



Board of Supervisors Health and Mental Health Cluster Agenda Review Meeting

DATE: August 14, 2024

TIME: 11:30 a.m. – 1:30 p.m.

MEETING CHAIR: Angelica Ayala, 3rd Supervisorial District

CEO MEETING FACILITATOR: Atineh Sepanian

This meeting will be held in hybrid format which allows the public to participate virtually, or in-person, as permitted under the Board of Supervisors' March 19, 2024, order.

To participate in the meeting in-person, the meeting location is:

Kenneth Hahn Hall of Administration

500 West Temple Street

Los Angeles, California 90012

Room 140

To participate in the meeting virtually, please call teleconference number:

1 (323) 776-6996 and enter the following: 403 234 317# or [Click here to join the meeting](#)

For Spanish Interpretation, the Public should send emails within 48 hours in advance of the meeting to ClusterAccommodationRequest@bos.lacounty.gov

Members of the Public may address the Health and Mental Health Services Meeting on any agenda item. Two (2) minutes are allowed for each item.

THIS TELECONFERENCE WILL BE MUTED FOR ALL CALLERS. PLEASE DIAL *6 TO UNMUTE YOUR PHONE WHEN IT IS YOUR TIME TO SPEAK.

I. Call to order

II. **Presentation Item(s):**

a. **DHS:** Request approval of Sole Source Amendments to Proposition A Agreements for Security, Housekeeping, Lab Courier, and Landscape Maintenance services

III. Items Continued from a Previous Meeting of the Board of Supervisors or from the Previous Agenda Review Meeting

- IV. Items not on the posted agenda for matters requiring immediate action because of an emergency situation, or where the need to take immediate action came to the attention of the Department subsequent to the posting of the agenda.
- V. Public Comment
- VI. Adjournment

BOARD LETTER/MEMO CLUSTER FACT SHEET

 Board Letter

 Board Memo

 Other

CLUSTER AGENDA REVIEW DATE	8/14/2024	
BOARD MEETING DATE	9/10/2024	
SUPERVISORIAL DISTRICT AFFECTED	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT(S)	Department of Health Services	
SUBJECT	Request for approval of delegated authority to the Directors of Department of Health Services and Public Health, or their respective designees, to execute sole source amendments to various expiring Proposition A (Prop A) Agreements and a no-cost Concession Cafeteria Services Agreement.	
PROGRAM	Health Services	
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
SOLE SOURCE CONTRACT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	If Yes, please explain why: The sole source amendments to the existing Agreements are critically needed to maintain services critical for the operation of DHS and Public Health facilities. The extension periods should provide for sufficient time to complete the solicitations and obtain Board approval of successor agreements for replacement services.	
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable	
DEADLINES/ TIME CONSTRAINTS	Security, Housekeeping and Laboratory Courier were extended to September 30, 2024; Landscape Services to December 31, 2024.	
COST & FUNDING	Total cost: \$58.6 Million	Funding source: DHS FY 2024-25 Adopted Budget
	TERMS (if applicable):	
	Explanation:	
PURPOSE OF REQUEST	The purpose of this request is to extend current agreements for Security, Housekeeping, Laboratory Courier and Landscape Maintenance Services were originally awarded through separate competitive solicitation processes. The extension periods should provide for sufficient time to complete the solicitations and obtain Board approved of successor agreements for replacement services.	
BACKGROUND (include internal/external issues that may exist including any related motions)	The Agreements discussed in this letter were originally awarded through separate competitive solicitation processes with terms slated to expire during the locally declared emergency regarding COVID-19. For purposes of employee safety and the need to pivot resources to secure contracts for critically needed health care staffing and patient and public health care services, development of solicitations for the subject services were postponed until after the Board lifted the proclamation of the COVID-19 emergency and it was deemed safe to physically visit the County of Los Angeles healthcare facilities and re-engage in developing contract solicitations. With approval from the Board, the Agreements for Concession Cafeteria, Security, Housekeeping and Laboratory Courier Services were extended to September 30, 2024, and for Landscape Services to December 31, 2024.	

EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: (DHS) Julio Alvarado , Director Contracts & Grants, (213) 288-7819 JAlvarado@dhs.lacounty.gov (DHS) Ruth Guerrero,

September 10, 2024

DRAFT

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

Dear Supervisors:

**DELEGATED AUTHORITY TO EXECUTE SOLE SOURCE AMENDMENTS TO
VARIOUS PROPOSITION A AGREEMENTS AND A NO-COST CONCESSION
CAFETERIA SERVICES AGREEMENT
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request for approval of delegated authority to the Directors of Department of Health Services (DHS) and Public Health, or their respective designees, to execute sole source amendments to various expiring Proposition A (Prop A) Agreements and a no-cost Concession Cafeteria Services Agreement.

