



County of Los Angeles
**CHIEF EXECUTIVE OFFICE
OPERATIONS CLUSTER**

SACHI A. HAMAI
Chief Executive Officer

DATE: October 22, 2015
TIME: 1:00 p.m.
LOCATION: Kenneth Hahn Hall of Administration, Room 830

AGENDA

Members of the Public may address the Operations Cluster on any agenda item by submitting a written request prior to the meeting.
Three (3) minutes are allowed for each item.

1. Call to order – Gevork Simdjian
 - A) **Report Back/Board Presentation – COUNTYWIDE WAGE THEFT ENFORCEMENT PROGRAM**
DCBA Brian Stiger-County Counsel Judy Whitehurst- CEO Brian Mahan
 - B) **Board Letter – HAVA (HELP AMERICA VOTE ACT) DELEGATED AUTHORITY REQUEST RR/CC – Dean C. Logan or designee**
 - C) **Board Letter – ADVANCE NOTIFICATION OF INTENT TO ENTER SOLE SOURCE NEGOTIATIONS WITH SABA SOFTWARE, INC. FOR SOLE SOURCE LEARNING MANAGEMENT SYSTEM UPGRADE SERVICES**
DHR – Lisa Garrett or designee
 - D) **Board Letter - AUTHORIZE THE TREASURER AND TAX COLLECTOR TO EXECUTE AGREEMENT WITH THE STATE BOARD OF EQUALIZATION FOR IMPLEMENTATION OF THE LOCAL PREPAID MOBILE TELEPHONY SERVICES COLLECTION ACT** TTC – Joe Kelly or designee
 - E) **Board Letter - EXECUTE NEW/REPLACEMENT AGREEMENTS WITH THE LOS ANGELES DEPARTMENT OF WATER & POWER FOR THE COUNTY TO CONTINUE RECEIVING “CREDITS” FORELECTRICITY CONTRIBUTED TO THE GRID FOR FIVE MORE YEARSBY OPERATION OF THE CIVIC CENTER COGENERATION PLANT**
ISD – Dave Chittenden, Howard Choy and John Geiger

NOTICE OF CLOSED SESSION

**1. CS-1 CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION –
(Subdivision (d)(2) of Government Code Section 54956.9)**

**Accent Builders, Inc. v. County of Los Angeles (Chief Executive Office)
(Construction Litigation re La Plaza de Cultura Project)**

2. Public Comment
3. Adjournment



Los Angeles County Registrar-Recorder/County Clerk

DEAN C. LOGAN
Registrar-Recorder/County Clerk

October 20, 2015

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:

**REQUEST DELEGATED AUTHORITY TO APPLY FOR AND RECEIVE FEDERAL FUNDS
UNDER THE HELP AMERICA VOTE ACT (HAVA)
(ALL DISTRICTS) (3 VOTES)**

SUBJECT:

Request delegated authority for the Registrar-Recorder/County Clerk (RR/CC), or designee, to conduct all negotiations and execute all documents that relate to the application and receipt of federal funds under the Help America Vote Act of 2002 (HAVA) which is administered by the California Secretary of State (SOS). Further, the RR/CC requests your Board adopt the attached Resolution granting the RR/CC the delegated authority to perform these functions.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the attached Resolution authorizing the RR/CC, or designee, as agent of the County of Los Angeles (County) to apply for and receive all federal funds under HAVA.
2. Delegate authority to the RR/CC, or designee, as agent of the County, after concurrence from County Counsel, to conduct all negotiations and prepare and execute all documents relating to the application for and receipt of federal HAVA funds.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of the recommended action is to authorize the RR/CC to continue to apply for and receive HAVA funding under the SOS's shortened application timelines.

During the 2002/2003 election cycle, the initial round of funding opportunities, the SOS allowed for a reasonable timeframe for completing the HAVA funding application process. At that time, the RR/CC was able to utilize the traditional County/Board approval process in order to receive authority to act as the agent of the County and receive funds under each specific section of HAVA (e.g., Section 261).

Regrettably, the SOS has continuously shortened the application timeframes which has made it extremely difficult to adhere to the County's traditional Board authorization process. In fact, with the most recent HAVA funding opportunity, the SOS allowed only one calendar month for the application process. In an effort to streamline this process and maximize the County's opportunities for applying and receiving such funding, the RR/CC requests delegated authority to apply for all future available HAVA funding.

The RR/CC has expressed its concern with the condensed application timeframe to the SOS. However, the State is bound by its own internal processes and requirements, specifically policies adopted by the federal government in relation to these types of grants. Granting the RR/CC, or designee, the delegated authority to act as an agent of the County will help expedite the County's application submission process in order to meet these shortened timelines and maximize all HAVA grants offered.

Each time the RR/CC applies for HAVA funds on behalf of the County, the RR/CC will provide Board Notification letters to all County Board Deputies and the County's Chief Executive Office as well as any relevant status reports and Board memos.

Implementation of Strategic Plan Goals:

This request supports the County Strategic Plan as follows:

Goal No. 1: Operational Effectiveness/Fiscal Sustainability: Utilizing HAVA funds to strengthen and maintain the effectiveness of the County's voting experience. Strengthen the County's fiscal capacity by efficiently applying for and managing available federal HAVA grant funding.

Goal No. 2: Community Support and Responsiveness: Enrich the lives of Los Angeles County residents by providing enhanced, effective voter services.

FISCAL IMPACT/ FINANCING:

Approval of the recommended actions will allow the RR/CC to receive and expend federal funds under HAVA and there will be no increase to net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

HAVA was drafted after the controversial 2000 Presidential General Election and signed into law on October 29, 2002. The bill was a compromise between election officials and voter-groups and helped establish the Election Assistance Commission, to serve as national

clearinghouse on election information and federal standards for voting systems.

Since HAVA's enactment the County has received and expended funding under various sections of HAVA including Sections 101, 102, 261, 301, and 303. Each section has its specific funding aim and purpose, such as voting system maintenance, voter outreach/engagement, and polling place accessibility. To date, the RR/CC continues to utilize existing funding awards for expenditures such as: the purchase and maintenance of the County's voting machines; peripheral accessibility voting equipment including signage and magnifying devices; temporary modification of polling places; voter outreach; and voted-ballot tally system maintenance. These expenditures are necessary to ensure compliance with federal voting standards and offer voters an effective and secure voting experience.

For reference, Attachment I is included as a model of a representative application form and Standard Agreement between the SOS and the RR/CC, acting as an agent of the County.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of the recommended actions will afford the RR/CC the necessary time to meet condensed deadlines for the application and eventual receipt of federal HAVA funds. Funding will allow the RR/CC to continue to deliver effective voter services and maintain federally mandated voting standards.

CONCLUSION

The County of Los Angeles continues to be the nation's largest county – over 4.9 registered million voters across 4,084 square miles and boasts one of the most diverse populations and electorates. Approval of the requested action will allow the RR/CC to continue to provide voters and prospective voters alike with the tools needed to participate in the democratic process.

Upon approval and execution of delegated authority of the RR/CC, it is requested that the Executive Office/Clerk of the Board return one adopted stamped copy of the approved Board letter to:

Department of Registrar-Recorder/County Clerk
Finance and Management Division
12400 Imperial Highway, Room 5115
Norwalk, CA 90650

Attention: Dushyant Bala, Contracts Manager
Email: dbala@rrcc.lacounty.gov

The Honorable Board of Supervisors
October 20, 2015
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Respectfully submitted,

DEAN C. LOGAN
Registrar-Recorder/County Clerk

DCL:RF:cp

Enclosure

c: Chief Executive Officer
County Counsel

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES

APPROVING THE DELEGATED AUTHORITY OF THE
REGISTRAR-RECORDER/COUNTY CLERK FOR THE APPLICATION AND
EXECUTION OF ANY AGREEMENTS WITH THE SECRETARY OF STATE
UNDER THE HELP AMERICA VOTE ACT (HAVA) OF 2002

WHEREAS, the United States Congress has appropriated funding for the Help America Vote Act of 2002; and

WHEREAS, the California Secretary of State has been delegated the responsibility for the administration of the Help America Vote Act of 2002 funds and establishing the necessary procedures for allocation of those funds; and

WHEREAS, said procedures established by the California Secretary of State requires Los Angeles County to certify by resolution, the approval of contracts before submission of said contracts to the California Secretary of State;

NOW, THEREFORE, BE IT RESOLVED that the County of Los Angeles Board of Supervisors:

1. Certifies that the County, through its Registrar-Recorder/County Clerk, understands the substantially similar funding application, and/or terms of the State standard agreement, including the assurances and certifications therein, which are attached and incorporated herein reference; and

2. Appoints the Registrar-Recorder/County Clerk, or designee, as agent to conduct all negotiations, prepare, and execute all documents, including but not limited to, application forms, State of California Standard Agreement with attachments, payment requests, which may be necessary for compliance with all federally mandated HAVA standards.

The foregoing resolution was on the day of _____, 2015 adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

PARTICK OGAWA,
Acting Executive Officer of the Board of
Supervisors of the County of Los Angeles

By: _____
Deputy

APPROVED AS TO FORM

MARY C. WICKHAM
Interim County Counsel

By: _____
VICKI KOZIKOUJEKIAN
Principal Deputy County Counsel

Once all reservations for two or fewer people have been confirmed, requests for additional trainees will be accommodated as space allows

County Funding Request:

<i>County:</i>		
<i>Contact person:</i>		
<i>Contact information:</i>		
<i>(phone) (email)</i>		
<i>Amount of funding requested:</i>		
<i>Description of anticipated activity</i>	<i>Anticipated expenditure</i>	<i>Target date for completion</i>

Note: The county elections official may change the use of funds, so long as the use still falls within the contract terms, without prior written notice to and approval from the Secretary of State.

