



BRANDON T. NICHOLS
Director

**County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

510 S. Vermont Avenue, Los Angeles, California 90020
(213) 351-5602



Board of Supervisors
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March 19, 2024

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

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

38 March 19, 2024

JEFF LEVINSON
INTERIM EXECUTIVE OFFICER

Dear Supervisors:

RECOMMENDATION TO APPROVE AMENDMENT THREE TO SOLE SOURCE CONTRACT NUMBER 18-0037 WITH HATHAWAY-SYCAMORES CHILD AND FAMILY SERVICES DBA THE SYCAMORES FOR RESIDENTIALLY BASED SERVICES COST SAVINGS PROGRAM (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

The Department of Children and Family Services (DCFS) seeks delegated authority to execute Amendment Three to Contract Number 18-0037 with Hathaway-Sycamores Child and Family Services dba The Sycamores to extend the Residentially Based Services (RBS) contract term effective April 16, 2024 through May 31, 2025, to expend all of their allocated Cost Savings funding.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Director of DCFS, or designee, to amend the current RBS contract with The Sycamores to extend the contract beyond its original term, effective April 16, 2024 through May 31, 2025, to expend designated funds to complete all project activities, provided that: (a) California Department of Social Services (CDSS) approval is obtained; (b) County Counsel approval is obtained prior to execution of such amendment; and (c) the Director of DCFS notifies the Board and the Chief Executive Office (CEO), in writing, within 10 business days of executing such amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The requested action will allow The Sycamores additional time to complete a remaining generator project for the benefit of the DCFS youth they serve utilizing funds derived from The Sycamores' participation in the RBS demonstration Pilot Project and identified by the County of Los Angeles Auditor-Controller. Over the last several years, The Sycamores has been impacted by on-going external change and disruption. The COVID-19 pandemic resulted in precautionary campus

lockdowns and delayed implementation of their capital improvement projects. Additional delays were caused by a reorganization and restructuring of The Sycamores program and campus. Furthermore, The Sycamores is changing the configuration of their generator project as approved by CDSS. On January 29, 2024, DCFS received approval from CDSS to extend the current Residentially Based Services Cost Savings contract with The Sycamores for one year and six weeks effective April 16, 2024.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the Countywide Strategic Plan Goal No. 1, Make Investments That Transform Lives: Strategy 2, Deliver comprehensive and seamless services to those seeking assistance from the County.

FISCAL IMPACT/FINANCING

The Maximum Contract Amount for this contract will not change and will remain the same at \$1,757,924. The contract is financed using 100 percent 2011 State Realignment funds and sufficient funding is included in the Department's Fiscal Year (FY) 2023-2024 Adopted Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On April 25, 2018, per the requirements of MPP 23-650.17 for innovative methods of procurement, CDSS approved the Procurement by Negotiation for contracts with three RBS contractors to utilize the 50 percent of the RBS Program Savings identified by the County of Los Angeles Auditor-Controller.

The Board letter adopted on April 2, 2019, delegated Board authority to the Director of DCFS to execute RBS Cost Savings contracts with Five Acres-The Boys' and Girls' Aid Society of Los Angeles County (Five Acres), The Sycamores and Hillsides, effective, April 16, 2019 through April 15, 2022, with two optional one year extensions through April 16, 2024, as well as delegated authority to extend the contracts for an additional six months, through October 15, 2024, beyond the two option years if necessary to expend designated funds to complete their remaining project.

On November 11, 2021, CDSS approved RBS Cost Savings contracts extensions for two (2) one-year extension periods effective, April 16, 2022 through April 15, 2024.

On April 15, 2022, DCFS extended the RBS Cost Savings contracts with Five Acres, The Sycamores, and Hillsides, effective, April 16, 2022 through April 15, 2023.

On April 15, 2022, Five Acres completed their projects and the contract expired.

On April 5, 2023, DCFS extended the contracts with The Sycamores and Hillsides, effective April 16, 2023 through April 15, 2024.

On January 8, 2024, Hillsides notified DCFS of the completion of their capital projects and intend to end the RBS Cost Savings Contract with DCFS on April 15, 2024, without further extension.

The Sycamores will need additional time to expend designated funds to complete their final project and extend the current contract, effective April 16, 2024 through May 31, 2025.

CONTRACTING PROCESS

CONTRACTING PROCESS

A formalized Contracting Process is not applicable for this action. The Sycamores was eligible for this contract based on cost savings from their services under the RBS pilot program.

CONTRACTOR PERFORMANCE

The contractor has continually met all performance standards as outlined in their RBS contract and has been determined to be a responsive and responsible contractor by the County's Program Manager.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Without the approval of the amendment to extend the current contract, the remaining capital improvement project (the generator) will not be completed.

