

ANALYSIS

This ordinance amends Chapter 2.81 (Internal Services Department) of Title 2 – Administration – of the Los Angeles County Code, relating to the authority of the Director of the Internal Services Department ("Director"), as follows: (1) to establish procedures regarding the delegation of authority to the Director to enter into contracts for architectural, engineering, and related services where the amount of the contract does not exceed \$330,000; (2) to establish procedures regarding the delegation of authority to the Director to amend contracts entered into by the Board of Supervisors ("Board") for architectural, engineering, and related services; (3) to delegate authority to the Director to award construction contracts up to a monetary cap of \$330,000 and to take other actions related thereto; (4) to delegate authority to the Director to amend construction contracts awarded by the Board and to take other actions related thereto; and (5) to update and clarify certain terms used in the provisions of this Chapter and to make other necessary formatting changes.

DAWYN R. HARRISON
County Counsel

By 

TALIN HALABI
Senior Deputy County Counsel
Public Works Division

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ORDINANCE NO. _____

An ordinance amending Chapter 2.81 (Internal Services Department) of Title 2 – Administration – of the Los Angeles County Code, relating to the authority of the Director of the Internal Services Department ("Director"), as follows: (1) to establish procedures regarding the delegation of authority to the Director to enter into contracts for architectural, engineering, and related services where the amount of the contract does not exceed \$330,000; (2) to establish procedures regarding the delegation of authority to the Director to amend contracts entered into by the Board of Supervisors ("Board") for architectural, engineering, and related services; (3) to delegate authority to the Director to award construction contracts up to a monetary cap of \$330,000 and to take other actions related thereto; (4) to delegate authority to the Director to amend construction contracts awarded by the Board and to take other actions related thereto; and (5) to update and clarify certain terms used in the provisions of this Chapter and to make other necessary formatting changes.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 2.81.020 is hereby amended to read as follows:

2.81.020 Director—Appointment and aAuthority.

The dDepartment shall be under the direction and management of the dDirector, of iInternal sServices, hereafter referred to in this eChapter as the "dDirector," who shall be appointed by the bBoard of sSupervisors. The dDirector shall appoint all employees of the dDepartment.

SECTION 2. Section 2.81.030 is hereby amended to read as follows:

2.81.030 Director—Duties as sSuccessor.

From and after the operative date of the ordinance codified in this eChapter, the dDirector shall be the successor to the dDirector, of fFacilities mManagement; dDirector, of dData pProcessing; dDirector, of eCommunications; pPurchasing aAgent; or other eCounty official as regards any functions, duties, or responsibilities, whether imposed by contract or otherwise, which prior to the operative date of the ordinance codified in this eChapter were the functions, duties, or responsibilities of the dDirector of fFacilities mManagement (with the exception of the duties of the eCounty Engineer), dDirector of dData pProcessing, pPurchasing aAgent, dDirector of eCommunications, dDirector of bBuilding sServices, dDirector of mMechanical, or other eCounty official, which by this eChapter are now or hereafter delegated by the bBoard of sSupervisors to be the duties of the dDirector.

SECTION 3. Section 2.81.035 is hereby amended to read as follows:

2.81.035 Division of rResponsibilities for internal eCounty Internal sServices.

Internal eCounty internal services are those services that support eCounty departments in their delivery of services to the public. Internal services include, but are not limited to, facilities operations, ~~maintenance and repair~~; design, construction, repair, refurbishment, remodeling, and maintenance of County facilities; design, construction, installation, operation, and maintenance of communications and data processing facilities, systems, and equipment; fleet management and maintenance; business

machine maintenance; security services; purchasing, storage, and distribution of personal property, equipment, and supplies; printing services; energy management; and parking management. ~~Internal~~ eCounty internal services are divided into three categories as designated by the eChief administrative Executive eOfficer: centralized, decentralized, and delegated internal services. ~~Responsibility for these services is as follows~~ with the responsibilities as follows:

A. Centralized Internal Services. The eDirector is responsible for managing and providing centralized internal services to eCounty departments to the extent permitted by budgeted funds or paid for by recipients or requestors of the services.