AGREEMENT NUMBER 14G26118
REGISTRATION NUMBER

- This Agreement is entered into between the State Agency and the Contractor named below:
 STATE AGENCY'S NAME
Secretary of State
 CONTRACTOR'S NAME
Los Angeles County
- The term of this Agreement is: April 15, 2015 or upon approval by Dept. of General Services, if required, whichever is later **through** June 30, 2016
- The maximum amount of this Agreement is: \$231,533.61
 Two hundred thirty-one thousand five hundred thirty-three dollars and sixty-one cents
- The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Scope of Work	4 pages
Exhibit A-1 – Polling Place Accessibility Surveyor and Website Accessibility Training Schedules	1 page
Exhibit B – Budget Detail and Payment Provisions	4 pages
Exhibit C* – General Terms and Conditions	GTC 610
Check mark one item below as Exhibit D:	
<input checked="" type="checkbox"/> Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement)	3 pages
<input type="checkbox"/> Exhibit - D* Special Terms and Conditions	
Exhibit E – Additional Provisions	2 pages
Exhibit F – County Resolution	Page(s)
Exhibit G – Contractor HAVA Activity Report	1 pages

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR	California Department of General Services Use Only	
CONTRACTOR'S NAME <i>(if other than an individual, state whether a corporation, Los Angeles County)</i>		
BY <i>(Authorized Signature)</i> 		DATE SIGNED <i>(Do not type)</i>
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS 12400 Imperial Highway, 7th Floor Norwalk, CA 90650		
STATE OF CALIFORNIA		
AGENCY NAME Secretary of State		
BY <i>(Authorized Signature)</i> 	DATE SIGNED <i>(Do not type)</i>	
PRINTED NAME AND TITLE OF PERSON SIGNING Cindy Hanneman, Chief, Management Services		
ADDRESS 1500 11 th Street, Sacramento, CA 95814		

SCOPE OF WORK**A. NAME OF PROGRAM**

This program shall be known as "HAVA Polling Place Accessibility Training Program."

B. PURPOSE OF AGREEMENT

The purpose of this Agreement is to provide the County of Los Angeles ("County") with federal reimbursement funds ("HAVA funds"), CFDA Number 93.617, administered by the U. S. Department of Health and Human Services (DHHS), to assist in implementing HAVA Section 261, subject to the provisions of this Agreement and all requirements of state and federal law, regulations and procedures. The provisions of this Agreement are to be interpreted to further this purpose.

1. The program representatives during the term of Agreement will be:

For County: Dean Logan (562) 462-2716

For State: Todd Wallace (916) 657-2376

C. USES OF FUNDS**1. General Uses**

Provided that the County has notified the Secretary of State by March 27, 2015 of its intention to execute this contract, and further that at least one County employee or agent attends one of the regional training sessions sponsored by the Secretary of State as noted in Exhibit A-1, any funds received pursuant to this program shall be used by County only for one or more of the following purposes, except as otherwise provided below:

- 1) Reimbursement for travel expenses incurred after April 15, 2015, for staff to attend one of the Secretary of State training.
- 2) Reimbursement for staff salaries and benefits incurred after April 15, 2015, for accessibility surveys of polling places or for training staff to survey polling places.
- 3) Reimbursement for other expenses as provided below incurred after April 15, 2015, to make polling places, including the path of travel, entrances, exits, and voting areas of each polling facility, accessible to individuals with the full range of disabilities that enhance access and participation of individuals with the full range of disabilities in elections for Federal and State office, and to provide the same opportunity for access and participation (including privacy and independence) to individuals with the full range of disabilities as for other voters. For these purposes, items included on the following lists are presumed to be reimbursable, provided that their intended use is consistent with the General Uses set forth above. The county may perform activities identified as approved for reimbursement, or may contract for the performance of the activities. The Secretary of State shall be the sole determiner of whether an expenditure is consistent with the General Uses as set forth above. The Secretary of State will reimburse for the following items or activities, including taxes on purchased goods:
- 4) Reimbursement for funds expended after April 15, 2015, assessment supplies or equipment and supplies as needed, including any of the items listed below:

a. Assessing Accessibility

- 1) Tools to measure slope;
- 2) Tools to measure width, turning area, etc;
- 3) Calculators;
- 4) Survey kits;
- 5) Clipboards;
- 6) Tape measures;
- 7) Polling Place Inspectors/Surveyors;
- 8) Cameras;
- 9) Door pressure gauges;
- 10) Tablets used for conducting surveys¹.

b. Equipment and Activities to Improve Physical Accessibility

- 1) New accessible voting booths;
- 2) Retrofitting voting booths;
- 3) Tools or equipment to modify voting booths;
- 4) Retrofitting polling places for public buildings only, which must be a regularly used polling place;
- 5) Adapter "kits" or other materials to make a voting station accessible;
- 6) Signage (parking, directional, entrance, etc.);
- 7) Accessible tables;
- 8) Chairs (for seated voting);
- 9) Supports for accessibility signage;
- 10) Devices/Systems to alert poll workers that a voter is at the curb, door, or otherwise needs assistance;
- 11) Doorstops;
- 12) Lighting;
- 13) Low-vision pens;
- 14) Magnifying devices;
- 15) Mats or other materials to make the path of travel accessible;
- 16) Pen grips;
- 17) Temporary ramps (if wheel guides are not included, wheel guides may be purchased separately);
- 18) Temporary handrails;
- 19) Permanent handrails;
- 20) Threshold covers or mats;
- 21) Traffic cones or other materials to make parking temporarily accessible for voting;
- 22) Wedges;
- 23) Equipment for CD/DVD duplication;
- 24) Accessibility web site development costs;
- 25) Improving accessibility of web site.

c. Training Materials and Programs

- 1) Development, production, translation, and transcription into Braille of manuals, programs, posters, brochures, and other printed materials for training of poll workers or polling place inspectors;
- 2) Development, production, translation of video/DVD training materials;

¹ If the county proposes to use funds for this purpose, pre-approval by the Secretary of State is required. Further, county must adhere to requirements set forth in Exhibit E.

- 3) Equipment necessary to use videos/DVDs in training of poll workers or polling place inspectors;
- 4) Stipends to compensate a trainer to train county poll worker trainers on issues specific to accessibility;
- 5) Poll worker training that is specific to accessibility and in addition to pre-existing training, or a modification/improvement of pre-existing training;
- 6) Disability or accessibility experts to make presentations at poll worker trainings.

d. Educational and Informational Materials

- 1) Development, production, translation, and transcription into Braille or into audio or CD/DVD format, of printed materials to educate or inform voters concerning polling place and voting accessibility;
- 2) Public advertising of information on accessibility of polling places and voting;
- 3) Mailers to disseminate information on services for persons with disabilities;
- 4) Translation of existing materials related to accessibility into required languages;
- 5) Reformatting and re-printing materials into "large-type";
- 6) Readability analysis to simplify informational or instructional materials;
- 7) Development of accessibility materials for county web site, or construction of a county web site for the purpose of providing information to the public on accessibility, if one does not already exist or making a current site accessible.

Items Presumed to not be reimbursable:

The following is a partial list of items presumed to not be reimbursable and not inclusive of all items that are not reimbursable. The list is provided only for the purpose of providing guidance. The Secretary of State shall be the sole determiner of whether or not an expenditure is reimbursable.

- 1) Administrative costs;
- 2) Batteries;
- 3) Blackberries (hand held computers);
- 4) Braille business cards;
- 5) Cable TV;
- 6) Cassette players;
- 7) Cassette tapes (except those used for voter education);
- 8) Catering;
- 9) Computers;
- 10) Other office equipment, including but not limited to fax machines and copiers, unless prior approval has been obtained from the granting agency;
- 11) Office supplies, including but not limited to paper, pens and post-it notes;
- 12) Concrete paving for parking lots and spaces;
- 13) Concrete ramps;
- 14) DREs /other voting equipment (can be purchased with other HAVA funds);
- 15) Emergency exit signs;
- 16) Facility rental;
- 17) Permanent modifications or improvements to private or non-governmental structures, including, but not limited to private residences and places of worship;
- 18) Food;

- 19) Gas (except travel reimbursements²);
- 20) Gift bags, pins, buttons, shirts or other promotional items for poll workers, voters or County staff;
- 21) Invitations;
- 22) Laptops;
- 23) Tablet computers unless prior approval as a survey tool has been obtained from the granting agency;
- 23) Light bulbs;
- 24) Modifications to mobile voter education vehicle, unless that vehicle is used as a polling place;
- 25) Parking fees (except travel reimbursements for purposes listed in footnote 2)
- 26) Parking lot improvements;
- 27) Photographers;
- 28) Scanners;
- 29) Staff salaries of County employees not conducting one of the activities allowable;
- 30) Trailers;
- 31) Transportation to polling site;
- 32) Vehicles – purchase, rental, or operating expenses (except rental vehicles used for purposes listed in footnote 2)

If you have any questions about this polling place accessibility training grant, please feel free to contact Todd Wallace at (916) 657-2376 or Todd.Wallace@sos.ca.gov.

² Travel reimbursements for: election officials performing accessibility assessments; consultants advising election officials on accessibility issues, poll worker training, or voter education; or trainers conducting poll worker training, voter education, or outreach activities.