CONCLUSION

Upon approval by the Board of Supervisors, it is requested that the Executive Officer/Clerk of the Board send an adopted stamped copy of the Board letter to the Department of Children and Family Services.

Respectfully submitted,



BRANDON T. NICHOLS

Director

BTN:JF:CMMLTI: EO:JS:dl

Enclosures

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

SOLE SOURCE CHECKLIST

Department Name: _____

- New Sole Source Contract
- Sole Source Amendment to Existing Contract

Date Existing Contract First Approved: _____

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS AND AMENDMENTS Identify applicable justification and provide documentation for each checked item.
	➤ 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>
	➤ Compliance with applicable statutory and/or regulatory provisions.
	➤ Compliance with State and/or federal programmatic requirements.
	➤ Services provided by other public or County-related entities.
	➤ Contract extension is needed to complete an emergent or related time-sensitive need.
	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
	➤ 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.
	➤ 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.
	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best economic interest of the County (e.g., significant costs and time to replace an existing system or infrastructure, administrative cost and time 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.

Mason Matthews
 Chief Executive Office

_____ Date

Sole Source Justification
Residentially Based Services (RBS) Cost Savings Contract
04/16/2024 - 05/31/2025

1. What is being requested?

An extension of the Hathaway-Sycamores Child and Family Services (dba as The Sycamores) contract from 04/16/2024 through 05/31/2025 is being requested. The extension is needed to allow the contractor to complete a capital improvement with approved State funds. California Department of Social Services (CDSS) has approved the department's request for an extension.

Hathaway-Sycamores was not able to spend the \$477,180 from their approved budget for the generator project within the current contract period (ending on 4/15/2024) due the Covid pandemic, generator configuration and delivery issues. The extension of the contract beyond its expiration date will provide them with enough additional time to complete the capital improvement project.

2. Why is the product needed-how will it be used?

Hathaway-Sycamores will use its unspent/carry-over cost savings funds of \$477,180 from the contract term ending on 04/15/2024 to complete the purchase and installation of a large industrial generator. The generator will provide safety and stability to children placed at their facilities as power will be readily available. CDSS initially approved three generators. However, Hathaway-Sycamores has received CDSS approval for the change in configuration of the generator from three small generators to one large generator.

3. Is this brand of product the only one that meets the user's requirements?

Per the Memorandum of Understanding (MOU) #10-6020, that was approved by the Board on July 6, 2010, the RBS contractors can apply the cost savings "on reasonable and allowable child welfare related services" of each contractor's choosing. Each contractor provided a plan, as addressed above, for the use of the funds.

4. Have other products or vendor been considered?

No, because these cost savings were realized through the RBS Pilot Program, which is the basis and justification for the cost savings contracts.

5. Will purchase of this product avoid other costs?

No, the purpose of these contracts is to utilize the cost savings to support child welfare related services.

6. Is this product proprietary or available from other dealers?

Not applicable. the generator project for the Hathaway-Sycamore contract was requested by the contractor as allowable with their specified cost savings.

7. Reasonableness of price. Does county obtain a percentage discount of special discount not available to the private sector.

Not applicable.

8. What is the dollar value of the existing equipment?

Not applicable.



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Fifth District

February 5, 2024

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

From: Brandon T. Nichols
Director

NOTICE OF INTENT TO AMEND THE RESIDENTIALLY BASED SERVICES COST SAVINGS CONTRACT NUMBER 18-0037 WITH HATHAWAY-SYCAMORES CHILD AND FAMILY SERVICES DBA THE SYCAMORES

In accordance with the Board Policy 5.100, Sole Source Contract and Amendments, County departments must provide advance written notice and justification to the Board prior to executing amendments to existing contracts when the departments do not have delegated authority to extend the term of the current contract beyond its original term with zero cost.

In compliance with Board Policy 5.100, Sole Source Contract and Amendments, this is to notify the Board that the Department of Children and Family Services (DCFS) intends to amend the current Residentially Based Services (RBS) Cost Savings Contract with Hathaway-Sycamores Child and Family Services dba The Sycamores, to extend the term beyond its original term, effective April 16, 2024 through May 31, 2025, and update the Statement of Work and Budget documents to incorporate a revised capital improvement project.

BACKGROUND

The County Open Doors RBS Pilot included within its Voluntary Agreement a provision to share 50 percent of identified Program Savings with the three RBS contractors as stated in the Los Angeles County adopted Board Letter dated July 6, 2010, and in the RBS Memorandum of Understanding (MOU) Number 10-6020 between the County of Los Angeles and the California Department of Social Services (CDSS). In the RBS MOU Number 10-6020, CDSS requires: a) The County of Los Angeles Auditor-Controller (A-C) to complete annual costs audits of each of the three RBS contractors; and b) The A-C to complete a Cost Reconciliation at the end of each 2-year RBS Open Doors pilot period.