B. Decentralized Internal Services. Each eCounty department head is responsible for arranging for the provision of decentralized internal services to support his or her their department's operations in compliance with eCounty-wide standards established by the eChief administrative Executive eOfficer, approved by the bBoard of sSupervisors, and monitored by the aAuditor-eController. Unless otherwise directed by the eChief administrative Executive eOfficer, each eCounty department head may purchase decentralized internal services from the eDepartment; or may purchase these services from outside contractors, provided the eDepartment's bid for such services has been solicited and considered, subject to provisions of law, the approval of the eChief administrative Executive eOfficer, and compliance with contracting policies adopted by the bBoard of sSupervisors; or may, with the approval of the eChief administrative Executive eOfficer and the eDirector, provide these services with in-house staff or purchase them from another eCounty department. Any change of service

provider from the ~~d~~Department to another provider, including in-house staff, shall be done in conjunction with policies established by the ~~e~~Chief ~~administrative~~Executive ~~e~~Officer. In competing to be selected as the provider of decentralized internal services, the ~~d~~Department shall function as an entrepreneurial organization with the mission of marketing, selling, and delivering high-quality, competitively-priced services to ~~e~~County departments and other customers and shall, to the maximum extent permitted by law, operate with flexibility analogous to private-sector providers of similar services. All services rendered shall be paid for by the recipient or requestor of the services.

C. Delegated Internal Services. The ~~d~~Director is responsible for providing these services but may delegate their day-to-day operation to requesting ~~e~~County department heads according to policies established by the ~~e~~Chief ~~administrative~~Executive ~~e~~Officer and procedures established by, and subject to the approval and supervision of, the ~~d~~Director. Such delegation may be rescinded by the ~~d~~Director upon approval of the ~~e~~Chief ~~administrative~~Executive ~~e~~Officer.

SECTION 4. Section 2.81.040 is hereby amended to read as follows:

2.81.040 Centralized ~~i~~Internal ~~s~~Services.

Centralized internal services ~~which~~that are the responsibility of the ~~d~~Director, unless otherwise designated by the ~~b~~Board of ~~s~~Supervisors or the ~~e~~Chief ~~administrative~~Executive ~~e~~Officer, include, but are not limited to, the services set forth in this ~~e~~Chapter.

SECTION 5. Section 2.81.046 is hereby amended to read as follows:

2.81.046 Delegation of ~~a~~Additional ~~d~~Duties.

A. Pursuant to ~~statutory and Charter provisions, the director is authorized to perform certain duties on behalf of the board of supervisors pursuant to the authority granted by California Government Code Section 31000.9. The director will maintain, as a public record, documentation of staff recommendations and support materials for all actions under this delegation of authority. Quarterly reports will be submitted to the board of supervisors listing all actions completed under this delegation. The director may not take any action requiring funding until the chief administrative officer has certified that funding is available and has authorized the expenditure of such funds., the~~ Director is authorized to perform any or all acts or actions permitted or required of the Board of Supervisors to enter into contracts for architectural, engineering, and related services where the amount of the contract does not exceed \$330,000, and is also authorized to enter into amendments to such contracts entered into by the Board of Supervisors where the amount of any individual amendment does not exceed 10 percent of the amount of the original contract or \$330,000, whichever is less. The aggregate total amount of such amendments may not exceed 25 percent of the amount of the original contract.

B. The Director shall exercise their authority in conformance with the following procedures:

1. On projects, studies, and reports with an estimated cost of less than \$25,000, the Director shall:

a. Prepare a work statement;

b. Select a consultant from a list maintained by the Department or solicit requests for proposals in the event a list does not exist in the specific type of services to be contacted. Selection of the consultant is to be based on demonstrated competence and professional qualifications needed for the specific services or project requirements, as applicable;

c. Negotiate a fair and reasonable fee with the consultant, including a maximum cost, using established departmental procedures, fee schedules, and project requirements; and

d. Execute the contract, subject to approval as to form by County Counsel and receipt of appropriate insurance certificates from the consultant.

2. On projects, studies, and reports with an estimated cost between \$25,000 and \$330,000, the Director shall:

a. Prepare a work statement;

b. Solicit requests for proposals, which shall be evaluated by the Department service contractor selection committee;

c. Based on the evaluation conducted by the Department service contractor selection committee, select a consultant on the basis of demonstrated competence and professional qualifications needed for the specific services or project requirements, including, but not limited to, organization, experience, ability to meet County needs, and time commitment;

d. Negotiate a fair and reasonable not-to-exceed fee with the highest ranked consultant; should the Director be unable to negotiate a satisfactory contract with the highest ranked consultant, the Director shall terminate negotiations with that consultant, and shall, using the same process, undertake negotiations with the second highest ranked consultant, and so on, until a satisfactory agreement is reached;
and

e. Execute the contract, subject to approval as to form by County Counsel and receipt of an appropriate insurance certificate from the consultant.

