



DEPARTMENT OF MENTAL HEALTH  
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LISA H. WONG, Psy.D.  
Director

Curley L. Bonds, M.D.  
Chief Medical Officer

Rimmi Hundal, M.A.  
Chief Deputy Director

May 13, 2025

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:

**APPROVAL TO AMEND THE EXISTING FACILITIES MANAGEMENT SERVICES CONTRACT  
WITH CBRE MANAGED SERVICES, INC., TO INCREASE THE TOTAL CONTRACT SUM FOR  
THE CONTINUOUS PROVISION OF FACILITIES MANAGEMENT SERVICES AT MARTIN  
LUTHER KING-BEHAVIORAL HEALTH CENTER  
ON A SOLE SOURCE BASIS  
(SUPERVISORIAL DISTRICT 2)  
(3 VOTES)**

**SUBJECT**

Request approval to amend the existing facilities management services contract with CBRE Managed Services, Inc., on a sole source basis, to increase the total contract sum for continuous provision of facilities management services at the Martin Luther King-Behavioral Health Center.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and authorize the Director of Mental Health (Director), or designee, to prepare, sign, and execute an amendment substantially similar to Attachment I to existing facilities management services (FMS) contract with CBRE Managed Services Inc., (CBRE), at Martin Luther King-Behavioral Health Center (MLK-BHC) to increase the Total Contract Sum (TCS), for the current contract term, which allows for an optional one-year extension period, through December 31, 2026. The TCS will increase by \$7,643,177, from \$17,223,486 to \$24,866,663, fully funded by State and federal revenues as well as Intrafund Transfers (IFT) from the Department of Health Services (DHS), the Department of Public Health (DPH), the Aging and Disabilities Department (AD), and the Probation Department; annual allocations are identified in Attachment II. The amendment will be effective upon Board approval.

2. Delegate authority to the Director, or designee, to prepare, sign, and execute future amendments, including amendments to allow for additional optional extension periods through December 31, 2028, to the contract in Recommendation 1 to revise the TCS; shift unspent funds to future years; revise the language; add, delete, modify, replace the Statement of Work; and/or reflect federal, State, and County regulatory and/or policy changes provided that: 1) any increase will not exceed 10 percent of the Board-approved TCS indicated in Recommendation 1; and 2) sufficient funds are available. These amendments will be subject to prior review and approval as to form by County Counsel, with written notice to the Board and the Chief Executive Office (CEO).

3. Delegate authority to the Director, or designee, to terminate the contract described in Recommendation 1 in accordance with the termination provisions of the contract, including Termination for Convenience. The Director, or designee, will provide written notification to your Board and CEO of such termination action.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

DMH is requesting Board approval to amend the existing FMS contract with CBRE as they are providing professional facility management services at Martin Luther MLK-BHC, and diligently complying with contract requirements. Consequently, DMH finds CBRE to be an effective partner that provides excellent customer service on a daily basis.

Board approval of Recommendation 1 will allow DMH to amend the existing CBRE Contract at MLK-BHC to increase the TCS for the continued provision of FMS, as the contract has reached its previously Board-approved delegated authority for the existing term and will support funding the contract for the optional extension period, through December 31, 2026.

Board approval of Recommendation 2 will allow DMH to amend the contract in Recommendation 1, including additional optional extensions through December 31, 2028, to reflect other necessary changes in a timely manner for the continued provision of FMS without interruption in these services.

Board approval of Recommendation 3 will allow DMH to terminate the contract in Recommendation 1 in accordance with the contract's termination provisions, including Termination for Convenience, in a timely manner, as necessary.

### **Implementation of Strategic Plan Goals**

The recommended actions are consistent with the County's Strategic Plan North Star 3, Realize Tomorrow's Government Today, specifically Focus Area Goal D. - Streamlined and Equitable Contracting and Procurement, and Focus Area Goal E. - Data Driven Decision Making.

### **FISCAL IMPACT/FINANCING**

The total increase for the CBRE MLK-BHC contract is \$7,643,177, fully funded by State and federal revenues as well as IFT from DHS, DPH, AD, and the Probation Department. Of this amount, \$1,865,287 will be allocated to contract year 2025 and \$5,777,890 to contract year 2026.

Sufficient appropriation is included in DMH's FY 2024-25 Budget.

Funding for future fiscal years will be requested through DMH's annual budget request process.

There is no net County cost impact associated with the recommended action.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Based on the results of a competitive solicitation, the Board authorized the Director of Mental Health to execute Contract No. MH540001 with CBRE for the provision of FMS at MLK-BHC on November 16, 2021. The Board further delegated authority to DMH to amend said contract on June 6, 2023. DMH is seeking the Board's approval to amend this contract to increase the TCS as it has reached the previously approved 10 percent delegated authority for their current contract term. The amendment will also allow DMH to exercise its optional one-year extension and add the necessary funds.

