support the upgrade of PMWeb software to the current version; and add optional Contract pool dollars for unforeseen costs.

On October 17, 2017, the Board authorized the LACDA to execute a Contract with HKA for Construction and Project Tracking Software and Database Services for a five-year term. This Contract expired on October 31, 2022, and to avoid business disruption and a lapse in maintenance and support, the LACDA executed a new Contract with HKA on November 1, 2022, as a sole source procurement allowed by the United States Department of Housing and Urban Development under 2 CFR 200.320 (f)(1) - Code of Federal Regulations, Methods of Procurement for the acquisition of property or services. The Contract term is for one-year and four one-year optional extensions with a Contract maximum for each year of \$100,000 for a total of \$500,000.

The LACDA Construction Management Unit (CMU) utilizes the software from PMWeb to manage its construction projects. CMU subscribes to eComply, a Software-as-a-Service (SaaS) labor compliance management solution, to ensure compliance prevailing wage, labor agreement, and workforce and ownership participation management for CMU's projects. HKA is the sole reseller authorized by PMWeb to sell its software and provide professional services on the West Coast of the United States.

Under the Contract with HKA, eComply annual subscription fees are based on the LACDA's active annual construction volume, which was approximately \$450 million when the Contract was executed. Due to additional construction projects for the Lead Remediation Program and the new Community Care Expansion (CCE) Preservation Program with the Department of Mental Health, the active annual construction volume increased to \$750 million, which triggered an increase in eComply subscription fees. Subscription fees are determined by a HKA annual license compliance audit.

This proposed Amendment One would increase the original Contract amount of \$500,000.00 by \$212,790.85 and \$71,279.09 in pool dollars, for a total of \$784,069.94.

FISCAL IMPACT/FINANCING

There is no impact on the County General Fund. The remaining four-year Contract term will include an additional \$212,790.85 plus \$71,279.09 in pool dollars for unforeseen

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costs. Funds for year two are included in the LACDA's approved Fiscal Year 2023-2024 Budget, and years three through five will be included through the LACDA's annual budget approval process. The maximum contract amount increase for the remainder of the Contract will be \$284,069.94, including the pool dollars.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Contract Amendment with HKA has been reviewed by County Counsel and is attached in substantially final form.

In compliance with Board Policy 6.020 "Chief Information Office Board Letter Approval", the Office of the Chief Information Officer (OCIO) reviewed the information technology components of this request and recommends approval. The OCIO determined that this recommended action does not include any new IT items that would necessitate a formal written CIO Analysis.

ENVIRONMENTAL DOCUMENTATION

The proposed activities are exempt from the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3), because they involve administrative activities that will not have a physical impact on or result in any physical changes to the environment. These activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES AND PROJECTS

The additional software subscription fees for Project Tracking Software and Database solution services will allow the LACDA to remain in compliance with the software licensing provisions in the contract with HKA. The PMweb and eComply software will continue to be instrumental supporting the LACDA's construction projects.

Respectfully submitted,



EMILIO SALAS
Executive Director
Los Angeles County Development Authority

Reviewed by:



PETER LOO
Acting Chief Information Officer
County of Los Angeles

ES:KT:mr

Enclosures

PROJECT TRACKING SOFTWARE AND DATABASE SERVICES CONTRACT

AMENDMENT NO. 1

THIS AMENDMENT NO. 1 (“AMENDMENT”) TO CONTRACT FOR PROJECT TRACKING SOFTWARE AND DATABASE SERVICES is made and entered into this 27th day of June, 2023, by and between the Los Angeles County Development Authority, hereinafter referred to as "LACDA" and HKA Global, Inc., hereinafter referred to as "Contractor". The LACDA and Contractor are collectively referred to as the "Parties."

WITNESSETH THAT:

WHEREAS, the LACDA and the Contractor entered into an original Contract on October 31, 2022, to provide Project Tracking Software and Database System solution services to the LACDA ("Contract") on an as-needed basis for twelve (12) months with the option for four (4) one-year extensions and a "Maximum Amount" of compensation not to exceed \$100,000.00;

WHEREAS, the Parties wish to amend said Contract to increase by \$274,069.94 to purchase additional software licenses as well as to incorporate enhancements to the software as well as to incorporate pool dollars for unforeseen costs;

WHEREAS, it is the intent of the Parties hereto to amend the Contract to update certain terms and conditions to the Contract, and to provide for other changes set forth herein.

NOW, THEREFORE, in consideration of the mutual undertakings, herein, the Parties hereto agree that said Contract be amended as follows:

1. This Amendment shall be effective upon execution.
2. The Contract is hereby incorporated by reference, and all terms and conditions, including capitalized terms defined therein, shall be given full force and effect as if fully set forth herein.
3. Paragraph 5.1, Total Contract Sum, is deleted in its entirety and replaced as follows:

"5.1 Total Contract Sum

The total amount of compensation shall be increased by an additional \$284,069.94 for years two through five under this Contract, including pool dollars of \$71,279.08 and shall not exceed Seven Hundred Seventy-Four Thousand Sixty-Nine and 94/100 Dollars (\$784,069.94), which shall include all related expenses (Contract Sum)."

SIGNATURES

IN WITNESS, WHEREOF, the LACDA and the Contractor, through their duly authorized officers, have executed this Amendment No. 1 as of the date first above written.

CONTRACTOR: HKA GLOBAL, INC.

By _____
Gino Wideen
Partner

LOS ANGELES COUNTY DEVELOPMENT
AUTHORITY

By _____
Emilio Salas
Executive Director

APPROVED AS TO FORM:
DAWYN R. HARRISON
County Counsel

APPROVED AS TO PROGRAM:
ADMINISTRATIVE SERVICES DIVISION

By _____
Behnaz Tashakorian
Principal Deputy County Counsel
OR
Elizabeth Pennington
Deputy County Counsel

By _____
Kathy Thomas
Chief of Operations