



AGENDA

LOS ANGELES REGIONAL INTEROPERABLE COMMUNICATIONS SYSTEM AUTHORITY

BOARD OF DIRECTORS SPECIAL MEETING

Thursday, September 22, 2011 • 9:00 a.m.
Room 739 Kenneth Hahn Hall of Administration
500 W. Temple Street
Los Angeles, CA 90012

Teleconference Location
Hilton San Francisco Union Square
333 O'Farrell Street – Tower 2, Room 1508
San Francisco, CA 94102

Los Angeles Regional Interoperable Communications Systems Authority (the "Authority")

AGENDA POSTED: September 20, 2011

Complete agendas are made available for review at the designated meeting location during normal business hours and may also be accessible on the Authority's website at <http://www.la-rics.org>.

Members:

1. **William T Fujioka**, Chair, CEO, County of Los Angeles
2. **Mark R. Alexander**, City Manager, representing California Contract Cities Association
3. **Leroy D. Baca**, Sheriff, County of Los Angeles
4. **Charles L. Beck**, Vice Chair, Police Chief, City of Los Angeles
5. **Brian Cummings**, Fire Chief, City of Los Angeles
6. **Reginald Harrison**, Deputy City Manager, City of Long Beach
7. **LeRoy J. Jackson**, City Manager, City of Torrance, representing At Large Seat
8. **Dr. Mitchell H. Katz**, Director, DHS, County of Los Angeles
9. **Gerry Miller**, Chief Legislative Analyst, City of Los Angeles
10. **Daryl L. Osby**, Fire Chief, County of Los Angeles
11. **Donald Pedersen**, Police Chief, City of Culver City, representing At Large Seat
12. **Scott Pickwith**, Police Chief, representing the Los Angeles County Police Chiefs Association
13. **Kim Raney**, Police Chief, City of Covina, representing At Large Seat
14. **Harold Scoggins**, Fire Chief, representing the Los Angeles Area Fire Chiefs Association
15. **Miguel Santana**, CAO, City of Los Angeles
16. **Gregory L. Simay**, Assistant General Manager, City of Burbank Water & Power, representing At Large Seat
17. **Steven K. Zipperman**, Police Chief, Los Angeles School Police Department

Officers:

1. **Patrick Mallon**, Executive Director
2. **Wendy L. Watanabe**, County of Los Angeles Auditor-Controller
3. **Mark J. Saladino**, County of Los Angeles Treasurer and Tax Collector
4. **Patricia Saucedo**, Board Secretary



NOTE: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA

I. CALL TO ORDER

II. ANNOUNCE QUORUM – Roll Call

III. PUBLIC COMMENTS

IV. ADMINISTRATIVE MATTERS

1. Telecommunications System Procurement Options – Pat Mallon

ACTION ITEM: Consider alternate approaches to the issuance of the RFP for the LA-RICS Telecommunication System.

Recommendation: Direct staff to proceed with a single RFP for the Telecommunications System, requesting that proposers include alternate pricing in their proposals as follows: (a) a price for the entire Telecommunications System, consisting of both the LMR and LTE systems; (b) a price for the LMR system alone; and (c) a price for the LTE broadband system alone.

Attachment: Item 1

V. MEETING ADJOURNMENT

VI. NEXT REGULAR BOARD OF DIRECTORS MEETING:

Thursday, October 6, 2011 at 9:00 a.m., at the Grace E. Simons Lodge.



BOARD MEETING INFORMATION

Members of the public are invited to address the LA-RICS Authority Board on any item on the agenda prior to action by the Board on that specific item. Members of the public may also address the Board on any matter within the subject matter jurisdiction of the Board. The Board will entertain such comments during the Public Comment period. Public Comment will be limited to three (3) minutes per individual for each item addressed, unless there are more than ten (10) comment cards for each item, in which case the Public Comment will be limited to one (1) minute per individual. The aforementioned limitation may be waived by the Board's Chair.

(NOTE: Pursuant to Government Code Section 54954.3(b) the legislative body of a local agency may adopt reasonable regulations, including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker.)