DMH has determined CBRE to be a professional partner in managing the MLK-BHC facility. They have extensive knowledge of the facility and provide preventive maintenance daily. Given their knowledge and experience, DMH has determined that it is in the best economic interest of the County to maintain this relationship, add funding to existing contract, and exercise the option to extend the contract term as necessary.

In accordance with Board Policy No. 5.100 (Sole Source Contracts and Amendments), on November 21, 2024, DMH notified the Board of its intent to increase the TCS for the CBRE contract in Recommendation 1 for the continued provision of FMS (Attachment III). No objections were received from the Board offices. Attachment IV is the required CEO approved Sole Source Checklist for this contract.

The amendment (Attachment I) has been approved as to form by County Counsel.

As mandated by your Board, the performance of all contractors is evaluated by DMH on an annual basis to ensure compliance with all contract terms and performance standards.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Board approval of the recommended actions will allow CBRE to provide ongoing professional facilities management services at MLK-BHC and allow DMH to make revisions/updates to the work provided by the contractors in a timely manner.

The Honorable Board of Supervisors

5/13/2025

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Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Amy, Psy.D.", written in a cursive, flowing style.

LISA H. WONG, Psy.D.

Director

LHW:RH:KN:SK:CM:atm

Enclosures

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

CONTRACT NO. MH540001

AMENDMENT NO. 6

THIS AMENDMENT is made and entered into this 13<sup>th</sup> day of May 2025, by and between the COUNTY OF LOS ANGELES (hereafter "County") and CBRE Managed Services, Inc. (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "Contract by and between County of Los Angeles Department of Mental Health and CBRE Managed Services, Inc. for Facilities Management Services" dated January 10, 2022, and further identified as County Contract No. MH540001, and any amendments thereto (hereafter collectively "Contract"); and

WHEREAS, on May 13, 2025, the County Board of Supervisors delegated authority to the Department of Mental Health Director, or designee, to execute an amendment to the Contract to extend the contract term, to revise Total Contract Sum (TCS), and make other designated changes; and

WHEREAS, said Contract provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties; and

WHEREAS, as the result of the changes, the contract term will be extended, and the TCS will increase; and

WHEREAS, Contractor warrants that it continues to possess the competence, expertise, and personnel necessary to provide services consistent with the requirements of the Contract, and consistent with the professional standard of care for these services.

WHEREAS, County and Contractor intend to amend the Contract only as described hereunder.

NOW, THEREFORE, County and Contractor agree as follows:

1. This amendment is hereby incorporated into the original Contract, and all its terms and conditions, including capitalized terms defined therein, will be given full force and effect as if fully set forth herein.
2. This amendment is effective upon execution.
3. The term of the Contract is extended by one year and will continue in full force through December 31, 2026, with the option to extend thereafter.
4. Paragraph 4 (Term of Contract) of the contract is deleted in its entirety and replaced with the following:

**“4 TERM OF CONTRACT**

4.1 The term of this Contract shall commence on January 10, 2022 and shall continue in full force and effect through December 31, 2026, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

4.2 The County shall have the sole option to extend this Contract term for additional periods up to December 31, 2028. Any such extension may be exercised at the sole discretion of the Director of Mental Health, or designee as authorized by the Board of Supervisors.

The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

4.3 The Contractor shall notify the Department of Mental Health (DMH) when this Contract is within six months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to DMH at the address herein provided in Exhibit E-4 - County’s Administration.”

5. The TCS is increased by \$7,643,177 from \$17,223,486 to \$24,866,663. For 2025, the contract sum is increased by \$1,865,287 from \$3,745,389 to \$5,610,676, and total of \$ 5,777,890 is allocated to contract year 2026.
6. Paragraph 5 (Contract Sum), subparagraph 5.1 (Total Contract Sum) of the contract is deleted in its entirety and replaced with the following:

**“5.1 Total Contract Sum**

The Total Contract Sum is \$24,866,663. Funding for Facilities Management services is described in Exhibit B-6 (Fee Schedule) and shall remain stable and fixed for the term of the Contract, including any optional extension periods, unless a written Contract amendment is approved by the County and executed by County and Contractor.

5.1.1 The Department may increase the total contract amount by up to 10%, as approved by the Board. The County does not warranty or represent that all, or any portion, of the not-to-exceed contract amount will be authorized, allocated, or expended by the County; nor does the County warranty or represent that it will authorize the selected contractor(s) to perform any work or services of any monetary amount.”

