

# LOS ANGELES FIRE COMMISSION

BOARD OF  
FIRE COMMISSIONERS

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COMMISSION EXECUTIVE ASSISTANT II



ERIC GARCETTI  
Mayor

SUE STENDEL  
INDEPENDENT ASSESSOR

EXECUTIVE OFFICE  
200 NORTH MAIN STREET, SUITE 1840  
LOS ANGELES, CA 90012

(213) 978-3838 PHONE  
(213) 978-3814 FAX

June 7, 2017

Honorable Members of the City Council  
City of Los Angeles  
City Hall, Room 395  
Attn: City Clerk

Honorable Eric Garcetti  
Mayor, City of Los Angeles  
Room 303, City Hall  
Attn: Mandy Morales, Legislative Coordinator

[BFC 17-067] – FIRST SUPPLEMENTAL AGREEMENT TO AGREEMENT C-124643  
BETWEEN LOS ANGELES FIRE DEPARTMENT AND HARRIS & HARRIS, LTD. FOR  
PROFESSIONAL SERVICES

At its meeting of June 6, 2017, the Board of Fire Commissioners approved the First Supplemental Agreement to Agreement C-124643 between Los Angeles Fire Department and Harris & Harris, Ltd. for Professional Services report and its recommendations. The report is hereby transmitted concurrently to the Mayor and City Council for consideration and approval.

Should you need additional information, please contact the Board of Fire Commissioners' office at 213-978-3838.

Sincerely,

Isela Iñiguez  
Acting Commission Executive Assistant

Attachment

cc: Board of Fire Commissioners (without attachments)  
Fire Chief Ralph M. Terrazas (without attachments)

# LOS ANGELES FIRE DEPARTMENT



RALPH M. TERRAZAS  
FIRE CHIEF

APPROVED 6/6/2017  
BOARD OF FIRE COMMISSIONERS  
BY: [Signature]  
COMMISSION EXECUTIVE ASSISTANT

May 11, 2017

BOARD OF FIRE COMMISSIONERS  
FILE NO. 17-067

TO: Board of Fire Commissioners

FROM: [Signature] Ralph M. Terrazas, Fire Chief

SUBJECT: FIRST SUPPLEMENTAL AGREEMENT TO AGREEMENT C-124643  
BETWEEN LOS ANGELES FIRE DEPARTMENT AND HARRIS &  
HARRIS, LTD. FOR PROFESSIONAL SERVICES

FINAL ACTION:	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

## SUMMARY

The Los Angeles Fire Department (LAFD) contracts for collection services to collect payment of delinquent emergency medical service billing accounts. The LAFD piggy-backed on the Office of Finance's Request for Proposal released on March 30, 2012 to contract with Harris & Harris, Ltd. on August 22, 2014. The initial Agreement (C-124643), which expired May 31, 2016 was for a 20 month term with two one-year extensions.

On October 24, 2016, the City exercised the first renewal option and extended the term of the agreement through May 31, 2017.

Harris & Harris, Ltd. collected revenues of \$2.5M in FY 2014-15 and \$2M in FY 2015-16, and is projected to collect approximately \$1.7M in FY 2016-17. The LAFD proposes exercising the final one-year extension of the Agreement through May 31, 2018 to continue the provision of collection services.

## RECOMMENDATIONS

That the Board:

Approve the report and transmit the First Supplemental Agreement with Harris & Harris, Ltd., for provision of collection services, to the Mayor and City Council for consideration and approval.

## FISCAL IMPACT

This contract has no fiscal impact for the LAFD or on the City's General Fund.

Board of Fire Commissioners  
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Board report prepared by Stewart Young, Management Analyst II, Administrative Services Bureau.

Attachment

**FIRST SUPPLEMENTAL AGREEMENT TO AGREEMENT C-124643  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
HARRIS & HARRIS, LTD.  
FOR COLLECTION SERVICES OF THE CITY'S  
DELINQUENT ACCOUNTS RECEIVABLE**

This First Supplemental Agreement to Agreement C-124643 is made between the City of Los Angeles (hereinafter referred to as the "CITY"), a municipal corporation, acting by and through the Los Angeles Fire Department (hereinafter referred to as the "LAFD") and Harris & Harris, Ltd., (hereinafter referred to as the "CONTRACTOR").

