



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

SACHI A. HAMAI
Interim Chief Executive Officer

DATE: October 15, 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) **Board Letter – BOND AUTHORIZATION INCREASE FOR PACE PROGRAM**
TTC – Joe Kelly or designee
 - B) **Board Letter – AMENDMENT 1 TO THE ECONSULT AGREEMENT WITH SAFETY NET CONNECT, INC.**
DHS – Mitchell H. Katz, M.D. or designee
2. Public Comment
3. Adjournment



JOSEPH KELLY
TREASURER AND TAX COLLECTOR

COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 437
LOS ANGELES, CALIFORNIA 90012
TELEPHONE: (213) 974-2101 FAX: (213) 626-1812



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November 3, 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:

BOND AUTHORIZATION INCREASE PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM (ALL DISTRICTS - 3 VOTES)

SUBJECT

The Internal Services Department and Treasurer and Tax Collector request approval to increase the bond authorization for the County's Property Assessed Clean Energy (PACE) Program. The current bond authorization of \$100 million was established on May 25, 2010, and is insufficient to maintain the PACE Program beyond early November 2015. Our Departments request authorization to increase the bond issuance limit to \$500 million, which should be sufficient to manage the PACE Program through an additional two or more years.

IT IS RECOMMENDED THAT YOUR BOARD:

Adopt a resolution authorizing the issuance of contractual assessment limited obligation improvement bonds (Assessment Bonds) in an aggregate principal amount not to exceed \$500 million for the purpose of funding real property improvements under the County PACE Program.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On April 6, 2010, your Board adopted a Resolution of Intention to initiate the formation of a voluntary contractual assessment program in accordance with the provisions of Assembly Bill 811 (AB 811). On May 25, 2010, a public hearing was held in which your Board approved the formation and implementation of the Los Angeles County Energy Program and authorized the issuance of Assessment Bonds to finance energy efficiency, renewable energy generation, and water efficiency improvements to private property. As part of this formation, your Board authorized an initial issuance of \$100 million for Assessment Bonds sold through the program. This amount was considered reasonable in 2010 and was consistent with the intent of AB 811,

which sought to establish a maximum amount of contractual assessments for any PACE program. As with any contractual assessment bond, there is no recourse to the County for any repayment obligations and no impact to any County debt ratios evaluated by the credit rating agencies.

The County formally launched its residential PACE Program in May 2015. The two program administrators selected by your Board to manage the residential PACE Program are Renovate America (HERO Program) and Renewable Funding (CaliforniaFIRST Program). Based on each program administrator's current pipeline of projects, and detailed growth projections, we expect that residential PACE will finance more than \$130 million in projects by the end of the first year of operation.

This volume of Assessment Bonds expected to be issued under the residential PACE Program requires the County to increase its current bond authorization in order to maintain continuity in the program. To avoid any disruption to the PACE Program, we are seeking to increase the combined bond authorization for commercial and residential PACE by \$400 million to a total of \$500 million. The increase is expected to allow for approximately two years of continuous operation of the PACE Program, before a subsequent increase will need to be presented to your Board. Our Departments recommend that the aggregate financing limit for PACE be reviewed by your Board at a minimum once every 2-3 years.

Implementation of Strategic Plan Goals

The recommended action supports County Strategic Plan Goal 1, Operational Effectiveness/Fiscal Sustainability, by facilitating a program that promotes energy efficiency and conservation, and enhances sustainable practices in the County. The recommended action also supports County Strategic Plan Goal 2, Community Support and Responsiveness, by providing economic benefits to constituents and supporting greenhouse gas reductions throughout the County.

FISCAL IMPACT/FINANCING

There is no fiscal impact associated with an increase to the bond authorization for commercial and residential PACE. As with any contractual assessment bond, there is no recourse to the County for any repayment obligations and no impact to any County debt ratios evaluated by the credit rating agencies.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On May 25, 2010, your Board adopted a Resolution authorizing the issuance and sale of Assessment Bonds in an aggregate principal amount not to exceed \$100 million for the purpose of funding real property improvements in accordance with the provisions of AB 811 and Chapter 29 of the California Streets and Highways Code. Accordingly, the County cannot issue Assessment Bonds if the cumulative amount exceeds \$100 million and we expect to reach that threshold in early November. In order for the County to continue issuing Assessment Bonds, we request your Board authorize a bond authorization increase to \$500 million. This will facilitate an uninterrupted series of bond issuances pursuant to the PACE Program.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The increase in bond authorization will enable the County to manage its commercial and residential PACE Programs in accordance with State Law and without any disruption in service.

CONCLUSION

Upon approval, we request that the Executive Officer-Clerk of the Board of Supervisors return one stamped copy of the approved Board Letter to the Director of the Internal Services Department and another to the Treasurer and Tax Collector.