7. Exhibit B-4 (Fee Schedule) is deleted at its entirety and replaced with Exhibit B-6, attached hereto and incorporated herein by reference.
8. Except as provided in this amendment, all other terms and conditions of the Contract will remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this amendment to be subscribed by County's Director of Mental Health or designee, and Contractor has caused this amendment to be subscribed on its behalf by its duly authorized officer, on the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
LISA H. WONG, Psy.D.  
Director of Mental Health

CBRE MANAGED SERVICES, INC.  
CONTRACTOR

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:  
OFFICE OF THE COUNTY COUNSEL

By: Rachel Kleinberg  
Senior Deputy County Counsel



**FACILITIES MANAGEMENT SERVICES  
MARTIN LUTHER KING JR. BEHAVIORAL HEALTH CENTER  
FEE SCHEDULE**

**1. TOTAL CONTRACT SUM**

The Department of Mental Health (DMH) shall pay Contractor for facilities management services per Exhibit A-1 (Statement of Work) rendered at the Martin Luther King Jr. Behavioral Health Center. The Total compensation for all services rendered shall not exceed the total contract award amounts noted below:

| <b>Year</b>       | <b>Maximum Amount</b> |
|-------------------|-----------------------|
| Year One (2022)   | \$3,745,389           |
| Year Two (2023)   | \$5,047,032           |
| Year Three (2024) | \$4,685,676           |
| Year Four (2025)  | \$ 5,610,676          |
| Year Five (2026)  | \$ 5,777,890          |

**2. INVOICE SCHEDULE**

Contractor shall submit complete and accurate monthly invoices to the DMH Program Manager. The invoices shall include supplemental documentation. Each invoice submitted for payment shall include the following information in the header of the invoice: agency name, address, phone number, vendor number, contract number, date along with the name, number, and email address of person to contact for questions.

DMH designated staff will review the invoices and supplemental documentation to ensure all the necessary elements for tracking purposes have been included.

**3. PAYMENT PROCEDURES**

Payment to Contractor for facilities management services rendered shall be based on monthly invoices from Contractor to DMH. No payment shall be made without prior approval of the designated DMH Project Manager. The DMH Project manager shall review the invoice and supplemental documents to determine whether Contractor is in substantial compliance with the terms and conditions of this contract. Contractor shall be paid for facilities management services based on complete and accurate monthly invoices. Payment will be based only on the Exhibit A-1 (Statement of Work).

Contractor shall retain all relevant supporting documents and make them available to DMH at any time for audit purposes. Invoices submitted to DMH shall detail all monthly charges billed to DMH.

**FACILITIES MANAGEMENT SERVICES  
MARTIN LUTHER KING JR. BEHAVIORAL HEALTH CENTER  
FEE SCHEDULE**

Upon receipt of invoices from Contractor, DMH shall make payment to Contractor within 30 days of the date the invoice was received. If any portion of the invoice is disputed by DMH, DMH shall reimburse Contractor for the undisputed services contained in the invoice and work diligently with the Contractor to resolve the disputed portion of the claim in a timely manner.

DMH shall make reimbursements payable to Contractor. DMH shall send payments to:

**Name of Agency:** CBRE Managed Services Inc.  
**Address of Agency:** 2100 McKinney Avenue, Suite 900  
**City, State Zip:** Dallas, TX 75201

**4. DESIGNATED LAC-DMH CONTACT PERSON**

All questions and correspondence should be directed to the County Monitoring Manager indicated in Exhibit E-4 County's Administration via electronic mail.

**Attachment II**

**CBRE Contract # MH540001**

Martin Luther King - Behavioral Health Center

| Contract Year | Current Contract Sum | Increase            | Revised Contract Sum |
|---------------|----------------------|---------------------|----------------------|
| 2022          | \$ 3,745,389         |                     | \$ 3,745,389         |
| 2023          | \$ 5,047,032         |                     | \$ 5,047,032         |
| 2024          | \$ 4,685,676         |                     | \$ 4,685,676         |
| 2025          | \$ 3,745,389         | \$ 1,865,287        | \$ 5,610,676         |
| 2026          | \$ -                 | \$ 5,777,890        | \$ 5,777,890         |
| <b>Total</b>  | <b>\$ 17,223,486</b> | <b>\$ 7,643,177</b> | <b>\$ 24,866,663</b> |



## DEPARTMENT OF MENTAL HEALTH

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LISA H. WONG, Psy.D.  
Director

Curley L. Bonds, M.D.  
Chief Medical Officer

Rimmi Hundal, M.A.  
Chief Deputy Director

November 21, 2024

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

FROM: Lisa H. Wong, Psy.D.  
Director

A handwritten signature in dark ink, appearing to read "Amy, B.D.", is written over the printed name and title of the sender.

