



LOS ANGELES FIRE DEPARTMENT

KRISTIN M. CROWLEY
FIRE CHIEF

November 27, 2023

BOARD OF FIRE COMMISSIONERS
FILE NO. 23-126

TO: Board of Fire Commissioners

FROM:  Kristin M. Crowley, Fire Chief

SUBJECT: FIFTH AMENDMENT TO AGREEMENT NO. C-135817 WITH
APPLEONE, INC., DBA APPLEONE EMPLOYMENT SERVICES, FOR
AS-NEEDED TEMPORARY STAFFING SERVICES

FINAL ACTION:	<input 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 Withdrawn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

On November 19, 2019, the Board of Fire Commissioners (Board) approved report BFC 19-134, and its recommendations regarding a new Agreement with Howroyd-Wright Employment Agency, Inc., dba AppleOne Employment Services (AppleOne) for a three-year term, and for a maximum compensation not to exceed \$650,000. Pursuant to the report from the Office of the City Administrative Officer (CAO), it was recommended that the term of the agreement be modified to extend only to June 30, 2021, and the maximum allowable compensation be revised to not exceed \$200,000.

On April 19, 2021, the Los Angeles Fire Department (LAFD) transmitted to the Mayor for consideration and approval in accordance with Executive Directive No. 3, a First Amendment to Agreement No. C-135817 to extend the term for a total of three years and increase the maximum compensation to not exceed \$650,000, as initially approved by the Board. Pursuant to the report from the CAO, it was recommended that the term of the agreement be extended for only six months, to December 31, 2021, and the maximum allowable compensation be increased to not exceed \$300,000.

On October 7, 2021, the LAFD transmitted to the Mayor for consideration and approval in accordance with Executive Directive No. 3, a Second Amendment to Agreement No. C-135817 to extend the term and increase the maximum compensation. Pursuant to the report from the CAO, it was recommended that the term of the agreement be extended for an additional six months through June 11, 2022, and the maximum allowable compensation be increased to not exceed \$400,000.

On December 3, 2021, the Office of the City Clerk (Clerk) released a Request for Proposals for temporary staffing services. Because the City had not entered into a new

agreement for temporary staffing services through the Clerk's December 3, 2021 RFP process, on June 24, 2022, the LAFD entered into a Third Amendment to extend the term of Agreement No. C-135817 from June 12, 2020 through June 11, 2023, for a three-year term, and increased the maximum compensation not to exceed \$500,000, wherein both the term and amount were within what was initially approved by the Board.

While waiting for the Clerk to enter into a new agreement for temporary staffing services, the LAFD entered into a Fourth Amendment with AppleOne to extend the term of Agreement No. C-135817 from June 12, 2020 through June 11, 2024, and increased the maximum compensation not to exceed \$680,000.

The LAFD has been advised that the Clerk will be entering into a new agreement with AppleOne. After their contract has been executed, the LAFD intends to piggyback on that competitive bid process. Because of the continuing need by LAFD for as-needed temporary staffing services and in order to have sufficient time for LAFD to prepare the new contract for approval and execution while allowing for the availability of the temporary staffing services, an extension to the current contract is required.

The Fifth Amendment will extend the term of Agreement C-135817 from June 12, 2020 through December 31, 2024, and increase the compensation by \$150,000 for a total maximum compensation not to exceed \$830,000, as well as change the Contractor's name from Howroyd-Wright Employment Agency, Inc. to AppleOne, Inc.

The LAFD has experienced a decrease in the civilian staffing levels due to promotions and transfers to other City Departments, as well as retirements. Because the City is facing staffing shortages, it has been extremely difficult for the LAFD to fill the civilian positions. To address the issue of the lack of administrative staff, the LAFD has been utilizing the AppleOne contract in order to provide the necessary administrative support until full-time City employees can be hired to fill the vacancies. This has resulted in an increase in the number of temporary employees being hired for longer periods of time, thus causing in an increase in the contract costs.

Pursuant to the Los Angeles Administrative Code Section 10.5(b)(2), the increase in compensation for the extended term is within the contract exemption limit and does not require Council approval. The City Attorney has reviewed and approved the Fifth Amendment to Agreement C-135817 as to legal form.