IT IS RECOMMENDED THAT THE BOARD:

1. Make a finding pursuant to Los Angeles County (LA County) Code Section 2.121.420 that Services under the Prop A Agreements continue to be performed more economically by independent contractors.
2. Delegate authority to the Directors of DHS and Public Health (collectively “the Directors”), or respective designees, to execute sole source amendments to the expiring Prop A Agreements for Security, Housekeeping, Laboratory Courier and Landscape Maintenance Services and a no-cost Concession Cafeteria Services Agreement listed on Attachment A (Agreements) to: (a) extend the term of each Agreement for a period of six months, with up to six-one month extension options; and (b) to increase LA County’s maximum obligation, if any, accordingly, with all amendments subject to review and approval by County Counsel.
3. Delegate authority to the Directors or respective designees, to amend the Agreements to increase the service rates payable under the Agreements, as applicable to: (a) align with increase(s) in the Living Wage Ordinance (LWO) rate per direction from the Chief Executive Office (CEO); and (b) in consultation with CEO and County Counsel, comply with any current or future regulatory or legislative requirements and Board directives, with all amendments subject to prior review and approval by County Counsel and, with respect to (b), written

notice to the Board and CEO.

4. Reaffirm prior delegations of authority to the Directors, or respective designees, to amend the Agreements, including: (a) to add, delete, and/or modify certain terms and conditions as required by law, LA County policy, the Board of Supervisors (Board), or CEO; (b) to modify the Agreements, including terms and conditions and scope of services, to implement improvements and address changes in service needs, requirements and applicable policies, rules and regulations, and adjust the maximum LA County obligation, if any by up to 15% percent accordingly; and (c) incorporate and/or revise non-substantive and administrative terms and conditions, with all amendments subject to prior review and approval by County Counsel.
5. Delegate authority to the Directors to terminate the Agreements in accordance with the applicable termination provisions, including for the convenience of the County and contractor's default, with advance written notification of such to the Board and CEO.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTIONS

Background

The Agreements discussed in this letter were originally awarded through separate competitive solicitation processes with terms slated to expire during the locally declared emergency regarding COVID-19. For purposes of employee safety and the need to pivot resources to secure contracts for critically needed health care staffing and patient and public health care services, development of solicitations for the subject services were postponed until after the Board lifted the proclamation of the COVID-19 emergency and it was deemed safe to physically visit the County of Los Angeles healthcare facilities and re-engage in developing contract solicitations. With approval from the Board, the Agreements for Concession Cafeteria, Security, Housekeeping and Laboratory Courier Services were extended to September 30, 2024, and for Landscape Services to December 31, 2024.

Justification

The sole source amendments to the existing Agreements are needed to maintain services critical for the operation of DHS and Public Health facilities. The extension periods should provide for sufficient time to complete the solicitations and obtain Board approval of successor agreements for replacement services.

Amid developing new solicitations for these services, the DHS Contracts and Grants Division resources vital to these procurements were required to pivot and negotiate amendments to the current Agreements to comply with the Board's Motions regarding

Equitable Access to Healthcare for Contracted Staff, requiring contracted workforce to be provided with 100% employer-paid healthcare premiums. This important and beneficial initiative, coupled with the equally important need to develop ways to promote equity of County contracting goals, especially with smaller businesses, in furtherance of local economic growth and other competing priorities have contributed to bandwidth challenges that made it necessary to adjust solicitation timelines to the extent that they exceed the current delegated authorities from the Board.

DHS has been releasing competitive solicitations for successor agreements to replace the expiring Agreements. The recommended extension period will enable DHS to complete these solicitation processes and seek Board approval for successor agreements by summer of 2025.

Recommendations

Approval of the first recommendation is necessary to comply with LA County Code Section 2.121.420, which requires that contracting under Prop A be cost-effective. It has been determined that the Agreements for Security, Housekeeping, Laboratory Courier and Landscape Maintenance Services continue to be cost effective.

Approval of the second recommendation allows the Directors, or respective designees, to execute sole source amendments to the Agreements to: (a) extend the term of each for six months, with an option to extend for up to additional six months to allow sufficient time for the solicitation and Board approval of successor agreement(s); and (b) increase LA County's maximum obligation to each Agreement, if any, accordingly, with all amendments subject to review and approval by County Counsel.

Approval of the third recommendation allows the Directors, or respective designees, to execute amendments to these Agreements to adjust the service rates, among others, to allow Contractors to align their service rates with the expected increase(s) in the Living Wage Rate and, with input and advice from the CEO and County Counsel, to comply with legal and regulatory requirements in a timely manner.

Approval of the fourth recommendation allows the Directors, or respective designees, to execute amendments to the Agreements, including terms and conditions and scope of services, (i) based on service needs and requirements and to reflect changes in Federal, State, and LA County policies, laws, rules and regulations; and (ii) to adjust the maximum LA County obligation, if any, by up to 15% with all amendments subject to review and approval by County Counsel.

Approval of the fifth recommendation allows the Directors, or respective designees, to take the necessary actions to terminate Services under the Agreements in accordance with each Agreement's applicable termination provisions, including for the convenience of the LA County, in a timely manner, as necessary.

Implementation of Strategic Plan Goals

The recommended actions support “North Star 1.A Health Individuals and Families and “North Star 3.E Data-Driven Decision Making”” of the County’s Strategic Plan.

