



Board Agenda Item 33

DATE: April 11, 2023

TO: Board of Supervisors

SUBMITTED BY: Robert W. Bash, Director, Internal Services/Chief Information Officer

SUBJECT: Agreement with Jerico Fire Protection Company, Inc.

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to amend, restate, replace and supersede existing Purchasing Agreement with Jerico Fire Protection Company, Inc. (“Jerico”), retroactive to that agreement’s effective date of December 1, 2020, to continue providing fire suppression maintenance, inspection, inventory, and minor repair services for the County, not to exceed three consecutive years, which include a one-year term with two option one-year extensions, and increasing the maximum agreement by \$100,000, total not to exceed \$300,000;**
- 2. Approve and authorize the Director of Internal Services/Chief Information Officer, or designee, to provide at least thirty (30) days prior written notice of termination to Jerico; and**
- 3. Approve and authorize the Director of Internal Services/Chief Information Officer, or designee, subject to approval by County Counsel as to legal form, to execute any documents or certifications necessary to affect the termination of Agreement.**

There is no additional Net County Cost associated with the recommended actions, which will allow Jerico to continue providing fire suppression maintenance, inspection, inventory, and minor repair services for the County, and allow the Internal Services Department (ISD) the flexibility to terminate the Agreement once the competitive bid process is completed. The increased funding in the recommended Agreement will address higher than anticipated service needs for the County, which include an increase in preventive maintenance and replacement of old piping systems. This item is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, ISD Facilities will not be able to pay for the higher than anticipated maintenance needs and replacement of old piping systems, and this may impact the daily operations of departments countywide.

RETROACTIVE AGREEMENT:

The recommended Agreement is retroactive to December 1, 2020, because it replaces and supersedes Purchasing Agreement P-20-475 (Purchasing Agreement) and is necessary to allow Jerico to continue providing maintenance for the County’s fire suppression systems, which have already commenced under the Purchasing Agreement.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The recommended

Agreement will increase total compensation payable from \$200,000 (the limit of Purchasing Manager's authority) to \$300,000. The compensation increase is funded through department chargebacks. Sufficient appropriations and estimated revenues are included in ISD Facilities Org 8935 FY 2022-23 Adopted Budget and will be included in subsequent budget requests.

DISCUSSION:

On December 1, 2020, ISD-Purchasing approved the Purchasing Agreement with Jerico for fire suppression maintenance, inspection, inventory, and minor repair services, for a potential term of three years and a total maximum compensation payable of \$200,000. The Purchasing Agreement was effective December 1, 2020, and included a one-year term with two option one-year extensions. The Purchasing Agreement was established through a Suspension of Competition approved by ISD-Purchasing, consistent with Administrative Policy No. 34 for unusual or extraordinary circumstances, as Jerico was the only vendor that could provide comprehensive fire suppression services and accommodate the different brands required for various County buildings. The only other vendor identified as a possibility was unable to provide accurate quotes and required sending two technicians to survey and inventory the various County buildings, incurring a cost of over \$25,000 before they would be able to provide a quote.

ISD is currently working with ISD-Purchasing in a competitive bid process to replace this service agreement, and anticipates bringing a new recommended agreement to your Board for consideration later this calendar year. Due to a clerical error in the original Request for Quotation (RFQ) released on February 2, 2023, ISD is working to reissue an updated RFQ by the end of March 2023.

Due to cost increases, Jerico notified ISD Purchasing on November 29, 2022 that they are unable to hold contract pricing for the entirety of the final contract year. Jerico has agreed to continue providing necessary services at the current contract rates, and is willing to terminate the agreement upon completion of the RFQ and initiation the subsequent agreement that results from that competitive bidding process. Approval of the second and third recommended actions will delegate authority to the Director of Internal Services/Chief Information Officer (CIO) to provide thirty (30) day written notice of termination and to execute any documents necessary to affect the termination, and provides ISD the flexibility to terminate the current Agreement when the RFQ process is complete.

ISD is now recommending that the Purchasing Agreement be replaced and superseded by the recommended Agreement, which restates the terms of the existing Purchasing Agreement and increases the total potential three-year compensation payable from \$200,000 to \$300,000. The potential 3-year term shall remain the same with an end date of November 30, 2023. The increased funding in the recommended Agreement will address higher than anticipated preventative maintenance and old piping system replacement needs for the County. Services include fire suppression maintenance, inspection, inventory, and minor repair services. The labor rates in the Purchasing Agreement shall remain the same in the recommended Agreement.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Jerico

CAO ANALYST:

Ahla Yang