Respectfully submitted,

JOSEPH KELLY
Treasurer and Tax Collector

JIM JONES
Director, Internal Services Department

Attachment

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

November 4, 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:

**APPROVAL OF AMENDMENT TO THE WEB-BASED ECONSULT SYSTEM AND
RELATED SERVICES AGREEMENT WITH SAFETY NET CONNECT, INC.
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

CIO RECOMMENDATION: APPROVE (X)

SUBJECT

Request approval of Amendment No. 1 to the Web-Based eConsult System and Related Services Agreement with Safety Net Connect, Inc. to increase the maximum number of contract sites and maximum contract sum accordingly.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Health Services (Director), or his designee, to execute Amendment No. 1 to Agreement No. H-705933 (Agreement) with Safety Net Connect, Inc. (SNC) for the provision of Web-Based eConsult System and Related Services, effective upon Board approval, to: a) increase the maximum number of contract sites from 407 to 503 sites; b) increase the pool dollars for additional work and system enhancements, c) increase the maximum contract sum accordingly from \$7,000,000 to \$ 7,459,418 during the Agreement term through October 28, 2017, and d) ensure appropriate safeguards are in place to protect confidential/sensitive information such as personally identifiable information and protected health information.
2. Delegate authority to the Director, or his designee, to execute future amendments and/or change notices, as applicable, to: i) add, delete and/or change non-substantive terms and conditions in the Agreement; ii) add/delete contract sites and approve necessary changes to scope in services and/or make any necessary changes required by either State or Federal law; and iii) increase the total maximum contract sum by no more than ten percent above the total maximum contract sum for a potential increase of \$ 745,941 during the Agreement term to

provide additional work as described below, subject to review and approval of County Counsel, and notice to the Board and the Chief Executive Office.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommended action will enable the Department of Health Services (DHS) to expand the provision of specialty physician consults for primary care providers; include access for mental health providers and other health care professionals in Los Angeles County, increase the maximum contract sum accordingly; and strengthen security requirements in the Agreement to further protect the confidentiality of patient data.

On October 29, 2013, the Board approved the Agreement with SNC to establish a web-based system that allows primary care physicians and specialists to securely share health information and discuss patient care. The monitoring, trending, and reporting data demonstrate that eConsult benefits patients by enabling faster access to specialty care, improving health outcomes with earlier specialist intervention, and reducing wait time for specialty appointments. Such data also reveal that eConsult increases overall access to specialty care by reducing the number of unnecessary specialty care visits, reducing the time it takes to make an appointment for patients with specialty care needs, improving patient quality of care through better collaboration between primary care physicians and specialists, and reducing costs by eliminating unnecessary referrals and decreasing the number of follow-up visits to specialists.

The eConsult network currently consists of 3,100 medical providers located at 391 sites throughout Los Angeles County (174 DHS sites, 180 Community Partner sites, and 37 other sites operated by various County departments). DHS plans to expand eConsult access to mental health providers at Department of Mental Health clinics to improve the integration and coordination of medical and behavioral healthcare provided to County patients, and include all new Community Partners participating in My Health LA. As a result, DHS anticipates a need for an additional 96 sites at a cost of \$ 399,168, and additional work/system enhancements at a cost of \$60,250, for a combined total increase of \$ 459,418. DHS plans to expand its eConsult network beginning in the Fall of 2015.

Approval of the second recommended action will allow the Director, or his designee, to: i) add, delete, and/or change non-substantive terms and conditions in the Agreement; and ii) add/delete facilities and approve necessary changes to scope-in-services with no change to the Agreement maximum obligation. In addition, approval of this recommendation will also allow the Director to execute Amendments to increase the total maximum contract sum by no more than ten percent above the initial total maximum contract sum during the term of the Agreement for additional work that includes customizations, modifications, or development of system improvements that requires no change to any term or condition of this Agreement or which are required to meet any

changes required by State or Federal law. Such delegated authority will enable DHS to sustain the eConsult's objectives and refine the processes during the Agreement term while expanding eConsult utilization throughout the County.

Implementation of Strategic Plan Goals

The recommended actions support Goal 1, Operational Effectiveness, and Goal 3, Integrated Services Delivery, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total maximum obligation for the Agreement's four-year term will be \$7,459,418. Funding is included in the DHS Fiscal Year 2015-2016 Final Budget and will be requested as continuing appropriation in future fiscal years, as needed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On October 29, 2013, the Board approved a sole source Agreement with SNC to provide a Web-Based eConsult System and Related Services to enable primary care physicians and other health care professionals to consult with DHS specialists to address the specialty care needs of patients served by all DHS facilities and Community Partner clinics, including other County departments and health care organizations. DHS subsequently executed a Change Notice to add additional sites for providers from all Community Partners participating in My Health LA, including providers from the Department of Public Health, Sheriff's Department (Medical Services Bureau), and Juvenile Courts Health System.

The proposed Agreement contains all current legally and Board required provisions, and may be terminated by the County with 30 days advanced written notice.

County Counsel has reviewed and approved Exhibit I as to form.

The CIO has reviewed the Amendment and recommends approval. The CIO Analysis is attached (Attachment A).

CONTRACTING PROCESS

County Counsel has advised that this Agreement is for the acquisition of an Information Technology system, and therefore, not subject to Proposition A requirements.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended action will increase access to DHS specialists by other County departments and Community Partner clinic sites.

Respectfully submitted,

Reviewed by:

Mitchell H. Katz, M.D.
Director

Richard Sanchez
Chief Information Officer

MHK:RS:ck

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

DRAFT