RECOMMENDATIONS

That the Board:

1. Approve and authorize the Fire Chief to execute the Fifth Amendment to Agreement C-135817 between the City and AppleOne, Inc., dba AppleOne Employment Services, for as-needed temporary staffing services, from June 12, 2020 through December 31, 2024, with a maximum compensation not to exceed \$830,000.
2. Transmit the Fifth Amendment to Agreement C-135817 to the Mayor for approval in accordance with Executive Directive No. 3.

FISCAL IMPACT

Funding will be available from savings in the Department's Contractual Services Account 3040.

Board report prepared by Lauren Nakasuji, Sr. Management Analyst I, Administrative Services Bureau.

Attachment

**FIFTH AMENDMENT TO AGREEMENT C-135817
BETWEEN
THE CITY OF LOS ANGELES
AND
APPLEONE, INC.
DBA APPLEONE EMPLOYMENT SERVICES**

THIS FIFTH AMENDMENT (hereinafter referred to as "AGREEMENT") is made and entered into by and between the City of Los Angeles, a municipal corporation (hereinafter referred to as "CITY"), acting by and through the Los Angeles Fire Department (hereinafter referred to as "LAFD"), and AppleOne, Inc., a California corporation, doing business as AppleOne Employment Services, (hereinafter referred to as "CONTRACTOR") with reference to the following:

WHEREAS, the Office of the City Clerk (hereinafter referred to as "CLERK") issued a Request for Proposal (RFP) 2018-001 for temporary staffing services on April 6, 2018 and determined the CONTRACTOR to be qualified for procurement; and

WHEREAS, the LAFD would like to take advantage of the above referenced competitive contracting process to procure temporary administrative and accounting staffing services as provided in CLERK's Agreement C-132956; and

WHEREAS, the provision of seasonal, temporary staff support for LAFD is most efficiently handled through a contractual arrangement between the CITY and a personnel services agency; and

WHEREAS, pursuant to Los Angeles City Charter Section 1022, the CITY has determined that the work can be performed more economically or feasibly by independent contractors than by CITY employees; and

WHEREAS, on November 19, 2019, the Board of Fire Commissioners approved report BFC 19-134, containing its recommendations regarding a new Agreement with the CONTRACTOR for a three-year term, beginning on the attestation date by the City Clerk, and for a maximum compensation not to exceed \$650,000; and

WHEREAS, pursuant to a report dated May 22, 2020, from the Office of the City Administrative Officer, it was recommended that the term of the Agreement be modified to extend only to June 30, 2021, and the maximum allowable compensation be revised not to exceed \$200,000; and

WHEREAS, the CITY entered into Agreement C-135817 with the CONTRACTOR for temporary staffing services from June 12, 2020, the attestation date by the City Clerk, through June 30, 2021, with a maximum compensation not to exceed \$200,000; and

WHEREAS, the LAFD has an ongoing need for seasonal, temporary staff support to meet

the workload demands of its programs and services; and

WHEREAS, the LAFD desired to enter into a First Amendment to extend the term of Agreement C-135817 from June 12, 2020 through June 11, 2023, for a three-year term, and increase the compensation for a total maximum amount not to exceed \$650,000, as initially approved by the Board of Fire Commissioners; and

WHEREAS, pursuant to a report dated June 3, 2021, from the Office of the City Administrative Officer, it was recommended that the term of the First Amendment be modified to extend only through December 31, 2021, and the maximum allowable compensation be revised to not exceed \$300,000; and

WHEREAS, the LAFD, in the Second Amendment to Agreement C-135817, extended the term from June 12, 2020 through June 11, 2022, for a two-year term, and increased the compensation by \$100,000 for a total maximum amount not to exceed \$400,000; and

WHEREAS, on December 3, 2021, the CITY, through its CLERK, released a Request for Proposals for temporary staffing services (hereinafter referred to as "RFP"); and

WHEREAS, because the CITY had not entered into a new agreement for temporary staffing services through the CLERK's December 3, 2021 RFP process, on June 24, 2022, the LAFD entered into a Third Amendment to extend the term of Agreement C-135817 from June 12, 2020 through June 11, 2023, for a three-year term, and increased the compensation by \$100,000, for a total maximum amount not to exceed \$500,000, as both the term and amount are within what was initially approved by the Board of Fire Commissioners; and

WHEREAS, until the CITY enters into a new agreement for temporary staffing services through the CLERK's RFP process, the LAFD desires in this Fourth Amendment to extend the term of Agreement C-135817 from June 12, 2020 through June 11, 2024, and increase the compensation by \$180,000, for a total maximum amount not to exceed \$680,000; and

WHEREAS, because the CLERK's new agreement for temporary staffing services with CONTRACTOR is pending, the LAFD desires to enter into a Fifth Amendment to extend the term from June 12, 2020 through December 31, 2024, and increase the compensation by \$150,000, for a total maximum amount not to exceed \$830,000.