Polling Place Accessibility Surveyor Training Schedule

Northern Area Training Date & Time TBD

Hosted by: TBD

Location: TBD

Southern Area Training Date & Time TBD

Hosted by: TBD

Location: TBD

Website Accessibility Training Schedule

All Details TBD

If you have any questions about the training program or contract, please feel free to contact Todd Wallace at (916) 657-2376 or Todd.Wallace@sos.ca.gov.

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices submitted with supporting documentation, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.
- B. Invoices shall include the Agreement Number and shall be submitted in triplicate not more frequently than monthly in arrears to:

Office of Secretary of State
Attention: Accounts Payable
P.O. Box 944260
Sacramento, CA 94244-2600

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act, or a HAVA Spending Plan or Spending Plan amendment, of the current year and/or subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act, or by a HAVA Spending Plan or Spending Plan amendment, for purposes of this program, the State shall have the option to either cancel the Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. Federal Funds

- A. It is mutually understood between the parties that this contract may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds, to avoid program and fiscal delays that would occur if the contract were executed after that determination was made.
- B. This contract is valid and enforceable only if the United State Government for the fiscal years 2014/15 and 2015/16 for the purpose of this program makes sufficient funds available to the state. In addition, this contract is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this contract in any manner.
- C. The parties mutually agree that if the Congress does not appropriate sufficient funds for the program, this contract shall be amended to reflect any reduction in funds.
- D. The department has the option to **invalidate** the contract under the 30-day cancellation clause or to amend the contract to reflect any reduction in funds.

4. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in Government Code Chapter 4.5, commencing with Section 927.

5. Maximum Amount Of HAVA Funds To Be Provided To County Under This Program

County shall not receive, pursuant to Agreement, more than \$231,533.61 in the aggregate.

County will have authority to spend the full allocation, \$231,533.61, in this contract beginning on April 15, 2015. The full allocation, \$231,533.61, will be apportioned into "Amount 1" and "Amount 2". These amounts will expire at two separate times. The portion entitled "Amount 1" will expire on July 31, 2015. No portion of the remaining balance of "Amount 1" will be able to be carried over after July 31, 2015. The portion entitled "Amount 2" will not expire until the end of the contract on June 30, 2016.

Funding Description	Amount	Start Date	Expiration
Total Contract Amount (Amount 1 + Amount 2)	\$231,533.61		
Amount 1	\$133,515.61	April 15, 2015	July 31, 2015
Amount 2	\$98,018.00	April 15, 2015	June 30, 2016

6. Failure To Properly Claim Maximum Amount Of HAVA Funds

Notwithstanding any provision of Agreement, County shall be entitled to receive only those amounts for fully supported and appropriate claims which are properly submitted, pursuant to the provisions of Agreement and all applicable state and federal laws, regulations, and procedures.

7. Basis of Claims

Subject to the provisions related to the applicability of OMB Circular A-87, all claims for HAVA funds under this program must be based on invoices submitted by County. All invoices or agreements that are the subject of any claims must relate directly to expenditures authorized pursuant to Paragraph C ('Uses of Funds') of Exhibit A 'Scope of Work'.

8. Processing of Claims

The Secretary of State shall establish the criteria and processes for submitting claims under this program. Such criteria shall include requirements that all claims:

- (1) Contain a face sheet that summarizes each expenditure made by the categories set forth in Paragraph C of Exhibit A 'Scope of Work';
- (2) Include the total amount of the claim;
- (3) Include the agreement number on the face sheet;
- (4) Identify whether additional claims are expected to be submitted;
- (5) Include the hourly charge of any contractor for which a claim is made for their time;

- (6) Include the hourly wage or monthly salary of any employee for which a claim is made for their salaries;
- (7) Include signed Contractor HAVA Activity Reports, please see sample which is Exhibit G, for each employee and contractor's employee for whom reimbursement for time is being claimed. (Vendors who receive payment from HAVA funds are required to submit timesheets for any work paid for as time and materials); and
- (8) Include a copy of the contract with the contractor if the contractor's invoice does not describe the activities undertaken in such a manner that the State can determine whether the activities comply with the provisions of this Agreement.

9. Application Of OMB Circular A-87

OMB Circular A-87 ("Cost Principles for State, Local and Indian Tribal Governments"), incorporated herein by reference, to the extent applicable, shall govern with respect to all aspects of this program. The provisions of OMB Circular A-87 may be found at <http://www.whitehouse.gov/omb/circulars>.

10. Deadline For Processing Claims

The Secretary of State shall advise the County of the status of the claim processing within 30 (thirty) days of receipt of the claim.

At the end of state fiscal year 2014/15, a state Spending Plan amendment will be submitted by the Secretary of State office to shift available funds to fiscal year 2015/16. This amendment process may cause delays in processing claims received during this time.

11. Payments Of Claims

Payments made by the State with respect to any claim shall be sent directly by the State Controller's office to the County.

12. Deadline For Submitting Claims

Any claims using funds from "Amount 1" (see Exhibit B, Item 5) must be submitted by August 31, 2015.

Any claims using funds from "Amount 2" (see Exhibit B, Item 5) must be submitted by August 31, 2016.

13. Multiple Claims

County can submit multiple claims for HAVA funds authorized above, within the aggregate limit established for County.

14. Documentation To Be Submitted

Each claim shall include a cover page that identifies the activity or service in Exhibit A and the dollar amount associated with each activity or service for which funds are being sought. Each claim shall also include originals or true copies of all invoices, agreements, or other documentation that

support the claim, including all documentation required by OMB Circular A-87. The provisions of OMB Circular A-87 may be found at <http://www.whitehouse.gov/omb/circulars>.

15. Order Of Processing

Claims shall be processed by the Secretary of State in order of receipt.

16. Work Outside Of The Scope Of Work

Contractors are not permitted to perform work, or be paid for work, outside the documented scope of work. Changes to the scope of work must be approved before work is undertaken, and payment is made for any activities outside of the scope of work.

Sample

GENERAL TERMS AND CONDITIONS

PLEASE NOTE: This page will not be included with the final agreement. The General Terms and Conditions will be included in the agreement by reference to the Internet site below. From this page, select "Standard Contract Language" to access the current terms and conditions.

<http://www.ols.dgs.ca.gov/Standard+Language>

Sample

SPECIAL TERMS AND CONDITIONS**A. AUDITING**

1. Receipt of HAVA funds by a county indicates agreement to establish a dedicated HAVA account for these funds. Therefore, any payment received by County pursuant to this program shall be deposited in a separate, segregated account and any payment made by County related to this program shall be paid from that account whether or not the County has paid the vendors for services rendered before submitting invoices to the State.
2. Any recipient of federal funds to meet the Help America Vote Act requirements agrees to be audited pursuant to federal and state law. Accordingly, all documents and electronic files must be produced upon request by the auditors. CFDA Number for this contract is 93.617. The audit may include a review of all books, papers, accounts, documents, or other records of County as they relate to any HAVA funds. County shall also provide access to all employees having knowledge of the HAVA funds program to assist the auditor. County shall provide a copy of any document, paper, or electronic record requested by the auditor;
3. OMB Circular A-133 ("Audits of States, Local Governments, and Non-Profit Organizations"), and OMB Circular A-87, incorporated herein by reference, shall govern with respect to all aspects of this program. The provisions of these circulars may be found at <http://www.whitehouse.gov/omb/circulars>;
4. County shall maintain records in a manner that:
 - a. Accurately reflects fiscal transactions with necessary controls and safeguards;
 - b. Provides complete audit trails, based whenever possible on original documents (purchase orders, receipts, progress payments, invoices, timesheets, cancelled warrants, warrant numbers, etc.);
 - c. Provides accounting data so the costs can readily be determined throughout Agreement period.
5. Records shall be maintained for three years after expiration of Agreement and for at least one year following any audit or final disposition of any disputed audit finding;
6. If the final disposition of any disputed audit finding is determined to be a disallowed cost that the Secretary of State has paid the County, the County shall return to the Secretary of State an amount equal to the disallowance.
7. County shall permit periodic site visits by the Secretary of State or the Secretary of State's designee or designees to determine if any HAVA funds are being used or have been used in compliance with Agreement and all applicable laws;
8. Upon request, county shall report to the Secretary of State at least once every 90 (ninety) days until all funds received have been expended, on the status of HAVA funds received, in a manner determined by the Secretary of State.

B. GENERAL PROVISIONS

1. The program is conditioned on State receiving reimbursement from the federal government pursuant to HAVA Section 261, for federal fiscal years 2014 and 2015.
2. HAVA funds can only be used for the purposes for which the HAVA funds are made;
3. No portion of any HAVA funds shall be used for partisan political purposes. All contractors providing services are required to sign an agreement, please see Exhibit E Item 1, to abide by the Secretary of States' policy to refrain from engaging in political activities that call into question the impartiality of the Secretary of State's Office. County is to submit agreement signed by each employee of contractor's firm who worked for County pursuant to this Agreement with the County's first invoice.
4. The provisions of the federal *Hatch Act* shall apply to employees working for state and local entities receiving HAVA funds. The *Hatch Act* may be reviewed at <https://osc.gov/Pages/HatchAct.aspx>;
5. Any interest earned by County on money received pursuant to this Agreement must be reported in writing to the Secretary of State within 30 days of expiration of this Agreement. All interest must be used by the County for the purposes of implementing activities allowable under this Agreement;
6. Failure by any eligible County to execute a contract within 90 days of the date on which this contract is made available shall constitute an express desire to forego its use of the County's proportionate share of these funds, which may result in reallocation of that County's proportionate share of funds to other counties for the purposes provided under this contract.
7. Funds not claimed by County within 90 days of the end date of this contract, or any funds claimed by a county that are not approved for county use by the Secretary of State within 180 days of the end date of this contract, shall be reallocated to the Counties based on need and may only be used to meet Section 261 of HAVA;
8. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel Agreement with no liability occurring to the State, or offer an Agreement amendment to County to reflect any reduced amount;
9. Agreement is subject to any restrictions, limitations or conditions enacted or promulgated by the United States Government, or any agency thereof, that may affect the provisions, terms or funding of Agreement in any manner;
10. Pursuant to federal policy, Agreement may be terminated by the State with 30-day written notice to County;
11. County warrants by execution of Agreement, that no person or selling agency has been employed or retained to solicit or secure this contract upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by County for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this contract without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee;

12. Nothing contained in Agreement or otherwise, shall create any contractual relation between the State and any subcontractor or vendor, and no subcontractor shall relieve County of its responsibilities and obligations hereunder. County agrees to be as fully responsible to State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by County. County's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to County. As a result, State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor or vendor of County;
13. Pursuant to federal law, by signing this agreement or execution of this purchase order the Contractor certifies under the penalty of perjury that the contracting entity is not excluded or ineligible from federal assistance programs and thereby is not on the federal government's list of suspended or debarred entities.