3. On amendments to existing services contracts entered into by the Board of Supervisors, which amendments individually do not exceed 10 percent of the original contract or \$330,000, whichever is less, the Director shall:

a. Determine that such additional work is necessary;

b. Negotiate a fair and reasonable fee for the additional work;

and

c. Execute an amendment to the original contract, subject to approval as to form by County Counsel and receipt of an appropriate insurance certificate from the consultant.

4. The Director will maintain, as a public record, documentation of staff recommendations and support materials for all actions taken. Quarterly reports will be submitted to the Board of Supervisors listing all actions completed under this delegation. The Director may not take any action requiring funding until the Chief

Executive Officer has certified that funding is available and has authorized the expenditure of such funds.

SECTION 6. Section 2.81.050 is hereby deleted in its entirety.

~~**2.81.050**~~ ~~—————~~ ~~**Job Order Contracts.**~~

~~A.~~ ~~Job Order Contracts~~ ~~Projects of \$330,000 or Less.~~

~~1. In accordance with authority provided by Article 3.5, Chapter 1, Part 3, Division 2, sections 20128.5 and 20145, of the Public Contract Code, and pursuant to Article 3.7, Chapter 1, Part 3, Division 2, sections 20155 through 20155.9, of the Public Contract Code, the Director is authorized to act in place of the Board of Supervisors in approving a project under a previously awarded job order contract, if the amount to be paid to the contractor for the project does not exceed three hundred thirty thousand dollars (\$330,000).~~

~~2. The Director shall exercise his or her authority in conformance with the following procedures:~~

~~a. Authorization of Project Work Orders. The Director is authorized to issue a project work order, with monetary authorization, after there has been a scoping meeting with the contractor and the contractor has submitted a cost proposal for a scope of work that is approved by the Director.~~

~~b. Acceptance of Projects. The Director is authorized to accept such projects and file notices of completion upon final completion of the projects. The Director may also approve the release of the retention money withheld, pursuant to the applicable provisions of the Public Contract Code. The Director is further authorized to~~

~~grant extensions of time on such projects due to delay deemed to be beyond the contractor's control, and to assess liquidated damages, as authorized by Government Code section 53069.85 and the contract specifications.~~

~~B. Job Order Contracts Projects Approved by the Board of Supervisors.~~

~~1. In accordance with authority provided by Article 3.5, Chapter 1, Part 3, Division 2, sections 20128.5 and 20145, of the Public Contract Code, the Director is authorized to perform the following acts or actions with respect to job order contract projects that have been approved by the Board of Supervisors in conformance with the following procedures:~~

~~a. Authorization of Project Work Orders. The Director is authorized to issue a project work order, with monetary authorization, after there has been a scoping meeting with the contractor and the contractor has submitted a cost proposal for a scope of work that is approved by the Director.~~

~~b. Acceptance of Projects. The Director is authorized to accept such projects and file notices of completion upon final completion of the projects. The Director may also approve the release of the retention money withheld, pursuant to the applicable provisions of the Public Contract Code. The Director is further authorized to grant extensions of time on such projects due to delay deemed to be beyond the contractor's control, and to assess liquidated damages, as authorized by Government Code section 53069.85 and the contract specifications.~~

SECTION 7. Part 4 is hereby amended to read as follows:

Part 4 BUILDING CONSTRUCTION, MAINTENANCE, AND REPAIRS

SECTION 8. Section 2.81.300 is hereby amended to read as follows:

2.81.300 Director—Building ~~e~~Construction, ~~m~~Maintenance, and ~~r~~Repair ~~d~~Duties.

Upon agreement with paying customers, the ~~d~~Director shall provide miscellaneous construction, repair, remodeling, refurbishment, and maintenance and repair work. The ~~d~~Director shall also provide for all extraordinary maintenance and repair, as defined by the ~~e~~Chief ~~administrative~~Executive ~~e~~Officer, of ~~e~~County buildings and related structures, improvements, and fixed equipment, except as otherwise provided by law, to the extent permitted by available funds.

