

PUBLIC SAFETY COMMITTEE REPORT relative to proposed Fourth Amendment to Contract No. C-124643 with Harris and Harris, Limited for collection services.

Recommendation for Council action:

AUTHORIZE the Chief, Los Angeles Fire Department (LAFD), or designee, to execute the Fourth Amendment to Contract No. C-124643 between the LAFD and Harris and Harris, Limited, for collection services associated with delinquent emergency medical service billing accounts for one year from June 1, 2020 through May 31, 2021.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that it estimates that the Fiscal Year 2020-21 annual net revenue to be \$1.3 million for emergency medical services billing accounts. Revenue collected by the Contractor is deposited into Revenue Source Code 4451. All fees charged for the delinquent billing services will be paid to the Contractor on a contingency basis, subject to the revenue collected. The recommendation contained in the May 20, 2020 CAO report, attached to the Council file, is in compliance with the City's Financial Policies in that current operations will be funded by current revenues. There is no additional impact to the General Fund.

Community Impact Statement: None submitted.

TIME LIMIT FILE - AUGUST 11, 2020

(LAST DAY FOR COUNCIL ACTION - AUGUST 11, 2020)

Summary:

On June 25, 2020, your Committee considered a May 20, 2020 CAO report relative to proposed Fourth Amendment to Contract No. C-124643 with Harris and Harris, Limited for collection services. According to the CAO, on May 5, 2020, the Board of Fire Commissioners (Board) approved the Fourth Amendment to Contract No. C-124643 between the LAFD and Harris and Harris, Ltd., (Contractor) to extend the term by one year through May 31, 2021. The Contractor is a third party debt collection agency that pursues the City's delinquent emergency medical services billing accounts. The Contractor was originally selected through a Request for Proposals (RFP) released by the Office of Finance in March 2012. The LAFD piggybacked off the RFP and executed the initial agreement for a 20-month term, with two one-year extensions, beginning on the date of execution September 22, 2014, through May 31, 2016.

Subsequently, on October 24, 2016, the LAFD executed the First Amendment with the Contractor to extend the term by one year from June 1, 2016 through May 31, 2017. On July 28, 2017, the LAFD executed the final renewal option, in the form of a supplemental agreement, to extend the term through May 31, 2018. In 2018, the Office of Finance informed the LAFD that an RFP for collection services was being prepared. However, the RFP process would not be completed before the expiration of the existing amendment. On October 22, 2018, the LAFD executed a second supplemental agreement to extend the term through May 31, 2019 pending the completion of the RFP. On May 17, 2019, the Office of Finance released an RFP for delinquent account collection services posted on the City's Los Angeles Business Assistance

Virtual Network. Because the RFP submission deadline was after May 31, 2019, Council approved a third amendment, executed on September 3, 2019, extending the term of the agreement through May 31, 2020. The Office of Finance continues to evaluate the proposals submitted in response to the RFP and has advised that the process will not be complete prior to May 31, 2020, the current expiration date of the agreement. The Office of Finance reports delays related to the 2019 Novel Coronavirus and anticipates bidder selection to be complete by November 30, 2020. The LAFD is requesting to extend the term of the existing agreement by one additional year through May 31, 2021 to allow for sufficient time to complete the RFP process. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Fourth Amendment as detailed in the CAO report and the above recommendation. This matter is now forwarded to the Council for its approval.

Respectfully Submitted,

PUBLIC SAFETY COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
RODRIGUEZ:	YES
O'FARRELL:	YES
BUSCAINO:	ABSENT
RYU:	YES
LEE:	YES

ARL
6/25/20

-NOT OFFICIAL UNTIL COUNCIL ACTS-