Pursuant to federal law, as a component of the procurement process, the Contractor must review the federal government's list of debarred and suspended vendors and ensure no contract award is provided to a vendor on this list. This list may be viewed at www.epls.gov.

14. Upon request, county agrees to provide the Secretary of State with a summary report on its activities under this agreement following each election for which funds are expended that includes: the method used to determine the need for funding an eligible activity, including the reliance on an advisory committee or advisory groups, surveys or any other methodology used to assess the need for the eligible activity; the activity performed and funded; the amount of funding expended; the category or categories of need being met; and any performance metric or assessment of the quality of the activity, including unsolicited public comment, advisory committee or advisory group comment, public comment solicited through surveys and on-site assessments conducted by the County, its agents or others.

ADDITIONAL PROVISIONS1. Secretary Of State Policy Regarding Political Activity In The Workplace

SECRETARY OF STATE POLICY REGARDING POLITICAL ACTIVITY IN THE WORKPLACE

The Secretary of State is the state's chief elections officer. It is, therefore, imperative that staff in the Secretary of State's Office, and those who contract with the Secretary of State's Office, refrain from engaging in any political activity that might call into question the office's impartiality with respect to handling election issues. Accordingly, the policy of the Secretary of State's Office with respect to political activity in the workplace, a copy of which will be given to every employee in the Secretary of State's office and incorporated as an attachment to contracts with the Secretary of State's Office, is as follows:

1. No employee of or contractor with the Secretary of State's Office shall engage in political campaign-related activities on state-compensated or federal-compensated time, except as required by official duties, such as answering inquiries from the public. In those cases where the contractor with the Secretary of State's Office is a county, the term "contractor" shall apply only to county elections office employees, county employees redirected to work temporarily for the county elections office, or any person, firm, company or business that provides reimbursable election-related services to a county elections office in furtherance of a contract. This prohibition shall not apply while an employee is on approved vacation or approved annual leave. This prohibition shall not apply to activities engaged in during the personal time of an employee.
2. No employee of or contractor with the Secretary of State's Office shall use any state property in connection with political campaign activities. It is strictly prohibited to schedule political campaign-related meetings or to conduct political campaign-related meetings in state office space, even if after normal working hours.
3. No employee of or contractor with the Secretary of State's Office shall use his or her official status with the Secretary of State's Office to influence political campaign-related activities or to confer support for or indicate opposition to a candidate or measure at any level of government.
4. No employee of or contractor with the Secretary of State's Office may be involved with political campaign-related telephone calls, letters, meetings or other political campaign-related activities on state-compensated or federal-compensated time. Requests by employees to switch to alternative work schedules, such as 4-10-40 or 9-8-80 work weeks, or to take vacation in order to accommodate political campaign-related activities or to attend political campaign functions, will be judged in the same manner and on the same basis as any other requests of this nature (i.e., existing needs of the office and discretion of the division chiefs).
5. The receipt or delivery of political campaign contributions or photocopies thereof on state property is strictly prohibited, as is the use of office time or state resources (e.g., intra-office mail or fax machines) to solicit or transmit political campaign contributions.
6. No employee of or contractor with the Secretary of State's Office may authorize any person to use his or her affiliation with the Secretary of State's Office in an attempt to suggest that the employee's or contractor's support or opposition to a nomination or an election for office or a ballot measure is of an "official," as distinguished from private, character.
7. No employee of or contractor with the Secretary of State's Office may display political campaign-related buttons, posters, or similar materials in areas visible to individuals who are in public areas of the Secretary of State's Office; nor may an employee of or contractor with the Secretary of State's Office display political campaign-related posters or other materials on windows facing out of the state office building.

8. No employee of or contractor with the Secretary of State's Office may use official authority or influence for the purpose of interfering with or attempting to affect the results of an election or a nomination for any public office.
9. No employee of or contractor with the Secretary of State's Office may directly or indirectly coerce or solicit contributions from subordinates in support of or in opposition to an election or nomination for office or a ballot measure.
10. An employee who is paid either partially or fully with federal funds, including the Help America Vote Act of 2002 (HAVA), is subject to the provisions of the federal Hatch Act, and is, therefore, prohibited from being a candidate for public office in a partisan election, as defined in the federal Hatch Act. However, any employee who is to be paid either partially or fully with funds pursuant to HAVA, shall first be consulted about the proposed funding and be informed about the prohibitions of the federal Hatch Act. The employee, whenever possible, shall be given the opportunity to engage in employment that does not involve HAVA funding.
11. Provisions limiting participation in political campaign-related activities as provided for in this policy statement shall be included in every contract with the Secretary of State's Office.

2. Tablet Criteria

1. The software and device must be capable of accurately recording all data necessary to assess polling place accessibility (i.e., all portions of the statewide guidelines and checklist used for surveying for polling place accessibility).
2. The software and device must be capable of transferring all data collected during polling place surveys to a medium where results can be aggregated for purposes of comparing potential polling places, and for purposes of analyzing data at the site level and countywide.
3. The devices used for housing software to capture data must be used only for the purposes of assessing polling place accessibility with exclusive use safeguarded by appropriate inventory policies and controls.
4. Polling place specific (site-level) survey results and aggregate survey results must be publicly available upon request.
5. A report on the program must be produced prior to reimbursement approval that provides certain information, including:
 1. A description of the program.
 2. Cost of the program, including staff training costs and any costs for data storage (e.g., EMS modification)
 3. Amount of vendor support needed for the program's launch and the amount of ongoing support, if any
 4. Increased productivity of the program, if any, measured by staff time, ease of data recall and analysis, and other relevant factors
 5. Amount of additional ongoing support, if any, necessary to sustain the program (e.g., software licensing costs; upgrade costs; continued vendor support; device maintenance, etc.)

If you have questions concerning these restrictions, please refer them to the Secretary of State Office contact person listed on the contract in Exhibit A.



COUNTY OF LOS ANGELES DEPARTMENT OF HUMAN RESOURCES

HEADQUARTERS
579 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-2406 FAX (213) 621-0387

BRANCH OFFICE
3333 WILSHIRE BOULEVARD • LOS ANGELES, CALIFORNIA 90010
(213) 738-2211 FAX (213) 637-0820

LISA M. GARRETT
DIRECTOR OF PERSONNEL

October 14, 2015

To: Each Supervisor

From: Lisa M. Garrett 
Director of Personnel

Subject: **ADVANCE NOTIFICATION OF INTENT TO ENTER SOLE SOURCE
NEGOTIATIONS WITH SABA SOFTWARE, INC. FOR SOLE SOURCE
LEARNING MANAGEMENT SYSTEM UPGRADE SERVICES**

This is to advise the Board that the Department of Human Resources (DHR) intends to pursue negotiations and return to the Board within the next three months to request Board approval for a Sole Source Agreement with Saba Software, Inc. (SABA) for an Enterprise Learning Management System (LMS) Upgrade Project. Board Policy No. 5.100 requires at least four weeks prior written notice to the Board of a department's intent to commence contract negotiations for new contracts.

BACKGROUND

The LMS is a Countywide system of record for training. It is a web-based platform that distributes online learning, assesses job knowledge and skills, and tracks compliance with mandatory training (e.g., Sexual Harassment Prevention, Health Insurance Portability and Accountability Act, Computer Security Awareness, and Disaster Service Worker). LMS was implemented in October 2006 and last upgraded in November 2009. The County LMS software version has reached end of support and now faces issues that can only be resolved by upgrading to a newer version. These issues include, but not limited to:

- False Positives – inaccurate recording of training completions;
- No Failover – network interruptions or system crashes may require that students completely restart an online course; and
- No Simple Search – course searches require multiple steps over two screens.

JUSTIFICATION

DHR will be negotiating and seeking Board approval for LMS Upgrade Project by SABA to address these system issues. Key benefits of upgrading to the newest version of software are:

- Mobile learning support;
- Expanded reporting tools;
- Ability to integrate with free learning resources (e.g., Khan Academy); and
- Ability to use the latest versions of common Internet browsers (i.e., Internet Explorer, Google Chrome, Mozilla FireFox, and Apple Safari).

Utilizing SABA's expert knowledge of the software, coupled with their previous experience on the current County installation, it is expected to lead to a streamlined, cost-effective upgrade. License costs will not be part of the negotiations; the County purchased an enterprise license and maintenance agreement with Saba Software in October 2006. The negotiations will focus on obtaining the services required to conduct the software implementation and the specification of any new hardware necessary for the upgrade.