SECTION 9. Section 2.81.320 is hereby added to read as follows:

2.81.320 Construction Contracts \$330,000 or less.

A. Pursuant to the authority granted by Public Contract Code sections 20142 and 20145, the Director is authorized to perform any or all acts or actions permitted or required of the Board of Supervisors by Article 3.5, Chapter 1, Part 3, Division 2, of the Public Contract Code, commencing with section 20120, with respect to contracts or changes or alterations to contracts within the monetary limits set forth in sections 20142 and 20145. This authorization includes the authority to adopt and advertise plans and specifications, award contracts, approve bonds, or order the change or alteration of contracts, with respect to original contracts that do not exceed the total amount of \$330,000, or, with respect to changes or alterations to original contracts entered into by

the Board of Supervisors, the authority to order the change or alteration of the work within the monetary limits set forth in Public Contract Code sections 20142 and 20145. In exercising the authority delegated pursuant to this Section, the Director shall determine whether the California Environmental Quality Act is applicable to the proposed activities, and, as appropriate, prior to approving the activities, the Director shall make exemption findings for activities that constitute a project, or the Director shall make a finding that the proposed activities are within the scope of an environmental document that was previously considered and approved by the Board of Supervisors under the California Environmental Quality Act. As applicable, if the proposed activities constitute a project and are not determined by the Director to be exempt, or if the proposed activities are not determined by the Director to be within the scope of an environmental document that was previously considered and approved by the Board of Supervisors, the Director shall recommend necessary findings under the California Environmental Quality Act to the Board of Supervisors when project approval is recommended.

B. The Director shall exercise their authority in conformance with the following procedures:

1. Adoption of Drawings and Specifications. The Director may act in place of the Board of Supervisors in adopting the drawings and specifications pursuant to Public Contract Code section 20124. The specifications shall conform to the standard general conditions and supplementary conditions utilized in specifications adopted by the Board of Supervisors. Such specifications shall contain a provision

requiring that a minimum of five percent retention of progress payments be withheld pursuant to Public Contract Code section 9203. The specifications adopted by the Director shall also establish construction times and completion dates, based upon historic experience on similar types of work and on industry guidelines. The Director is authorized to include in the specifications provision for liquidated damages pursuant to Government Code section 53069.85. Adoption of plans and specifications shall be effective at the time that the Director signs a letter to the clerk of the Board of Supervisors indicating the adoption of the plans and specifications.

2. Advertisement for Bids. The Director shall advertise for bids in conformance with Public Contract Code sections 20125 and 20127, and California Government Code section 53068.

3. Receipt of Bids and Relief of Low Bidder. The Director is authorized to receive and open bids in the manner authorized by law and to allow substitution of subcontractors and relief of bidders upon demonstration of the grounds set forth in Public Contract Code sections 4100 et seq. and 5100 et seq. The Director is further authorized to make the determination that a bid is non-responsive, and to reject a bid on that basis, and to waive inconsequential and nonmaterial deficiencies in bids submitted, in the manner authorized by law.

4. Preference for Materials. The Director is authorized to make a finding, to be described in the invitation for bids, that a particular material, product, thing, or service will be designated by a specific brand or trade name on the grounds set forth in Public Contract Code section 3400.

5. Award of Contract. The Director shall award the contract to the lowest responsible bidder with a responsive bid, in accordance with Public Contract Code section 20128. In the case of identical low bids, the Director shall award the contract in conformance with Government Code section 53064.

6. Construction Bonds. The Director shall ensure that the person to whom the contract is awarded is required to execute bonds in the standard forms as required by Public Contract Code section 20129 and Civil Code section 9550.

7. Supplemental Agreements. For original contracts approved by the Director, the Director is authorized to enter into supplemental agreements in accordance with Public Contract Code sections 20142 and 20145 within the monetary limits set forth in sections 20142 and 20145. In addition, the Director may enter into supplemental agreements in accordance with Public Contract Code sections 20142 and 20145 for changes and alterations in original contracts approved by the Board of Supervisors within the monetary limits set forth in sections 20142 and 20145. The aggregate total amount of such changes or alterations to the original contract may not exceed 25 percent of the amount of the original contract.

8. Acceptance of Project. The Director is authorized to accept projects upon their final completion where the original contract amount does not exceed \$330,000. The Director may authorize the release of the retention money withheld pursuant to Public Contract Code sections 9203 and 7107, as permitted by law. The Director is further authorized to grant extensions of time on the project for delay beyond

the contractor's control and to assess liquidated damages as authorized by Government Code section 53069.85 and the contract specifications.

