



Los Angeles County Registrar-Recorder/County Clerk

DEAN C. LOGAN
Registrar-Recorder/County Clerk

July 18, 2017

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:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

21 July 18, 2017

LORI GLASGOW
EXECUTIVE OFFICER

**REQUEST APPROVAL TO EXTEND TERM OF AGREEMENT NUMBER 76676 WITH LR
COMPUTERS THROUGH IMPLEMENTATION OF THE VOTING SYSTEMS ASSESSMENT
PROJECT
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ()
DISAPPROVE ()**

SUBJECT

This Board Letter seeks approval to extend the term of the agreement LR Computers (LRC) to maintain the current maintenance and support service until the implementation of the Department's Voting Systems Assessment Project (VSAP), which aims to replace the aging voting system with a voter-centered system design.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the RR/CC, or designee, as agent of the County to execute Amendment #7 (Attachment I) to Agreement Number 76676 with LRC to extend Election Card Reader maintenance and support services for an additional four (4) year period commencing January 1, 2018 through December 31, 2021.
2. Delegate authority to the RR/CC, or designee, to negotiate and execute amendments, or terminate the Agreement as necessary, provided that County Counsel approval is obtained.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

VSAP was developed by the RR/CC to address an aging voting system and an increasingly large and complex electorate. The project seeks a collaborative approach to voting system design that will put voters at the center and maximize stakeholder participation.

Phases Four (System Engineering and Manufacturing Contract) and Five (Manufacturing and Certification) of the project will be in process for the next few years. Phase Four will include development of technical specifications as well as construction and subsequent testing of a high-fidelity prototype of the system. The solicitation, evaluation and selection of contractors to manufacture the product will also be conducted during this phase. Phase V will include state testing and certification of the system. Once certified, the system will be mass produced for training, outreach, and elections.

This extension will allow the RR/CC sufficient time to implement the components of the new voting system, which could result in the replacement of the card readers and the subsequent early termination of this agreement.

The contractor holds very specific (proprietary) expertise required to maintain the election ballot card readers and continues to ensure the machines consistently pass pre- and post- tabulation logic and accuracy testing and post-election manual tally audits as well as meet state and federal election mandates.

The purpose of the recommended action is to continue uninterrupted maintenance and support services of the election ballot card readers which are an extremely critical part of the election tally process. This constitutes preventive maintenance as well as cleaning and calibrating of the readers on a regular basis to ensure timing functions are precise when counting up to approximately three million-plus ballots during major elections. Below is a list of the scheduled elections (excluding special elections):

- o November 7, 2017 Local and Municipal Consolidated Elections
- o June 5, 2018 Gubernatorial Primary Election
- o November 6, 2018 Gubernatorial General Election
- o November 5, 2019 Local and Municipal Consolidated Elections
- o June 2, 2020 Presidential Primary Election
- o November 3, 2020 Presidential General Election
- o November 2, 2021 Local and Municipal Consolidated Elections

Implementation of Strategic Plan Goals

This request supports the County Strategic Plan as follows:

Goal No. III, Realize Tomorrow's Government Today: Pursuing operational effectiveness, fiscal responsibility and accountability. Approval of the recommendation to extend the agreement will allow seamless continuation of agreements which support timely delivery of customer-oriented and efficient public services.

FISCAL IMPACT/FINANCING

Funding for the \$408,278 recommended extension for continued maintenance and support services

is by Net County Cost (NCC) and will be included in the Department's applicable fiscal year budgets through FY 2020-21. The total contract sum after the current amendment is executed will be \$4,288,802.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Your Board is authorized to approve this agreement with persons specially trained and experienced to perform the services described in this Board Letter pursuant to California Government Code Section 31000.

The agreement contains Board required provisions, including those pertaining to consideration of qualified County employees targeted for layoff, qualified GAIN/GROW participants for employment openings, as well as compliance with the Jury Duty Ordinance, the Safely Surrender Baby Law, and the Child Support Program.

The RR/CC has determined that provisions of the County's Living Wage Program (County Code Chapter 2.201) does not apply to this agreement. Also, the RR/CC has determined that provisions of the County's Low-Cost Labor Resource Program (Board Policy 5.030) does not apply to this agreement.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended amendments will allow RR/CC to receive uninterrupted service until the implementation of VSAP. No other impact to current services is anticipated.

CONCLUSION

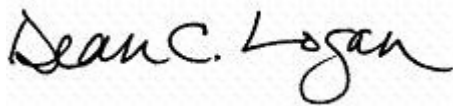
The Chief Executive Office Budget Analyst has reviewed and approved this Board Letter. County Counsel has reviewed and approved this Board Letter and attached Amendments. The Chief Information Office (CIO) has reviewed and approved this Board Letter, and determined this recommended action contains no new technology matters requiring an analysis; therefore no formal CIO Analysis is required.