FISCAL IMPACT/FINANCING

LA County’s maximum obligation is \$58.6 million for the initial extension periods of several services. These include Housekeeping, Laboratory Courier and Security from October 1, 2024, to March 31, 2025, and Landscaping from January 1, 2025, to June 30, 2025. Details of the extension and maximum obligation for each Agreement are identified in Attachment A.

Funding for the respective Departments is included in the Fiscal Year 2024-25 Adopted Budget. It will be adjusted as necessary during the fiscal year using existing resources and requested for future fiscal years as needed. There is no impact to net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

It has been determined that the provision of services by the Contractors under the Agreements is subject to the Prop A guidelines, which include the Living Wage Program under LA County Code Chapter 2.201. The Contractors under the Agreements are in compliance with the Living Wage Program requirements.

To address fundamental needs of contracted workers who provide critical services that keep County healthcare facilities, clinics, and juvenile halls operational, on April 4, 2023 and December 5, 2023, the Board adopted two separate Motions that all Prop A contracts for security, environmental, including janitorial, and food services require 100% employer-paid healthcare premiums for contractors’ employees who work 30 hours or more per week at the minimum actuarial value of an Affordable Care Act individual Gold Plan coverage. Contractors under the subject Agreements for Security and Housekeeping Services are in compliance with these Motions.

All amendments to the Agreements shall be subject to County Counsel review and approval prior to execution.

CONTRACTING PROCESS

All Agreements were competitively solicited. Also, on June 27, 2024, DHS notified the Board of its intent to enter into negotiations for the extension of the Prop A Agreements listed on Attachment A. The Sole Source Checklist for these Agreements is attached as Attachment B.

The Honorable Board of Supervisors
September 10, 2024
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IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will allow for the continued and uninterrupted provision of services at LA County facilities.

Christina R. Ghaly, M.D.
Director

CRG: db

Enclosure

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

Proposition A Agreements

#	Service	Contract #	Contractor	Amendment Extension Period	Estimated Cost	Original Execution Date
1	Security	78925	Securitas Security Services, USA, Inc.	10/01/24 - 03/31/25	\$10,395,500.00	5/1/2019
2	Security	78926	Allied Universal Security Services	10/01/24 - 03/31/25	\$15,489,500.00	5/1/2019
3	Housekeeping	77529	Servicon Systems, Inc.	10/01/24 - 03/31/25	\$2,293,688.00	5/24/2011
4	Housekeeping	77855	Sodexo, Inc.	10/01/24 - 03/31/25	\$13,744,389.00	2/19/2013
5	Housekeeping	77917	Servicon Systems, Inc.	10/01/24 - 03/31/25	\$14,402,657.00	5/24/2011
6	Lab Courier (DHS)	77653	Coolsmart Medical Logistics, Inc. (DHS)	10/01/24 - 03/31/25	\$634,678.00	9/6/2011
7	Lab Courier (DPH)	77652	Coolsmart Medical Logistics, Inc. (DPH)	10/01/24 - 03/31/25	\$400,000.00	9/6/2011
8	Landscape	78551	Parkwood Landscape Maintenance	01/01/25 - 06/30/25	\$239,130.00	11/15/2016
9	Landscape	78552	Parkwood Landscape Maintenance	01/01/25 - 06/30/25	\$296,766.00	11/15/2016
10	Landscape	78553	Parkwood Landscape Maintenance	01/01/25 - 06/30/25	\$167,762.00	11/15/2016
11	Landscape	78554	Stay Green, Inc.	01/01/25 - 06/30/25	\$217,348.00	11/15/2016
12	Landscape	78555	Stay Green, Inc. (SF + OV)	01/01/25 - 06/30/25	\$151,626.00	11/15/2016
13	Landscape	78556	Parkwood Landscape Maintenance	01/01/25 - 06/30/25	\$33,071.00	11/15/2016
14	Landscape	78811	Stay Green, Inc.	01/01/25 - 06/30/25	\$99,890.00	5/29/2018
15	Concession Cafeteria	H-705998	Lunchstop, Inc.	10/01/24 - 03/31/25	\$0.00	4/30/2014
					Total	\$58,566,005.00

Note:

The estimated costs for the Agreements were determined by using the current service rate. Anticipated increases to the service rates such resulting from the Living Wage rate adjustment for 2025 was not included as it has been officially approved at this time.

SOLE SOURCE CHECKLIST

Department Name: Health Services

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

Date Existing Contract First Approved: See Attachment A

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS AND AMENDMENTS Identify applicable justification and provide documentation for each checked item.
<input type="checkbox"/>	➤ 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>
<input type="checkbox"/>	➤ Compliance with applicable statutory and/or regulatory provisions.
<input type="checkbox"/>	➤ Compliance with State and/or federal programmatic requirements.
<input type="checkbox"/>	➤ Services provided by other public or County-related entities.
<input type="checkbox"/>	➤ Services are needed to address an emergent or related time-sensitive need.
<input type="checkbox"/>	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
<input checked="" type="checkbox"/>	➤ 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.
<input type="checkbox"/>	➤ 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.
<input type="checkbox"/>	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
<input type="checkbox"/>	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
<input type="checkbox"/>	➤ 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.

Erika Bonilla
Chief Executive Office

7/18/2024
Date