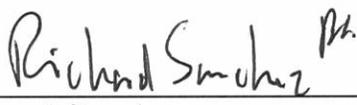
CLOSING

Consistent with the Board policy, DHR will commence negotiations with SABA Software four weeks after this notification is received by the Board. Should you have any questions, please contact me at (213) 974-2406 or your staff may contact Murtaza Masood, Departmental Chief Information Officer, DHR, at (213) 974-2302.

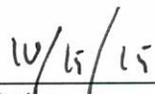
LMG:EP
MM:JJ:LW:gr

c: Chief Executive Office
County Counsel
Chief Information Office

REVIEWED BY:



Richard Sanchez
Chief Information Officer



Date

November 10, 2015

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:

**AUTHORIZE THE TREASURER AND TAX COLLECTOR
TO EXECUTE AGREEMENT WITH
THE STATE BOARD OF EQUALIZATION FOR IMPLEMENTATION OF
THE LOCAL PREPAID MOBILE TELEPHONY SERVICES COLLECTION ACT
(ALL DISTRICTS) (3-VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the Resolution Authorizing the Treasurer and Tax Collector to Execute an Agreement with the State Board of Equalization for Implementation of the Local Prepaid Mobile Telephony Services Collection Act.
2. Approve the Certification of the County's Utility User Tax rate and ordinance.
3. Instruct the Treasurer and Tax Collector to execute the Agreement for State Collection and Administration of Local Charges.

BACKGROUND

Traditionally, the County's utility users tax (UUT) is collected by telecommunications service providers who include the charge on their customers' monthly bills. The telecommunications service providers then remit the UUT paid by the customers to the Treasurer and Tax Collector, who is the Tax Administrator under the County's UUT ordinance.

Under existing law, the State Office of Emergency Services annually determines an amount sufficient to fund "911" emergency telephone systems costs. The telecommunications service providers collect these fees from their customers and remit these fees to the California State Board of Equalization (BOE).

In addition, existing law establishes the state's telecommunications universal services programs and authorizes the Public Utilities Commission (PUC) to impose charges for the purpose of funding those programs. The PUC has established 6 end-user surcharges to fund 6 universal services programs. The telecommunications service providers collect these surcharges from their customers and remit these funds to the PUC.

In contrast, customers who purchase prepaid mobile services usually avoid paying the above noted UUT, fees, and surcharges due to collection complications. With prepaid mobile service, there is no mandatory contract, no monthly invoice, and the prepaid mobile services are usually sold by retailers who traditionally have not been required to collect UUT, fees and surcharges. It is estimated that approximately 70% of all prepaid mobile services are sold by retailers.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

AB 1717, effective on January 1, 2016, creates a statewide program to collect emergency and local access charges through the establishment of a prepaid Mobile Telephony Services (MTS) surcharge to be administered by the BOE. The prepaid MTS surcharge will replace the various existing surcharges, and incorporate the "911" emergency telephone users surcharge and the PUC surcharges. The County does not collect emergency or local access charges; therefore, the establishment of a prepaid MTS surcharge has no impact on the County.

In addition, AB 1717 suspends the city's and county's authority to impose UUT on the consumption of prepaid mobile services at the rate specified in the local ordinance, and instead requires the UUT to be applied at tiered rates established in the statute. The County's UUT rate is 4.5%. AB 1717 states that for a local jurisdiction that has adopted a UUT rate of 4.5% to 5.5%, the rate shall be 4.5%. Accordingly, there is no impact to the County's UUT rate.

AB 1717 also grants the BOE with the responsibility for administration and collection of the MTS surcharge and local UUT on retail sales of prepaid mobile services made by "sellers." A "seller" is someone, other than a prepaid mobile service provider, who sells prepaid mobile service to a person in a retail sale. Beginning January 1, 2016, California retailers and on-line sellers will be required to collect the prepaid MTS surcharges and local UUT at the same time they collect sales tax on prepaid mobile service products, based at the "point of sale" for retail stores, or based on "known address" of the consumer for online sellers. The retailers and on-line sellers may retain 2% of the prepaid MTS surcharge and UUT, and remit the remaining amounts to the BOE on a quarterly basis. The BOE will withhold amounts to reimburse itself for expenses incurred in the administration and collection of local charges. The BOE will remit the remaining local UUT to the local jurisdiction on a quarterly basis, and furnish a quarterly statement.

In contrast, "direct sellers," or prepaid mobile service providers, who sell prepaid mobile service directly to a consumer for any purpose other than resale, will continue to collect and remit the UUT for these sales directly to the County. There are no anticipated changes to collection applicable to this existing population of UUT remitters.

Under this new law, all local jurisdictions must contract with the BOE in order to receive UUT imposed on retail sales of prepaid mobile services. The BOE requires an executed agreement in order to begin collecting the County's UUT on retail sales. In addition, the local jurisdiction must certify its UUT rate and that its UUT ordinance applies to prepaid mobile services.

Accordingly, the TTC is recommending that your Board:

1. Adopt the Resolution Authorizing the Treasurer and Tax Collector to Execute an Agreement with the State Board of Equalization for Implementation of the Local Prepaid Mobile Telephony Services Collection Act.
2. Approve the Certification of the County's Utility User Tax rate and ordinance.
3. Instruct the Treasurer and Tax Collector to execute the Agreement for State Collection and Administration of Local Charges.

The BOE has informed us that if the County submitted this information prior to December 1, 2015, the next quarterly cut-off for submission, the BOE will begin new collections based on these agreements on April 1, 2016.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This action supports the Countywide Strategic Plan Goal of Operational Effectiveness/Fiscal Sustainability.

FISCAL IMPACT/FINANCING

The County's current UUT rate is 4.5%, and, in regards to telecommunications services, is imposed on all bills issued to a billing or service address in the unincorporated areas of the County. Beginning on April 1, 2016, pending timely receipt of the executed documents, the BOE will collect the County's UUT from retailers and on-line sellers located, or conducting business in, the unincorporated areas of the County. The retailers and on-line sellers will retain 2% of the UUT, and remit the remaining to the BOE. The BOE will net its administrative costs, and report and remit the difference to the County on a quarterly basis. The increase to revenue is currently undetermined as there is no previous UUT history on retailers or on-line sellers in the unincorporated areas of the County.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

AB 1717 amended provisions of Sections 431 and 319 of the Public Utilities Code, and Sections 41020, 41030, 41033, Part 21 (commencing with Section 42001) and Part 21.1 (commencing with Section 42100) of the Revenue and Taxation Code relating to telecommunications. AB 1717 is effective January 1, 2016. These provisions will be repealed on January 1, 2020, unless extended later by statute.

AB 1717 does not affect the tax rate in the County's UUT ordinance approved by the voters of the County in 2012, which will remain the same at 4.5%. Also, by requiring the County to contract with BOE for the collection of UUT for retail and online sales of prepaid mobile services at the point of sale, the BOE will assume a collection function that the County performed under the UUT ordinance.

IMPACT ON CURRENT SERVICES

There is no impact on current services.

Respectfully submitted,

JOSEPH KELLY
Treasurer and Tax Collector

JK:NI:rkl

Attachments

c: Chief Executive Officer
Acting Executive Officer, Board of Supervisors
Interim County Counsel
Auditor-Controller

**A RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF LOS ANGELES
AUTHORIZING THE TREASURER AND TAX COLLECTOR TO EXECUTE
AGREEMENT WITH THE STATE BOARD OF EQUALIZATION FOR
IMPLEMENTATION OF THE
LOCAL PREPAID MOBILE TELEPHONY SERVICES COLLECTION ACT, AND
TO PERMIT THE TREASURER AND TAX COLLECTOR TO EXAMINE THE
RECORDS OF THE STATE BOARD OF EQUALIZATION**

WHEREAS, on September 1, 2015, the Treasurer and Tax Collector, on behalf of the County of Los Angeles certified that Ordinance No. 2008-0072 applies its local charge for utility user tax to prepaid mobile telephony services; and

WHEREAS, the Local Prepaid Mobile Telephony Services Collection Act mandates the Board of Equalization (BOE) to administer and collect the local charges for all applicable local jurisdictions (Rev. & Tax Code Section 42103); and

WHEREAS, the BOE will perform all functions incident to administration and collection of the local charges for the County of Los Angeles; and

WHEREAS, the BOE requires that the Board of Supervisors of the County of Los Angeles enter into an "Agreement for State Collection and Administration of Local Charges" prior to implementation of the Local Prepaid Mobile Telephony Services Collection Act, and

WHEREAS, the BOE requires that the Board of Supervisors of the County of Los Angeles authorize the agreement; and

WHEREAS, the BOE shall permit the Treasurer and Tax Collector or his designee, to examine any information for the County of Los Angeles that is reasonably available to the BOE regarding the proper collection and remittance of a local charge of the County of Los Angeles by a seller, subject to the confidentiality requirements of Sections 7284.6, 7284.7 and 19542. (Sections 42110(b), 42103(e)).

NOW, THEREFORE BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles, that the attached "Agreement for State Collection and Administration of Local Charges" is hereby approved and the Treasurer and Tax Collector is hereby authorized to execute the agreement.

AND, BE IT FURTHER RESOLVED, that the Treasurer and Tax Collector or his designee, is permitted to examine any information for the County of Los Angeles that is reasonably available to the BOE regarding the proper collection and remittance of a local charge of the County of Los Angeles.

The foregoing resolution was on the ____ day of November 2015, adopted by the Board of Supervisors of the County of Los Angeles.