The Honorable Board of Supervisors

7/18/2017

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Respectfully submitted,



DEAN C. LOGAN

Registrar-Recorder/County Clerk

Reviewed by:



PETER LOO

Acting Chief Information Officer

DCL:RF:FP

VW:jw

Enclosures

c: Chief Executive Officer
County Counsel
Acting Chief Information Officer

**AMENDMENT NUMBER SEVEN
TO AGREEMENT NUMBER 76676
BY AND BETWEEN
COUNTY OF LOS ANGELES AND LR COMPUTERS
FOR ELECTION BALLOT CARD READERS
MAINTENANCE AND SUPPORT SERVICES**

This Amendment Number Seven ("Amendment Number Seven") to Agreement Number 76676 ("Agreement") is entered into this _____ day of _____, 2017 by and between the County of Los Angeles, a political subdivision of the State of California ("County") and LR Computers ("Contractor"). County and Contractor are sometimes hereinafter referred to collectively as the "Parties" and each individually as a "Party."

WHEREAS, the Agreement was originally entered into on October 1, 2008 and approved by the County's Board of Supervisors on September 9, 2008 ("2008 Agreement");

WHEREAS, Amendment Number One to the 2008 Agreement was dated September 28, 2009, the 2008 Agreement was amended, among other things, to (i) extend the Initial Term of the Agreement to four years; (ii) increase the Contract Sum; and (iii) replace the current Exhibit B (Pricing Schedule) with a new Exhibit B (Pricing Schedule) (Revised October 1, 2009) as set forth below;

WHEREAS, Amendment Number Two to the 2008 Agreement was dated September 28, 2012, the 2008 Agreement was amended, among other things, to: (i) exercise the first of five one-year renewal options and extend the term of the Agreement from October 1, 2012 through September 30, 2013; and (ii) revise the Contractor's Administration information stipulated in Exhibit E;

WHEREAS, Amendment Number Three to the 2008 Agreement was dated September 26, 2013, the 2008 Agreement was amended, among other things, to (i) exercise the second of five one-year renewal options and extend the term of the Agreement from October 1, 2013 through September 30, 2014; (ii) replace Paragraph 31.0 (Indemnification) with a new Paragraph 31.0; (iii) replace Paragraph 32.0 (General Insurance Requirements) with a new Paragraph 32.0; (iv) replace 33.0 (Insurance Coverage) with a new Paragraph 33.0;

WHEREAS, Amendment Number Four to the 2008 Agreement was dated September 11, 2014, the 2008 Agreement was amended, among other things, to (i) exercise the third of five one-year renewal options and extend the term of the Agreement from October 1, 2014 through September 30, 2015; (ii) replace Paragraph 19.0 (Consideration of Hiring GAIN/GROW Program Participants) with a new Paragraph 19.0; (iii) incorporate Paragraph 63.0 (Time Off for Voting); (iv) replace Exhibit D (County's Administration) with a new Exhibit D; (v) delete Exhibit E (Contractor's Administration) and replace with a new Exhibit E;

WHEREAS, Amendment Number Five to the 2008 Agreement was dated September 23, 2015, the 2008 Agreement was amended, among other things, to (i)

exercise the fourth of five one-year renewal options and extend the term of the Agreement from October 1, 2015 through September 30, 2016; (ii) increase the contract amount; (iii) delete Exhibit B (Pricing Schedule) and replace with a new Exhibit B revised August 2015; and (iv) delete Exhibit D (County's Administration) and replace with a new Exhibit D;

WHEREAS, Amendment Number Six to the 2008 Agreement was dated October 16, 2016, the 2008 Agreement was amended, among other things, to (i) exercise the fifth of five one-year renewal options and extend the term of the Agreement from October 1, 2015 through September 30, 2016; (ii) increase the contract amount; (iii) delete Exhibit B (Pricing Schedule) and replace with a new Exhibit B revised June 1, 2016;

WHEREAS, the Parties wish to amend the Agreement to (i) extend the term of the 2008 Agreement through December 31, 2021; (ii) increase the contract amount; and (iii) delete Exhibit B (Pricing Schedule) and replace with a new Exhibit B (revised June 1, 2016); and

WHEREAS, this Amendment Number Seven is made pursuant to Paragraph 6.0 (Amendment) of the 2008 Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Agreement is hereby amended as follows:

1. Section 5.0 (Term) is incorporated into and replaces the former Section 5.0 of the 2008 Agreement and reads as follows:

5.0 TERM

- 5.1 The "Initial Term" of this Agreement shall be effective October 1, 2008 or when the original approval by County's Board of Supervisors occurred of the 2008 Agreement, whichever was later, and run consecutively ("Initial Term"), through December 31, 2021, unless sooner terminated or extended, in whole or in part, as provided in this Agreement.
 - 5.2 The Contractor shall notify RR/CC when this Agreement is within six (6) months from the expiration of the Term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to RR/CC at the address herein provided in Exhibit D (County's Administration).
2. Increase the Contract Sum, by a sum not to exceed Four Hundred Eight Thousand, Two Hundred Seventy-Eight Dollars and 48/100 (\$408,278.48) to receive uninterrupted service until the implementation of VSAP.
 3. Section 7.0 (Contract Sum), Paragraph 7.1 of the 2008 Agreement is hereby deleted in its entirety and replaced with a new Paragraph 7.1 to read as follows:

- 7.1 The Contract Sum for the Term of the Agreement, if exercised, is Nine Hundred Thirty-Four Thousand, Six Hundred Twenty-Six and 48/100 (\$934,626.48).
- 4. Section 7.0 (Contract Sum), Paragraph 7.2 of the 2008 Agreement is hereby deleted in its entirety and replaced with a new Paragraph 7.2 to read as follows:
 - 7.2 Contractor's fees, as set forth in Exhibit B (Pricing Schedule) shall remain a firm fixed price for the Term of the Agreement. Registrar-Recorder/County Clerk, or his/her designee, at his/her sole discretion, may increase the Contract Sum pursuant to Section 7.1 of this Agreement to an amount that shall not exceed Two Hundred Eighty Thousand, Three Hundred Eighty-Seven Dollars and 94/100 (\$280,387.94).
- 5. Exhibit B (Pricing Schedule) of the 2008 Agreement is hereby deleted in its entirety and shall be replaced with a new Exhibit B (Pricing Schedule), revised April 20, 2017, a true and correct copy of which is attached hereto and incorporated herein by this reference.

Except as otherwise provided under this Amendment Number Seven, the 2008 Agreement and its Amendments, and incorporating all preambles and recitals set forth herein and therein, shall remain unchanged and in full force and effect.

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**AMENDMENT NUMBER SEVEN
TO AGREEMENT NUMBER 76676
BY AND BETWEEN
COUNTY OF LOS ANGELES AND LR COMPUTERS**

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment Number Seven to be subscribed on its behalf by the Registrar-Recorder/County Clerk or his/her designee and the Contractor has subscribed the same through its duly authorized officer as the day, month and year first above written. The person signing on behalf of Contractor warrant under penalty of perjury that he or she is authorized to bind the Contractor.

COUNTY OF LOS ANGELES

LR COMPUTERS

DEAN C. LOGAN
Registrar-Recorder/County Clerk

PETER LINN
Manager

Tax Identification Number

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By _____
Nicole Davis Tinkham
Senior Deputy County Counsel

PRICING SCHEDULE

(Revised April 20, 2017)

Fixed Rate First-Year Base Term (October 1, 2008 – September 30, 2009)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$4,250	\$51,000
Other Professional Services	Hourly	\$125.00	

Fixed Rate Second-Year Base Term (October 1, 2009 – September 30, 2010)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$4,250	\$51,000
Other Professional Services	Hourly	\$125.00	

Fixed Rate Third-Year Base Term (October 1, 2010 – September 30, 2011)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$4,250	\$51,000
Other Professional Services	Hourly	\$125.00	

Fixed Rate Fourth-Year Base Term (October 1, 2011 – September 30, 2012)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$4,500	\$54,000
Other Professional Services	Hourly	\$125.00	

First Option Year (October 1, 2012 – September 30, 2013)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$4,613	\$55,356
Other Professional Services	Hourly	\$130.00	

Second Option Year (October 1, 2013 – September 30, 2014)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$4,728	\$56,736
Other Professional Services	Hourly	\$130.00	

Third Option Year (October 1, 2014 – September 30, 2015)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$4,846	\$58,152
Other Professional Services	Hourly	\$135.00	

Fourth Option Year (October 1, 2015 – September 30, 2016)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$5,917	\$71,004
Other Professional Services	Hourly	\$135.00	

Fifth Option Year (October 1, 2016 – September 30, 2017)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$6,508.33	\$78,100
Other Professional Services	Hourly	\$140.00	

Three Month-to-Month Term (October 1, 2017 – December 31, 2017)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$3,254.16	\$9,762.48
Other Professional Services	Hourly	\$140.00	

Term (January 1, 2018 – December 31, 2018)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$7,158.00	\$85,896.00
Other Professional Services	Hourly	\$140.00	

Term (January 1, 2019 – December 31, 2019)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$7,874.00	\$94,488.00
Other Professional Services	Hourly	\$140.00	

Term (January 1, 2020 – December 31, 2020)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$8,660.00	\$103,920.00
Other Professional Services	Hourly	\$140.00	

Term (January 1, 2021 – December 31, 2021)

Item Description	Pricing Unit	Price*	Total Annual Cost
Card Reader Maintenance	Monthly	\$9,517.67	\$114,212.00
Other Professional Services	Hourly	\$140.00	

*Price includes all applicable taxes