**WITNESSETH:**

**WHEREAS**, CITY utilizes outside collection agency services as a best practice in delinquent debt collection and revenue generator to the CITY; and

**WHEREAS**, CITY through its Office of Finance prepared and released a Request for Proposals (RFP) in 2012 for Primary and/or Secondary Collection Services to pursue collection of the CITY'S delinquent accounts; and

**WHEREAS**, the CONTRACTOR recognizes that the CITY may contract with multiple agencies for collection services and may utilize any account allocation process that it deems appropriate; and

**WHEREAS**, the RFP Evaluation Committee evaluated the proposals received and recommended approval of the CONTRACTOR to the CITY Council; and

**WHEREAS**, the CITY Council approved the CONTRACTOR as one of the agencies for collection services to pursue collection of the CITY'S delinquent accounts; and

**WHEREAS**, on August 22, 2014 CITY Council (Council File No. 14-0870) authorized the Fire Chief, or designee, to execute the Agreement No. C-124643 between the LAFD and Harris & Harris, Ltd. for collection services associated with delinquent EMS billing accounts, effective the date of execution through May 31, 2016, with up to two additional one-year extensions, on a contingency fee basis; and

**WHEREAS**, on October 24, 2016, the CITY in a Restatement and First Amendment to Agreement C-124643 extended the term through May 31, 2017 and updated the Business Associate Agreement; and

**WHEREAS**, the CITY desires in this First Supplemental Agreement to exercise the final one-year extension and extend the term of Agreement No. C-124643 through May 31, 2018; and

**WHEREAS**, the LAFD is a Covered Healthcare Entity within the City of Los Angeles organization, and in accordance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and as part of Agreement C-124643, the LAFD entered into a separate agreement with CONTRACTOR to ensure the security and segregation of accounts containing Protected Healthcare Information (PHI); and

**NOW THEREFORE**, in consideration of the above premises and the covenants, representations and agreements herein contained, the parties hereby agree as follows:

1. Agreement C-124643 executed on September 22, 2014 is incorporated herein by this reference as though fully set forth herein. Unless otherwise modified by this First Supplemental Agreement the terms and conditions of Agreement C-124643 are in full force and effect under this First Supplemental Agreement.

2. **ARTICLE VI – TERM**, is hereby amended in its entirety to read:

The term of this Agreement shall become effective upon signature of all parties and attestation by the City Clerk, and continue through May 31, 2018, unless terminated earlier as provided herein or amended as elsewhere provided herein. Any amendment that extends the term of this agreement beyond three (3) years is subject to the approval of the City Council in accordance with Los Angeles Administrative Code Section 10.5.

Where services are needed to be continued beyond May 31, 2017 and before the date of execution of this Agreement, and where those services are consistent with the terms contained herein, those services are hereby ratified and covered by this Agreement.

3. **Except as amended by this First Supplemental Agreement, all other provisions of Agreement C-124643 shall remain in full force and effect.**

***THE REST OF THIS PAGE LEFT INTENTIONALLY BLANK***

**IN WITNESS WHEREOF**, the parties hereto have caused this instrument to be executed by their respective duly authorized representatives.

THE CITY OF LOS ANGELES

HARRIS & HARRIS, LTD,

By: \_\_\_\_\_  
RALPH M. TERRAZAS  
Fire Chief

By: \_\_\_\_\_  
Arnold S. Harris  
President and CEO

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
David L. Harris  
EVP & COO

Date: \_\_\_\_\_

APPROVED AS TO FORM:  
MICHAEL N. FEUER  
City Attorney

ATTEST:  
HOLLY L. WOLCOTT  
City Clerk

By: \_\_\_\_\_  
Marcia Gonzales-Kimbrough  
Deputy City Attorney

By: \_\_\_\_\_  
Deputy Clerk

Date: \_\_\_\_\_

Date: \_\_\_\_\_