SUBJECT: **NOTICE OF INTENT TO INCREASE THE TOTAL CONTRACT SUM FOR TWO EXISTING CBRE MANAGED SERVICES, INC., CONTRACTS FOR THE CONTINUED PROVISION OF FACILITIES MANAGEMENT SERVICES AT THE MARTIN LUTHER KING-BEHAVIORAL HEALTH CENTER AND MARTIN LUTHER KING-JACQUELINE AVANT CHILDREN AND FAMILY CENTER, ON A SOLE SOURCE BASIS**

In accordance with the Los Angeles County Board of Supervisors' (Board) Policy No. 5.100 (Sole Source Contracts and Amendments), the Department of Mental Health (DMH) is notifying your Board of our Department's intent to increase the Total Contract Sum (TCS) and exercise options under the contract to extend the term of two CBRE Managed Services, Inc., (CBRE) contracts, Martin Luther King (MLK)-Behavioral Health Center (BHC), contract number MH540001, and MLK-Jacqueline Avant Children and Family Center (JAC), contract number MH540002, on a sole source basis.

Specifically, DMH will request that your Board approve two sole source contract amendments as the contracts have reached their 10% delegated authority: 1) Amendment to CBRE contract number MH540001 will exercise the option to extend the term through December 31, 2026, and increase the TCS by \$7,643,177. Contract year allocations are as follows: \$1,865,287 for 2025 and \$5,777,890 for 2026. The total increase is fully funded by 2011 Realignment, and intrafund transfers from the Department of Health Services (DHS), the Department of Public Health (DPH), and the Department of Aging and Disabilities. 2) Amendment to CBRE contract number MH540002 will exercise the options to extend the contract through June 30, 2028, and to increase the TCS by \$2,607,400. The fiscal year allocations are as follows: \$237,700 for Fiscal Year (FY) 2024-25; \$237,700 for FY 2025-26; \$1,066,000 for FY 2026-27; and

\$1,066,000 for FY 2027-28. The total increase is fully funded by 2011 Realignment, and intrafund transfers from DHS, DPH, and Department of Children and Family Services.

### **JUSTIFICATION**

Under existing contracts, CBRE is providing professional facility management services (FMS) at MLK-BHC and MLK-JAC, and diligently complying with both contracts' requirements, consequently, DMH finds CBRE to be an effective partner that provides excellent customer service on a daily basis. CBRE has been managing the facilities prior to DMH opening the doors to provide mental health services to clients and have an unparalleled knowledge of the building and the various mechanics. It would take years for a new building manager to learn the buildings' daily problems and be able to provide preventive maintenance on a daily schedule. This knowledge comes from managing the building for several years and developing a routine and understanding of the facility. This facility has had major flooding, and Fire Life Safety issues that were handled expediently by CBRE that minimized the effect it had on clients and staff. Thus, DMH intends to exercise the previously Board-approved optional extensions for both contracts as this is the most cost-effective and efficient way to maintain these FMS without interruption. Extending the contracts through the optional extensions and increasing the TCAs correspondingly, allows DMH to address maintenance and unanticipated FMS timely.

### **NOTIFICATION TIMELINE**

Pursuant to Board Policy No. 5.100, DMH is required to notify the Board at least six months prior to the expiration of an existing contract to amend the contracts when departments do not have delegated authority to execute such amendment. If requested by a Board Office or the Chief Executive Office, DMH will place this item on the Health and Mental Health Services Cluster Agenda.

Unless otherwise instructed by the Board Office within four weeks of this notice, DMH will present the Board a letter for approval to amend CBRE contract number MH540001 and MH540002 to extend the initial term and to increase the TCS.

If you have any questions, or require additional information, please contact me at [LWong@dmh.lacounty.gov](mailto:LWong@dmh.lacounty.gov) or (213) 947-6670, or your staff may contact Stella Krikorian, Division Manager, Contracts Development and Administration Division, at [SKrikorian@dmh.lacounty.gov](mailto:SKrikorian@dmh.lacounty.gov) or (213) 943-9146.

LHW:RH:KN  
SK:CM:atm

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

## SOLE SOURCE CHECKLIST

Department Name: \_\_\_\_\_


☐ New Sole Source Contract

CBRE Managed Services Inc. (MLK-BHC)

☐ Sole Source Amendment to Existing Contract

Date Existing Contract First Approved: \_\_\_\_\_

| Check<br>(✓) | <b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS AND AMENDMENTS</b><br>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.  |
|              | ➤ Services are needed to address 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. |

  
\_\_\_\_\_  
Chief Executive Office

\_\_\_\_\_  
Date