"To Enrich Lives Through Effective and Caring Service"

On April 25, 2018, per the requirements of MPP 23-650.17 for innovative methods of procurement, CDSS approved the Procurement by Negotiation for contracts with three RBS contractors to utilize the 50 percent of the RBS Program Savings identified by the A-C.

The Board Letter adopted on April 2, 2019, delegated authority to the Director of DCFS to execute RBS Cost Savings contracts with Five Acres-The Boys' and Girls' Aid Society of Los Angeles County (Five Acres), The Sycamores, and Hillside, effective, April 16, 2019 through April 15, 2022, with two optional one year extensions through April 16, 2024, as well as delegated authority to the Director of DCFS to extend the contracts for an additional six months, through October 15, 2024, beyond the two option years if necessary to expend designated funds and complete the remaining project activities.

The Sycamores will need additional time to expend designated funds to complete their final project activities and extend the current contract, effective April 16, 2024 through May 31, 2025.

JUSTIFICATION

The Sycamores is requesting additional time to complete a remaining generator project. Over the last several years, The Sycamores has been impacted by on-going external change and disruption. The COVID-19 pandemic resulted in multiple campus lockdowns and delayed implementation of their capital improvement projects. Additional delays were caused by a reorganization and restructuring of The Sycamores program and campus. Furthermore, The Sycamores is changing the configuration of their generator project as approved by CDSS.

On January 29, 2024, DCFS received approval from CDSS to extend the current Residentially Based Services Cost Savings contract with The Sycamores for one year and six weeks effective April 16, 2024.

NOTIFICATION TIMELINE

Consistent with the procedures of Board Policy 5.100, DCFS is informing the Board of its intent to amend the current contract to extend the contract term. DCFS will file a Board Letter in the near future to request delegated authority to execute the amendment. If you have any questions, please call me or your staff may contact Aldo Marin, Board Liaison, at (213) 371-6052 or marina@dcsf.lacounty.gov.

BTN:JF:CMM
LTI:EO:JS:dl

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



KIM JOHNSON
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



GAVIN NEWSOM
GOVERNOR

January 29, 2024

Eddie Ota, Section Manager
Contract Administration Division
County of Los Angeles
Department of Children and Family Services

**SUBJECT: REQUEST FOR APPROVAL TO EXTEND THE CURRENT
RESIDENTIALLY BASED SERVICES COST SAVINGS CONTRACT WITH
HATHAWAY-SYCAMORE CHILD AND FAMILY SERVICES**

Dear Eddie Ota:

By letter dated January 9, 2024, the Los Angeles County Department of Children and Family Services (DCFS) requested California Department of Social Services (CDSS) approval to extend the current Residentially Based Services Cost Savings contract (Contract) with Hathaway-Sycamore Child and Family Services (The Sycamores), for one year and six weeks, effective April 16, 2024. The CDSS has reviewed and approves the request.

Per the County's letter, the Contract was originally entered into on April 16, 2019, through a CDSS-approved Procurement by Negotiation. The Contract's original termination date was April 15, 2022, but contained two one-year options, which were subsequently approved by CDSS and exercised by County, leading to the current expiration date of April 15, 2024. However, completion of the Contract's generator project has been delayed due to capital improvement delays caused by pandemic lockdowns, a reorganization and restructuring of the Sycamores and finally a configuration change of the generator project from three separate to one large generator.

County asserts that these delays qualify the Contract for the requested extension through the MPP's Procurement by Negotiation rules. Pursuant to MPP 23-621.12, contracts with private agencies which were originally procured by negotiation may be renewed under the Procurement by Negotiation (MPP 23-650) rules. MPP section 23-650.1.18 allows for Procurement by Negotiation when necessitated by unique circumstances.

According to their website, Sycamores is a private non-profit organization and as such qualify as a private agency for the purposes of MPP 23-621.12. As a private agency, extending the Contract requires unique circumstances, which County has demonstrated in their letter. The unprecedented COVID-19 pandemic caused substantial disruption

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across California industries that were unforeseeable at the time the Contract was executed. Additionally, restructuring of the contracting agency and substantial changes to capital improvement plans are unexpected events out of County's control. In total, these events appear to qualify the Contract for Procurement by Negotiation under MPP 23-650.18.

As an additional concern, forcing an end to the Contract at this juncture will likely cause harm to County as it would interrupt the development of a capital improvement already in progress.

Because the Contract qualifies for Procurement by Negotiation under MPP 23-650.18, County may extend the Contract for the requested period for Sycamores to complete their generator work.

For comments or questions, I may be reached at Sharon.Hoshiyama@dss.ca.gov.

Sincerely,

Sharon Hoshiyama

Sharon Hoshiyama, Section Chief
Grants, MOU, Child Services Direct Services