Members of the public who wish to address the Board are urged to complete a Speaker Card and submit it to the Board Secretary prior to commencement of the public meeting. The cards are available in the meeting room. However, should a member of the public feel the need to address a matter while the meeting is in progress, a card may be submitted to the Board Secretary prior to final consideration of the matter.

It is requested that individuals who require the services of a translator contact the Board Secretary no later than the day preceding the meeting. Whenever possible, a translator will be provided. Sign language interpreters, assistive listening devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. (323) 881-8291 or (323) 881-8295

SI REQUIERE SERVICIOS DE TRADUCCION, FAVOR DE NOTIFICAR LA OFICINA CON 72 HORAS POR ANTICIPADO.

A transcript of the meeting will be made available.

CLOSED MEETINGS MAY BE CONDUCTED

Under the Brown Act, closed meetings are the exception and permitted only if they meet defined purposes and follow special requirements (§§ 54953(a), 54954.5, 554962).

PERSONNEL EXEMPTION:

In accordance with the Brown Act, the purpose of this closed session is to permit a legislative body (e.g. LA-RICS Board of Directors) in limited circumstances to exclude the public in order to interview and/or select/appoint a potential candidate for the position of Executive Director for LA-RICS (§ 54957).

At the March 3, 2011 LA-RICS Board of Directors Regular Meeting, JPA Counsel shared with the Board the relevant section in the Brown Act Code regarding hiring and interviewing individuals [Independent Contractor] in closed session.

- Pursuant to section 54957(b)(1), which provides, in pertinent part, "...nothing contained in this chapter shall be construed to prevent the legislative body of a local agency from holding close session during a regular or special meeting to consider the appointment [or] employment of a public employee...". Under applicable Attorney General Opinions, a "public employee" includes independent contractors if the independent contractor would be acting in a position that would typically be filled by a public employee, e.g., the Executive Director of LA-RICS.

ACTION TAKEN IN CLOSED SESSION UNDER SPECIFIED CIRCUMSTANCES:

At the conclusion of the closed session meeting, if any final decision is made, the legislative body may be required to report on such action. (§ 54957.1.)

- Action and Votes in closed session must be publicly reported orally or in writing (§ 54957.1(b)), and copies of any contracts or settlements approved must be made available promptly (§ 54957.1(b), (c)).



LOS ANGELES REGIONAL INTEROPERABLE COMMUNICATIONS SYSTEM AUTHORITY

2525 Corporate Place, Suite 200
Monterey Park, California
(323) 881-8291

PATRICK J. MALLON
EXECUTIVE DIRECTOR

September 22, 2011

Board of Directors
Los Angeles Regional Interoperable Communications System Authority (the "Authority")

Dear Directors:

TELECOMMUNICATIONS SYSTEM PROCUREMENT OPTIONS

SUBJECT

In order to proceed with the procurement of the Los Angeles Regional Interoperable Communications System (LA-RICS), it is necessary that your Board provide direction regarding which of the following three Request for Proposals (RFP) alternatives (A or B or C) staff is to use for the delivery of the Project 25 Land Mobile Radio (LMR) and the Long Term Evolution (LTE) broadband systems; collectively referred to as the Telecommunications System.

- A. One RFP for the Telecommunications System – requesting that proposers include alternate pricing in their proposals as follows:
 - a. A price for the entire Telecommunication System, consisting of both the LMR and the LTE broadband systems;
 - b. A price for the LMR system alone; and,
 - c. A price for the LTE broadband system alone.
- B. Two separate RFPs for the Telecommunications System as follows:
 - a. One RFP for the LMR system; and,
 - b. One RFP for the LTE broadband system.
- C. Three separate RFPs for the Telecommunications System as follows:
 - a. One RFP for the entire Telecommunications System consisting of both the LMR and the LTE broadband system;
 - b. One RFP for the LMR System; and,
 - c. One RFP for the LTE broadband system.

RECOMMENDED ACTION

Direct staff to proceed with Alternative A – a single RFP for the Telecommunications System, requesting that proposers include alternate pricing in their proposals as follows: (a) a price for the entire Telecommunications System, consisting of both the LMR and LTE systems; (b) a price for the LMR system alone; and (c) a price for the LTE broadband system alone.