NOW, THEREFORE, in consideration of the above premises and of the covenants and representation set forth below the parties agree as follows:

1. **SECTION I – PARTIES TO THE AGREEMENT**, Subsection B is hereby amended is hereby amended in its entirety to read as follows:

B. The CONTRACTOR, known as AppleOne, Inc, a California corporation, doing business as AppleOne Employment Services, having its principal office at 327 W. Broadway, Glendale, CA 91204.

2. **SECTION IV – TERM OF THIS AGREEMENT**, is hereby amended in its entirety to read as follows:

Upon signatures by all parties and attestation by the City Clerk, the term of this AGREEMENT shall commence on June 12, 2020 and shall end on December 31, 2024, unless terminated as provided elsewhere in this AGREEMENT or extended by written amendment. This AGREEMENT is non-exclusive. The LAFD retain the rights to utilize other vendors for the same or similar services during the term of this AGREEMENT.

Due to the need for the CONTRACTOR's services to be provided continuously on an ongoing basis, the CONTRACTOR may have provided services prior to the execution of this AGREEMENT. To the extent that said services were performed in accordance with the CITY's request and with the terms and conditions of this AGREEMENT, those services are hereby ratified.

3. **SECTION VII – COMPENSATION AND METHOD OF PAYMENT**, Subsection A, is hereby amended in its entirety as follows:

A. Compensation shall be based on the pricing schedule of services, listed in Exhibit A, and is to be adjusted annually in accordance with the CITY's Living Wage Rates. For updated information on current rates, please visit <https://bca.lacity.org/living-wages-ordinance-lwo>. The maximum allowable compensation is not to exceed Eight Hundred Thirty Thousand Dollars (\$830,000) for the term of the contract. The LAFD makes no guarantee of work or minimum amount of payment to the CONTRACTOR.

4. **ORDER OF PRECEDENCE**

In the event of any inconsistency between any of the provisions of this Fourth Amendment to Agreement No. C-135817 and/or prior amendments or attachments, the inconsistency shall be resolved by giving the previous amendments and/or attachments precedence in the following order:

- 1) Fifth Amendment to Agreement No. C-135817
- 2) Fourth Amendment to Agreement No. C-135817
- 3) Third Amendment to Agreement No. C-135817
- 4) Second Amendment to Agreement No. C-135817
- 5) First Amendment to Agreement No. C-135817

- 6) Original Agreement No. C-135817
- 7) Exhibit B – Standard Provisions for City Contracts (Rev. 9/22) [v.1]
- 8) Exhibit A – AppleOne Staffing Rates and Charges

5. COUNTERPARTS/NUMBER OF PAGES

This Fifth Amendment may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the City) and sent by e-mail shall be deemed original signatures. This Fifth Amendment includes five (5) pages.

- 6. Except as hereby amended by the First through Fifth Amendments, all terms and conditions of the Original Agreement shall remain unchanged and in full force and effect. The Original Agreement is hereby incorporated by reference into this Fifth Amendment.

[SIGNATURE PAGE FOLLOWS]

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

Approved Corporate Signature Methods:

- a. Two signatures: one by Chairman of Board of Directors, President, or Vice President; AND one by Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer.
- b. One signature by corporate designated individual together with properly attested resolution of Board of Directors authorizing person to sign on the company's behalf.

THE CITY OF LOS ANGELES

APPLEONE, INC., a California
corporation, dba APPLEONE
EMPLOYMENT SERVICES

By: _____
KRISTIN M. CROWLEY
Fire Chief
Los Angeles Fire Department

By: _____
BRETT W. HOWROYD
President

Date: _____

Date: _____

By: _____
THAI NGO
Vice President of Finance

Date: _____

APPROVED AS TO FORM:
HYDEE FELDSTEIN SOTO, City Attorney

ATTEST:
HOLLY L. WOLCOTT, City Clerk

By: _____
SAMUEL W. PETTY
Deputy City Attorney

By: _____
Deputy City Clerk

Date: _____

Date: _____

City Agreement Number: C-135817