PATRICK OGAWA
Acting Executive Officer,
Board of Supervisors of
the County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM

MARY C. WICKHAM
Interim County Counsel

By _____
Deputy County Counsel

DRAFT

CERTIFICATION

I, JOSEPH KELLY, Los Angeles County Treasurer and Tax Collector, as Tax Administrator of the County of Los Angeles' Utility User Tax Ordinance, am authorized to sign this certification on behalf of the COUNTY OF LOS ANGELES.

I certify to the following:

Please check all the following that apply to your jurisdiction:

- 1. 911 Charges/Access to Communication Services – Ordinance No. _____ of the _____ imposes the local charge set forth in the ordinance to prepaid mobile telephony services for access to communication services or to local 911 emergency telephone systems. As required by section 42102.5, the percentage reflecting the rate for access to the local 911 emergency telephone systems or access to communications services is _____.
- 2. Utility User Tax – Ordinance No. 2008-0072 of the COUNTY OF LOS ANGELES imposes the local charge set forth in the ordinance to the consumption of prepaid mobile telephony services. The tiered rate for the utility user tax, as identified in section 42102 is 4.5%.
- 3. The COUNTY OF LOS ANGELES agrees to indemnify and to hold harmless the Board of Equalization (Board), its officers, agents, and employees for any and all liability for damages that may result from the Board's collection pursuant to this agreement.

Executed in the COUNTY OF LOS ANGELES on _____.

Signature _____

Printed Name JOSEPH KELLY

Title of Person TREASURER AND TAX COLLECTOR

**AGREEMENT FOR STATE COLLECTION AND ADMINISTRATION OF
LOCAL CHARGES**

This Agreement is for the purpose of implementing the Local Prepaid Mobile Telephony Services Collection Act (Part 21.1, commencing with Section 42100) of Division 2 of the Revenue and Taxation Code), hereinafter referred to as the Local Charge Act. The County of Los Angeles Insert name of local jurisdiction and the State Board of Equalization, hereinafter called the Board, do agree as follows:

**ARTICLE I
DEFINITIONS**

Unless the context requires otherwise, wherever the following terms appear in this Agreement they shall be interpreted to mean the following:

A. “Administrative Expenses” means all expenses incurred by the Board in the administration and collection of the local charges, including preparation and wind down costs which are reimbursable to the Board from the revenues collected by the Board on behalf of the local jurisdiction.

B. “Contingent Fee” includes, but is not limited to, a fee that is based on a percentage of the tax liability reported on a return, a fee that is based on a percentage of the taxes owed, or a fee that depends on the specific tax result attained.

C. “Direct Seller” means a prepaid Mobile Telephony Service (MTS) provider or service supplier, as defined in Section 41007, that makes a sale of prepaid mobile telephony services directly to a prepaid consumer for any purpose other than resale in the regular course of business. A direct seller includes, but is not limited to, a telephone corporation, a person that provides an interconnected Voice over Internet Protocol (VoIP) service, and a retailer as described in Section 42004(b)(1).

D. “Local Charges” means a utility user tax imposed on the consumption of prepaid mobile telephony services, as described in Section 42102, and charges for access to communication services or to local “911” emergency telephone systems imposed by a local jurisdiction, as described in Section 42102.5.

E. “Local Jurisdiction” or “local agency” means a city, county, or city and county, which includes a charter city, county, or city and county of this State, which has adopted an ordinance imposing a local charge of the kind described in Part 21.1 of Division 2 of the Revenue and Taxation Code and has entered into a contract with the Board to perform all functions incident to the collection of the local charges.

F. “Ordinance” means an ordinance of a local jurisdiction imposing a local charge, including any local enactment relating to the filing of a refund or a claim arising under the ordinance, attached hereto, as amended from time to time.

G. “Quarterly local charges” means the total amount of local charges transmitted by the Board to a local jurisdiction for a calendar quarter, as set forth in Section 42106(a)(1).

H. “Refund” means the amount of local charges deducted by the Board from a local jurisdiction’s quarterly local charges in order to pay that jurisdiction’s share of a local charge refund due to one taxpayer.

I. “Section” – all Section references are to the Revenue and Taxation Code.

J. “Seller” means a person that sells prepaid mobile telephony service to a person in a retail transaction.

ARTICLE II BOARD ADMINISTRATION AND COLLECTION OF LOCAL CHARGES

A. Administration. The Board and the local jurisdiction agree that the Board shall perform functions incident to the collection of the local charges from sellers that are not direct sellers.

B. Collection. The Board shall collect the local charges in the same manner as it collects the prepaid MTS Surcharge in the Prepaid Mobile Telephony Services Surcharge Collection Act, subject to specified limitations in the Local Charge Act for which the local jurisdiction is responsible, as set forth in Article III of this Agreement.

C. Audits. The Board’s audit duties shall be limited to verification that the seller that is not a direct seller complied with the Local Charge Act.

D. Other applicable laws. The Board and the local jurisdiction agree that all provisions of law applicable to the administration and operation of the Local Charge Act, Prepaid Mobile Telephony Services Surcharge Collection Act, and the Fee Collection Procedures Law (FCPL) shall be applicable to the collection of local charges. References in the FCPL to feepayer include a person required to pay the local charge, including the seller. All future amendments to applicable laws are automatically incorporated into this Agreement.

E. Deposit of Local Charges. All local charges collected by the Board shall be deposited in the Local Charges for Prepaid Mobile Telephony Services Fund in the State Treasury to be held in trust for the local taxing jurisdiction. Local charges shall consist of all taxes, charges, interest, penalties, and other amounts collected and paid to the Board, less payments for refunds and reimbursement to the Board for expenses incurred in the administration and collection of the local charges, including preparation and wind-down costs.

F. Allocation of Expenses. The Board shall allocate the total combined annual expenses incurred for administration and collection pursuant to the Prepaid Mobile Telephony Services Surcharge Collection Act and the Local Charge Act on a pro rata basis according to revenues collected for: (1) the emergency telephone users surcharge portion of the prepaid MTS surcharge, (2) the Public Utilities Commission surcharges

portion of the prepaid MTS surcharge, and (3) local charges. The Board shall charge a local jurisdiction its pro rata share of the Board's cost of collection and administration.

G. Transmittal of money. All local charges collected by the Board shall be transmitted to the local jurisdiction once in each calendar quarter. Transmittals may be made by mail or by deposit to the account of the local jurisdiction in a bank designated by that jurisdiction. The Board shall furnish a statement quarterly indicating the amounts paid and withheld for expenses of the Board.

H. Rules. The Board shall prescribe and adopt such rules and regulations as in its judgment are necessary or desirable for the administration and collection of local charges and the distribution of the local charges collected.

I. Security. The Board agrees that any security which it hereafter requires to be furnished under the FCPL Section 55022 will be upon such terms that it also will be available for the payment of the claims of the local jurisdiction for local taxes owing to it as its interest appears. The Board shall not be required to change the terms of any security now held by it, and the local jurisdiction shall not participate in any security now held by the Board.

J. Records of the Board.

1. Information obtained by the local jurisdiction from the examination of the Board's records shall be used by the local jurisdiction only for purposes related to the collection of the prepaid mobile telephony services surcharge and local charges by the Board pursuant to this Agreement.

2. When requested by resolution of the legislative body of a local jurisdiction, the Board shall permit any duly authorized officer or employee or other person designated by that resolution to examine any information for its own jurisdiction that is reasonably available to the Board regarding the proper collection and remittance of a local charge of the local jurisdiction by a seller, including a direct seller, subject to the confidentiality requirements of Sections 7284.6, 7284.7 and 19542. (Sections 42110(b), 42103(e)).

3. The resolution of the local jurisdiction shall certify that any person designated by the resolution, other than an officer and an employee, meets all of the following conditions:

- a. Has an existing contract with the local jurisdiction that authorizes the person to examine the prepaid MTS surcharge and local charge records.
- b. Is required by that contract with the local jurisdiction to disclose information contained in or derived from, those records only to an officer or employee of the local jurisdiction authorized by the resolution to examine the information.
- c. Is prohibited by that contract from performing consulting services for a seller during the term of that contract.
- d. Is prohibited by that contract from retaining information contained in, or derived from, those prepaid MTS surcharge and local charge records, after that contract has expired.

4. Any third party contract between the local jurisdiction and an entity or person authorized by the local jurisdiction to request information from the Board shall be subject to the following limitations:

a. Any third party shall, to the same extent as the Board, be subject to Section 55381, relating to unlawful disclosures.

b. A third party contract shall not provide, in whole or in part, in any manner a contingent fee arrangement as payment for services rendered.

5. Information obtained by examination of Board records shall be used only for purposes related to the collection of the prepaid MTS surcharge and local charges by the board pursuant to the contract, or for purposes related to other governmental functions of the local jurisdiction set forth in the resolution.

6. If the Board believes that any information obtained from the Board's records related to the collection of the prepaid MTS surcharge and local charges has been disclosed to any person not authorized or designated by the resolution of the local jurisdiction, or has been used for purposes not permitted by Section 42110(b), the board may impose conditions on access to its local charge records that the board considers reasonable, in order to protect the confidentiality of those records. (Section 42110 (c)).

7. The costs incurred by the Board in complying with a request for information shall be deducted by the Board from those revenues collected by the Board on behalf of the local jurisdiction making the request, as authorized by Section 42110(b)(1).

ARTICLE III LOCAL JURISDICTION ADMINISTRATION AND RESPONSIBILITIES

A. The local jurisdictions shall be solely responsible for all of the following:

1. Defending any claim regarding the validity of the ordinance in its application to prepaid mobile telephony service. The claim shall be processed in accordance with the provisions of the local ordinance that allows the claim to be filed.