9. Emergencies. In cases where the Director, with the concurrence of the County Counsel, determines that an emergency exists within the meaning of Public Contract Code section 20134, and, when it would be impractical for the Board of Supervisors to act, the Director may exercise the emergency powers of the Board of Supervisors pursuant to sections 20134 and 22050 where the total estimated cost of the work does not exceed \$75,000; provided, however, that the Chief Executive Officer must first certify the availability of funds for the work. Any such action by the Director shall be promptly reported to the Board of Supervisors.

SECTION 10. Section 2.81.330 is hereby added to read as follows:

2.81.330 Construction Contracts Over \$330,000.

Pursuant to the authority granted by Public Contract Code sections 20142 and 20145, the Director is authorized to perform the following acts or actions permitted or required of the Board of Supervisors by Article 3.5, Chapter 1, Part 3, Division 2, of the Public Contract Code, commencing with section 20120, with respect to contracts or changes or alterations to contracts within the monetary limits set forth in sections 20142 and 20145.

1. Advertisement for Bids.

a. The Director is authorized to amend plans and specifications adopted by the Board of Supervisors prior to the closing time for receipt of bids, provided such amendment does not cause the estimated cost of construction to be

increased beyond the amount budgeted. Notice of such amendment shall be published in accordance with the requirements of publication of the invitation for bids.

b. The Director is authorized to extend bid periods up to a maximum of three weeks by publishing an amendment to the bidding documents.

2. Reallocation of Budgeted Funds. The Director is authorized to reallocate funds within a capital project at no increase in the overall cost of the project.

3. Receipt of Bids and Relief of Low Bidder. The Director is authorized to receive and open bids in the manner authorized by law and to allow substitution of subcontractors and relief of bidders upon demonstration of the grounds set forth in Public Contract Code sections 4100 et seq. and 5100 et seq.

4. Supplemental Agreements. The Director may enter into supplemental agreements in accordance with Public Contract Code sections 20142 and 20145 for changes or alterations in original contracts approved by the Board of Supervisors within the monetary amounts set forth in sections 20142 and 20145.

5. Acceptance of Project. The Director is authorized to accept projects upon their final completion. The Director may authorize the release of the retention money withheld pursuant to Public Contract Code sections 9203 and 7107, as permitted by law. The Director is further authorized to grant extensions of time on the project for delay beyond the contractor's control, and to assess liquidated damages as authorized by Government Code section 53069.85 and the contract specifications.

SECTION 11. Section 2.81.340 is hereby added to read as follows:

2.81.340 Job Order Contracts.

A. Job Order Contracts – Projects of \$330,000 or Less.

1. In accordance with authority provided by Article 3.5, Chapter 1, Part 3, Division 2, sections 20128.5 and 20145, of the Public Contract Code, and pursuant to Article 3.7, Chapter 1, Part 3, Division 2, sections 20155 through 20155.9, of the Public Contract Code, the Director is authorized to act in place of the Board of Supervisors in approving a project under a previously-awarded job order contract, if the amount to be paid to the contractor for the project does not exceed \$330,000.

2. The Director shall exercise their authority in conformance with the following procedures:

a. Authorization of Project Work Orders. The Director is authorized to issue a project work order, with monetary authorization, after there has been a scoping meeting with the contractor and the contractor has submitted a cost proposal for a scope of work that is approved by the Director.

b. Acceptance of Projects. The Director is authorized to accept such projects and file notices of completion upon final completion of the projects. The Director may also approve the release of the retention money withheld, pursuant to the applicable provisions of the Public Contract Code. The Director is further authorized to grant extensions of time on such projects due to delay deemed to be beyond the contractor's control, and to assess liquidated damages, as authorized by Government Code section 53069.85 and the contract specifications.

B. Job Order Contracts – Projects Approved by the Board of Supervisors.

1. In accordance with authority provided by Article 3.5, Chapter 1, Part 3, Division 2, sections 20128.5 and 20145, of the Public Contract Code, the Director is authorized to perform the following acts or actions with respect to job-order-contract projects that have been approved by the Board of Supervisors in conformance with the following procedures:

a. Authorization of Project Work Orders. The Director is authorized to issue a project work order, with monetary authorization, after there has been a scoping meeting with the contractor and the contractor has submitted a cost proposal for a scope of work that is approved by the Director.

b. Acceptance of Projects. The Director is authorized to accept such projects and file notices of completion upon final completion of the projects. The Director may also approve the release of the retention money withheld, pursuant to the applicable provisions of the Public Contract Code. The Director is further authorized to grant extensions of time on such projects due to delay deemed to be beyond the contractor's control, and to assess liquidated damages, as authorized by Government Code section 53069.85 and the contract specifications.

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