AGENDA ITEM 1

BACKGROUND

At your Board meeting of September 15, 2011, staff recommended the issuance of an RFP for the Telecommunications System in a single procurement process provided that the responses from interested vendors include alternate pricing for the system as a whole and separately, one for the LMR system and one for the LTE system. During consideration of this item your Board raised a number of questions regarding the feasibility of issuing one RFP (for a combined LMR and LTE system), two separate RFPs (for each of the LMR and LTE systems individually), or three separate RFP's (one for a combined LMR and LTE system, and one each for the LMR and LTE systems individually). Ultimately it was determined to continue the decision for one week to allow further study by staff and consideration by your Board.

In response to the questions raised during that meeting, and in order to assist your Board in determining whether to adopt the recommended action, staff has developed a chart depicting the various alternatives with "Pros" and "Cons" for each of alternative (Attachment A). Also attached hereto (Attachment B) is a narrative describing the alternatives and areas for consideration by your Board.

It is anticipated that staff will return to the Board requesting authorization to release the revised Request for Proposal in compliance with your direction at your meeting of October 6, 2011.

JUSTIFICATION

As was presented at the September 15 meeting, it is the experience of project staff and its consultants that the splitting of large complex projects, such as the LA-RICS project, is unwise and contrary to achieving maximum project success. It was suggested that pursuing separate procurement processes for the LMR and LTE systems would, most probably, result in contracts being awarded to two different, competing, vendors. This would ultimately expose the Authority to unnecessary project management and financial risks.

Staff has subsequently undertaken a review of the third alternative raised by the Board. Specifically, what benefits could be achieved by releasing three separate RFPs, one for a complete Telecommunications system including both LMR and LTE systems, and one each for the LMR and LTE broadband systems individually. It was suggested that this approach might result in benefits to the Authority in that comprehensive information would be available to the Board to assist in the decision making process.

Based upon this review, staff has concluded that any additional information gained by evaluating the various options will be done so at substantial cost to the process. Precious time with respect to grant deadlines will be lost unless concurrent evaluations are undertaken. This will compound the difficulties in staffing three independent evaluation teams. Sequential evaluation of three processes by a single team will significantly compromise our ability to utilize grant funds to the fullest extent possible.

Additionally, we are advised that Alternative C raises substantial legal issues and would be unlawful unless 1) the Board made its selection of the winning package based on specific selection criteria published in the RFP, and 2) the Board made its selection of the winning package without advance knowledge of the identity of that package's winning proposer.

FISCAL IMPACT/FINANCING

Sequential execution of separate contract periods will substantially increase the potential that federal grant funds will be lost through the expiration of grant periods.

FACTS AND PROVISIONS/ LEGAL REQUIREMENT

The Authority's counsel has reviewed the recommended action.

AGREEMENTS/ CONTRACTING

No agreements necessary at this time.

Respectfully submitted,



Patrick J. Mallon
Executive Director

cc: Counsel to the Authority

LA-RICS RFP Options: Version II

| | Single | Dual | Parallel |
|-------------|--|--|--|
| PROS | <ul style="list-style-type: none"> Streamlines Site and Backhaul Integration Integration Risk Assumed by Vendor Maintains Benefits of a Turnkey Procurement Facilitates Simultaneous Implementation of LMR and LTE | <ul style="list-style-type: none"> Best of Breed Solutions Increased Competition Likely Lower Prices, Per Independent System, Possible | <ul style="list-style-type: none"> Allows Authority to Compare Results of Single vs. Dual Procurements Allows Authority to Make Implementation Decision Based on Observed Results vs. Expected Results |
| CONS | <ul style="list-style-type: none"> Compromised Network Designs Potential Markup of Subcontractor Costs Potential legal challenges may affect both system implementations | <ul style="list-style-type: none"> Integration Risk Assumed by the Authority Potentially Increased Integration Costs Duplicative Infrastructure Spending Project Sequencing May Exceed Grant Deadlines | <ul style="list-style-type: none"> Exclusive Teaming Arrangements May Limit Responses Staff and/or Time Intensive Evaluation Process Non-Standard Process Creates Legal Issues |

Procurement Options Analysis

Single, Dual, or Parallel Procurements for the LA-RICS Voice and Data Networks

9/22/2011

This paper describes and examines three options for procuring the Land Mobile Radio (LMR) and the LTE Broadband (LTE) components of the proposed LA-RICS network.