2. Interpreting any provision of the ordinance, except to the extent specifically superseded by Section 42105 of the Local Charge Act. The claim shall be processed in accordance with the provisions of the local enactment that allows the claim to be filed.

3. Responding to specified consumer claims for refund involving: (1) rebutting the presumed location of the retail transaction; (2) a consumer claim of exemption from the local charge under the ordinance; or (3) any action or claim challenging the validity of a local tax ordinance, in whole or part. The claim shall be processed in accordance with the provisions of the local enactment that allows the claim to be filed.

4. Refunding the taxes in the event a local jurisdiction or local government is ordered to refund the tax under the local ordinance.

5. Reallocating local charges as a result of correcting errors relating to the location of the point of sale of a seller or the known address of a consumer, for up to two past quarters from the date of knowledge.

6. Collecting local charges on prepaid mobile telephony service and access to communication services or access to local 911 emergency telephone systems imposed on direct sellers.

7. Enforcement, including audits, of the collection and remittance of local charges by direct sellers pursuant to the ordinance.

8. The local jurisdiction shall be the sole necessary party defendant on whose behalf the local charge is collected in any action seeking to enjoin collection of a local charge by a seller, in any action seeking declaratory relief concerning a local charge, in any action seeking a refund of a local charge, or in any action seeking to otherwise invalidate a local charge. There shall be no recovery from the State for the imposition of any unconstitutional or otherwise invalid local charge that is collected under the Local Act.

9. Entering into an agreement with the Board to perform the functions incident to the collection of the local charges imposed on sellers that are not direct sellers.

10. Submitting an executed Certification to the Board, certifying that:

(a) the local jurisdiction's ordinance applies the local charge to prepaid mobile telephony services;

(b) the amount of the rate charged for access to local 911 emergency telephone systems or access to communications services complies with the requirements of Section 42102.5; and/or applies the tiered rate for the utility user tax, as identified in Section 42102.

(c) The local jurisdiction shall further certify that it agrees to indemnify and to hold harmless the Board, its officers, agents, and employees for any and all liability for damages that may result from the Board's collection pursuant to this Agreement.

11. Submitting signed documents to the Board to include agreement(s), certification, copy of ordinance(s), and resolution(s).

12. Providing payment to the Board of the local jurisdiction's pro rata share of the Board's cost of collection and administration as established pursuant to subdivision (e) of Section 42020.

ARTICLE IV LOCAL CHARGES

A. Local Charges – Timeliness – This part shall remain in effect until proposed California Code of Regulations, title 18, Section 2460 is adopted by the Board and approved by the Office of Administrative Law.

1. Ordinances in effect as of September 1, 2015.

On or after January 1, 2016, a local charge imposed by a local jurisdiction on prepaid mobile telephony services shall be collected from the prepaid consumer by a seller at the same time and in the same manner as the prepaid MTS surcharge is collected under Part 21 (commencing with Section 42001) provided that, on or before September 1, 2015, the local jurisdiction enters into a contract with the Board pursuant to Section 42101.5. Thereafter, all subsequently enacted local charges, increases to local charges, or other changes thereto, shall become operative pursuant to paragraphs (2), (3), and (4).

2. New charges. When a local jurisdiction adopts a new local charge after September 1, 2015, the local jurisdiction shall enter into a contract with the Board, pursuant to Section 42101.5, on or before December 1st, with collection of the local charge to commence April 1st of the next calendar year.

3. **Increases in local charges.** When a local jurisdiction increases an existing local charge after September 1, 2015, the local jurisdiction shall provide the Board written notice of the increase, on or before December 1st, with collection of the local charge to commence April 1st of the next calendar year.

4. **Inaccurate rate posted on the Board’s website.** When a local jurisdiction notifies the Board in writing that the rate posted on the Board’s Internet Web site (posted rate) for a local charge imposed by that local jurisdiction is inaccurate, including scenarios where the local charge was reduced or eliminated, the recalculated rate applicable to the local jurisdiction shall become operative on the first day of the calendar quarter commencing more than 60 days from the date the Board receives the local jurisdiction’s written notification that the posted rate is inaccurate.

A. Local Charges – Timeliness – This part shall take effect and supersede the above “Local Charges – Timeliness Section when California Code of Regulations, title 18, Section 2460 is adopted by the Board and approved by the Office of Administrative Law.

1. Ordinances in effect as of September 1, 2015. On or after January 1, 2016, a local charge imposed by a local jurisdiction on prepaid mobile telephony services shall be collected from the prepaid consumer by a seller at the same time and in the same manner as the prepaid MTS surcharge is collected under Part 21 (commencing with Section 42001) provided that, on or before September 1, 2015, the local jurisdiction enters into a contract with the Board pursuant to Section 42101.5.

In the event a local jurisdiction does not enter into a contract with the Board by September 1, 2015, the local jurisdiction may enter into a contract with the Board, pursuant to Section 42101.5, on or before December 1st, with collection of the local charge to commence April 1st of the next calendar year. Thereafter, all subsequently

enacted local charges, increases to local charges, or other changes thereto, shall become operative pursuant to paragraphs (2), (3), (4) and (5) of this subdivision.

2. New charges. When a local jurisdiction adopts a new local charge after September 1, 2015, the local jurisdiction shall enter into a contract with the Board, pursuant to Section 42101.5, on or before December 1st, with collection of the local charge to commence April 1st of the next calendar year.

3. Increases in local charges. When a local jurisdiction increases an existing local charge after September 1, 2015, the local jurisdiction shall provide the Board written notice of the increase, on or before December 1st, with collection of the local charge to commence April 1st of the next calendar year.

4. Advance written notification. When a local charge is about to expire or decrease in rate, the local jurisdiction imposing the local charge shall notify the Board in writing of the upcoming change, not less than 110 days prior to the date the local charge is scheduled to expire or decrease. The change shall become operative on the first day of the calendar quarter commencing after the specified date of expiration or decrease in rate.

If advance written notice is provided less than 110 days prior to the specified date of expiration or decrease in rate, the change shall become operative on the first day of the calendar quarter commencing more than 60 days after the specified date of expiration or decrease.

5. Inaccurate Rate Posted on the Board's Web site. When a local jurisdiction notifies the Board in writing that the rate posted on the Board's Internet Web site (posted rate) for a local charge imposed by that local jurisdiction is inaccurate, including scenarios where the local charge was reduced or eliminated and the local jurisdiction failed to provide advance written notice pursuant to paragraph 4 of this subdivision, the recalculated rate applicable to the local jurisdiction shall become operative on the first day of the calendar quarter commencing more than 60 days from the date the Board receives the local jurisdiction's written notification that the posted rate is inaccurate. The local jurisdiction shall promptly notify the Board in writing of any such discrepancies with the posted rate that are known or discovered by the local jurisdiction.

ARTICLE V COMPENSATION

The local jurisdiction agrees to pay the Board its pro rata share of the Board's cost of collection and administration of the local charges, as established pursuant to Section 42020, subdivision (e). Such amounts shall be deducted from the local charges collected by the Board for the local jurisdiction.

ARTICLE VI MISCELLANEOUS PROVISIONS

A. Communications. Communications and notices may be sent by first-class United States Mail. A notification is complete when deposited in the mail. Communications and notices to be sent to the Board shall be addressed to:

State Board of Equalization
P.O. Box 942879 MIC: 27
Sacramento, California 94279-0001

Attention: Supervisor,
Local Revenue Allocation Unit

Communications and notices to be sent to the local jurisdiction shall be addressed to:

Ms. Nai-len Ishikawa
Assistant Treasurer and Tax Collector
Los Angeles County Treasurer and Tax Collector
500 West Temple Street, Room 462
Los Angeles, CA 90012

B. Term. The date of this Agreement is the date on which it is approved by the Department of General Services. The Agreement shall take effect on the first day of the calendar quarter next succeeding the date of such approval, but in no case before the operative date of the local jurisdiction's ordinance, nor on a day other than the first day of a calendar quarter. This Agreement shall be renewed automatically from year to year until January 1, 2020, when the Local Charge Act is repealed, unless a statute enacted prior to that date extends that date. In such event, this Agreement will continue to renew automatically from year to year to the date authorized by statute.

STATE BOARD OF EQUALIZATION

By _____
Administrator,
Return Analysis and Allocation Section

COUNTY OF LOS ANGELES

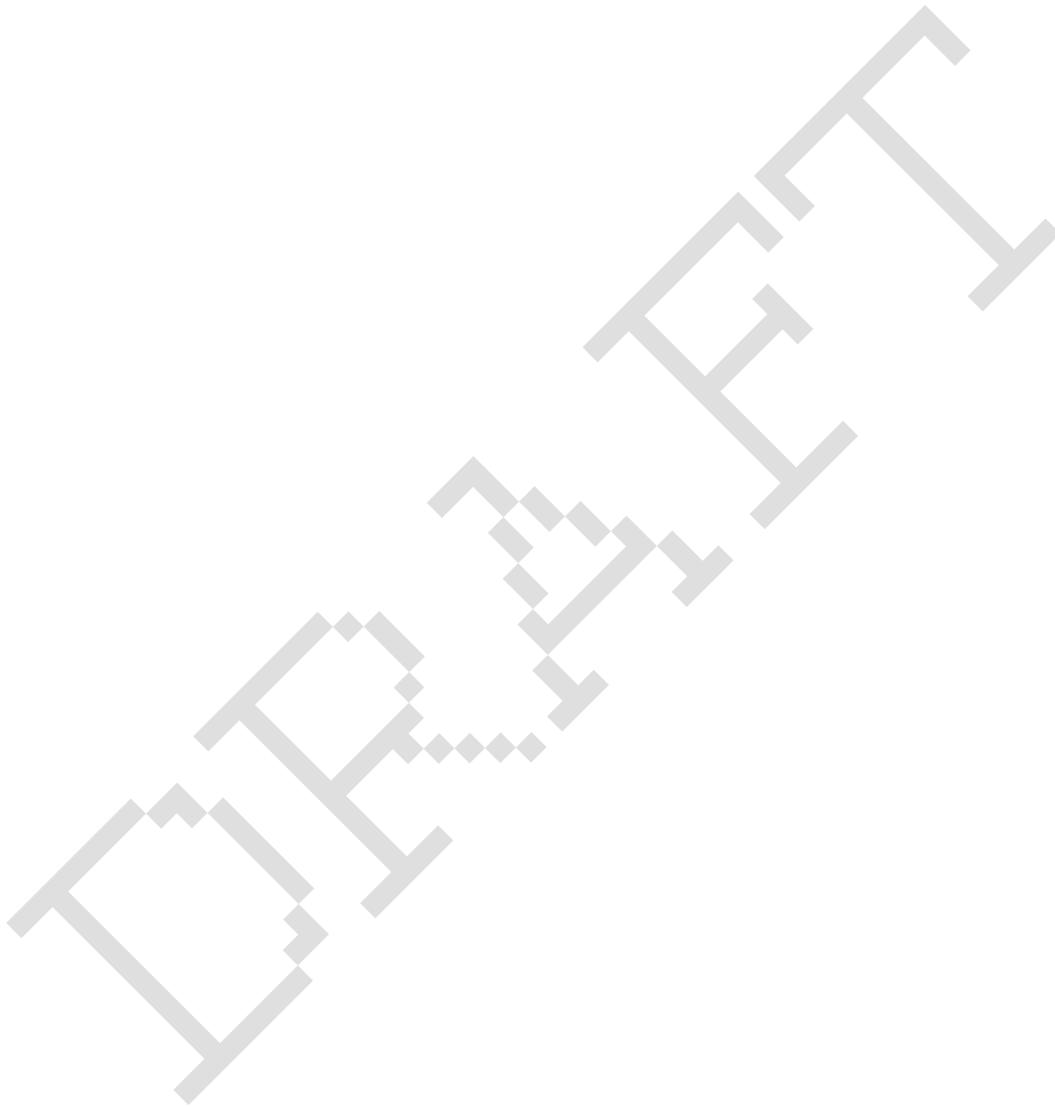
By _____
(Signature on this line)

(Type name here)

Joseph Kelly

(Type title here)

Treasurer and Tax Collector





JIM JONES
Director

County of Los Angeles
INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

Telephone: (323) 267-2101
FAX: (323) 264-7135

"To enrich lives through effective and caring service"

November 10, 2015

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:

**EXECUTE NEW/REPLACEMENT AGREEMENTS WITH
THE LOS ANGELES DEPARTMENT OF WATER & POWER
FOR THE COUNTY TO CONTINUE RECEIVING "CREDITS" FOR
ELECTRICITY CONTRIBUTED TO THE GRID FOR FIVE MORE YEARS
BY OPERATION OF THE CIVIC CENTER COGENERATION PLANT
(3 VOTES - ALL DISTRICTS)**

SUBJECT

The County's Internal Services Department (ISD), as the Cogeneration Plant operator and administrator, seeks delegated authority to finalize, approve, and execute new/replacement agreements with the Los Angeles Department of Water & Power (LADWP) to continue receiving "credits" for electricity contributed to the grid by the Civic Center Cogeneration Plant to the LADWP Electric System.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Delegate authority to the Director of Internal Services Department (ISD) or his designee to finalize, approve, and execute the following agreements, in a form identical or substantially similar to the attachments hereto:
 - a. *County of Los Angeles – Department of Water and Power Electrical Service Agreement* (the "Rate Agreement" – Attachment 1);
 - b. *Agreement to Terminate LA Civic Center Parallel Generation Interconnection Agreement No. 10411* (the "Termination Agreement" – Attachment 2); and
 - c. *Standard Offer for Self-Generation Interconnection Agreements / County of Los Angeles – LADWP Customer Generation Interconnection Agreement* (the "Interconnection Agreement" – Attachment 3).

2. Delegate authority to the Director of ISD or his designee to approve and execute any time extensions, modifications, or amendments to the New Cogen Agreements, so long as such are cost neutral or beneficial to the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The Civic Center Cogeneration Plant (Cogen Plant), located at 301 North Broadway in downtown Los Angeles, produces process steam used to provide heating and cooling for a variety of County-owned and other buildings in downtown Los Angeles (Hall of Administration, Hall of Records, Hall of Justice, Criminal Courthouse, Superior Courthouse, Music Center, Catholic Archdiocese, Law Library, Disney Concert Hall). As a by-product of this steam-building heating process, the Cogen Plant produces electricity that is delivered to the LADWP electric system.

Under an existing agreement executed by the County and LADWP thirty years ago, in December 1985, LADWP provides payments for electricity produced by the Cogen Plant, and delivered to the LADWP electric system.

This current agreement expires on December 19, 2015. After that, the Cogen Plant would then automatically operate under a standard LADWP tariff governing cogeneration plants operations and production. Under that tariff, the County would receive less in payments for electricity produced. That represents a \$4 million per year reduction in Cogen Plant revenues.

Execution of the new Rate Agreement and Interconnection Agreement (New Cogen Agreements) will provide the County an approximately \$2.7 million in revenues and reduced operating costs over each of the next 5 years. These additional revenues and reduced operating costs will help offset the \$4 million in reduced revenues due to expiration of the current agreement.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

These actions support Goal 1, Operational Effectiveness, by ensuring the economically viable operation of the Civic Center Cogeneration Plant and Heating and Refrigeration Plant.

FISCAL IMPACT/FINANCING

The proposed New Cogen Agreements would provide the following:

- The County will pay a reduced amount for the use of the LADWP electricity system to deliver Cogen Plant electricity (when the plant is operating) and to receive LADWP electricity at the Cogeneration Plant (when it is not operating). This would reduce operating costs, as baselined by the current agreement, by about \$1.3 million annually.
- The County will receive enhanced payments for operating the Cogen Plant while connected to the LADWP electrical system. These enhanced payments vary based on

the Cogen Plant performance (*i.e.*, percentage of time operational and amount of electricity delivered) and are estimated to be about \$1.4 million in annual revenues for plant performance.

In the absence of new or replacement agreements, the County will be paid for electricity delivered into LADWP's electricity system based on their tariff, which is the standard payment schedule for all cogeneration plants on LADWP's system. This will result in a loss of \$4 million in annual revenues. The New Cogen Agreements will provide an additional \$2.7 million in annual revenues and reduced operating expenses for the operation of the Cogen Plant over the next five years upon expiration of the existing agreement.

Once the New Cogen Agreements are approved by your Board and upon expiration of the current agreement, it is anticipated that the billings to the Civic Center facilities for Cogen Plant operating costs will increase by about \$700 thousand this year and \$1.3 million annually (the difference between \$4 million revenue loss due to expiration of the existing agreement and \$2.7 million in net annual benefits of the New Cogen Agreements). ISD will be budgeting the increase in the Fiscal Year 2016-17 Utilities Customer Income budgets that will be distributed in December 2015. ISD will also inform affected Departments on the estimated increase in billings for the current fiscal year.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

ISD, as the Cogen Plant operator and administrator, has analyzed various scenarios for maintaining the financial viability of the Cogen Plant upon expiration of the existing agreement, which include retiring the Cogen Plant electrical generating systems and enhancing the steam-generating equipment to maintain current levels of heating and cooling services to nearby buildings. LADWP has indicated that the Cogen Plant is in a strategic location and supports the reliability of their electric system in downtown Los Angeles; and as such, there would be negative impacts to LADWP if the Cogen Plant electrical generating systems were retired.

As a result of several years of technical discussions and contract negotiations around the continued operation of the Cogen Plant, the parties have just recently reached consensus on terms and conditions for the proposed New Cogen Agreements which will reduce operating expenses by \$1.3 million and increase revenues by \$1.4 million per year. The negotiations for these New Cogen Agreements were formally initiated in 2012 and have been finalized in October of 2015.

The new Interconnection Agreement covers operation and maintenance of the Cogeneration Plant and has no impact on the Plant's operating budget or revenues. Details of the impacts to the Cogeneration Plant under the new Rate Agreement are described in the Fiscal Impact section of this letter.

ISD has been in consultation with County Counsel throughout the contract negotiations. County Counsel is prepared to approve the New Cogen Agreements as to form, in a form

identical or substantially similar to the attachments hereto, prior to ISD exercising delegated authority to execute.

Upon execution by your Board and the Los Angeles City Council, the New Cogen Agreements will replace the current agreements and will expire by their terms on December 19, 2020.

IMPACT ON CURRENT SERVICES OR PROJECTS

There is no impact to current Cogeneration Plant services under this new Agreement. ISD will work with the CEO on implementation of options for future Cogeneration Plant operations and services leading up to the expiration of these New Cogen Agreements in 5 years.

CONCLUSION

The Executive Office of the Board of Supervisors is requested to return one stamped copy of the approved Board letter to the Director of ISD.

Respectfully submitted,

INTERNAL SERVICES DEPARTMENT

Jim Jones
Director

DC:JLG:HC:BR:sg
Attachments (3)

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