AGENDA ITEM 1 – ATTACHMENT B

This memo describes and examines three options for procuring the LMR and LTE components of LA-RICS:

- **A single, turnkey procurement** encompassing both the LMR and the LTE Systems;
- **Dual turnkey procurements**, one each for the LMR and the LTE systems; and
- **A parallel procurement process**, whereby the Authority issues and evaluates 3 separate RFPs, as described above, and selects to move forward with one process -- single or dual procurements -- while cancelling the other.

I. Single Procurement

Description

Under this process, the Authority would undertake a single, turnkey procurement encompassing all of the LMR subsystems and the LTE system. Infrastructure integration between the two major components would fall within the scope of the single turnkey contract.

For a proposal to be deemed responsive, proposers would need to submit a plan for the entire system and would not have the option to selectively bid on individual elements of the system. Proposals would be evaluated, priced, and scored as a complete package, with no mechanism for scoring subsets of the proposals. Although the RFP, as currently drafted, includes a “deductive alternate” mechanism for removing the LMR or LTE components of the system, this mechanism is designed to be exercised post-contract award in the event one system is unable to proceed. The deductive alternate mechanism is not intended for use at the evaluation or negotiation stages of the procurement.

Advantages

A single procurement streamlines shared site and backhaul coordination by having the single turnkey vendor assume the responsibility for integration. This maximizes the benefits of a turnkey procurement, with the vendor bearing the integration risk at all phases of the project, including design, site development, and acceptance testing. This integration could present substantial cost savings to the Authority during system implementation, eliminating unnecessary infrastructure redundancy, as well as reducing administrative and management costs. Additionally, by having a single prime vendor propose both solutions, the Authority could realize considerable savings from the scale of the project. Critically, a single vendor contract during the much longer warranty and maintenance phase of the contract will help to ensure consistent system performance for field users, and may reduce operating costs through increased efficiencies. Finally, given short grant funding restrictions for both the LMR and LTE components, a turnkey contract best facilitates implementation of the two and allows for the best use of allocated grant funds.

Disadvantages

There is limited evidence within the industry that a single vendor is capable of providing public safety grade products to both LMR and LTE markets. As such, responding to a single procurement will require

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most communications vendors to partner with others in order to meet the System specifications. A single, turnkey procurement may result in the Authority selecting a compromise solution, where the overall top scoring proposal may contain a best of breed solution for one subsystem but not the other. Moreover, the network design for each of the two major components may be sub-optimal as each network design is altered to maximize the sharing of infrastructure between the two (strict performance specifications would apply regardless of the degree of infrastructure sharing). Given the need for partnership arrangements to adequately propose, quality vendors in the LMR or LTE markets may be unable to compete because they do not have a partner in the companion industry.

The need for a prime contractor in a single turnkey procurement could increase subsystem costs, as that prime vendor may mark-up the costs of its subcontractors. Finally, the option ties together the progress of the LMR and LTE systems, potentially halting both efforts in the case of meritorious legal challenges to the procurement process.

II. Dual Procurements

Description

Under this scheme, the Authority would undertake two separate turnkey procurements, one each for the LMR and LTE components of LA-RICS. Infrastructure integration between the two components would fall outside the scope of either contract. This would require the Authority to assume all integration cost, risks and responsibilities.

Vendors would not be precluded from submitting proposals for both the LMR and LTE components, but submissions under either procurement would be evaluated, priced, and scored independently. Under dual procurements, the Authority could choose to issue both RFPs simultaneously, or release the RFPs sequentially. Sequential implementation does not, however, eliminate the need for system integration should the Authority elect to pursue the second system. The Authority could direct the first vendor to construct the system in such fashion to support the second, albeit a system not yet designed.

Advantages

Separate procurements would allow the Authority to independently select the proposer in each field, LMR and LTE, which best meets the Authority's individual system needs. Each proposer, in turn, would be able to propose a network designs that maximize the potential of that technology. The Authority would implement two independently designed and built networks.

Without the need for a project partner, the number of proposers for each procurement could increase. This increased competition, plus the removal of the prime contractor role from the process, could result in lower system pricing.

Disadvantages

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Lower system pricing is possible only because the Authority would, under this process, bear the risk and cost of integration. Moreover, independently designed networks are more likely to result in unnecessarily redundant infrastructure and potential technical conflict between the two systems. Together, these factors make it possible that dual procurements would prove more costly, overall, to the Authority.

More importantly, the integration risk borne by the Authority would place it in the role of arbiter between the Contractors. The Authority would manage project information and the schedule and bear the risk of sharing potentially proprietary information between the two competitive contractors. The Authority would be responsible to identify and manage negotiations between the two parties when designs posed conflicts. During acceptance testing and the warranty and maintenance periods, the Authority would likely face challenges in assigning responsibility for system non-performance, as each vendor cast blame on the other.

The challenge of implementing the two subsystems simultaneously cuts across these disadvantages, and many could be mitigated by implementing these subsystems in sequence, beginning the second procurement only after the first contract had completed design review and CEQA approvals. Given the similar funding deadlines for each subsystem, however, and the pressing need for both LMR and LTE across the Authority's membership, sequential system implementation is not feasible. Sequential execution of separate system design and implementation will critically impact the project's ability to meet grant funding deadlines. There is little doubt that some federal funds will be lost due to the expiration of grants.

III. Parallel Procurements

Description

This process combines the two described above. The Authority would simultaneously issue a single, turnkey RFP and dual turnkey RFPs for the LMR and LTE components. As previously described, the scope of the single RFP would include infrastructure integration between LMR and LTE, while the dual RFPs would focus on developing each system independently. The parallel procurement process would allow the Authority to compare the outcome of the two processes and select the solution that best meets the Authority's needs.

Each of the three parallel procurements would proceed independently and submissions would be evaluated, priced, and scored individually. A single evaluation team would be selected and charged with performing these duties for each of the three procurements. At the conclusion of evaluations, the team would determine which process yields results more in line with the Authority's interests. Separate evaluation teams are essential to avoid any possibility of evaluator contamination through exposure of proprietary information being carried from one proposal to a totally independent procurement process. Staff would then recommend that one process be moved forward into vendor selection and negotiations, and that the other process be cancelled.

AGENDA ITEM 1 – ATTACHMENT B

Of greater concern is the steps the Authority must execute to make this alternative legal. The Authority would be compelled to: (1) pre-announce the selection criteria governing the selection of one of the three alternative procurements, and (2) the Board making the selection must do so without knowing the winner of the particular procurement selected. Selection of criteria cannot be developed, unless the Board first decides, in advance of issuing the PRPs, whether it plans to construct one or both systems.

Advantages

The analyses above, of the single and dual procurement options, are based on projections of what is possible or likely under each scenario. The parallel approach would allow the Authority to see the actual results of procurement path, compare the outcomes, and make a policy decision based on observed facts.

Disadvantages

This alternative may not be feasible. The ability to compare the results of multiple processes assumes a similar set of proposers within at least two of the procurement tracks. It is possible, however, that vendors entering exclusive teaming arrangements for the purpose of the single procurement would be barred, under the terms of such arrangements, from competing with one another in the other procurements. The likely result would be different proposers in each of the parallel tracks, making meaningful comparisons difficult.

Additionally, the cost of producing responsive proposals is borne entirely by the submitting entity and can be substantial. For vendors truly desirous of pursuing the complete LA-RICS Telecommunication system contract, this option creates a significant financial burden, and may result in some qualified vendors declining to participate.

As proposed, this process would be time intensive, with multiple evaluation team(s) charged with reviewing three sets of proposals, potentially doubling or tripling the timeframe relative to options one and two. Three evaluation teams would require all JPA members to contribute more full time evaluators.

Lastly, we are advised that there are substantial legal issues regarding this option unless the Authority (1) establish specific selection criteria prior to the issuance of the RFP and include its publication, and (2) make its selection of the winning package without advance knowledge of the identity of that package's winning proposer.

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