



Board Agenda Item 39

DATE: July 13, 2021

TO: Board of Supervisors

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

SUBJECT: Amendment to Agreement with Belfor USA Group Inc., dba Belfor Property Restoration

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute a First Amendment to Agreement No. 17-456 with Belfor USA Group Inc., dba Belfor Property Restoration, for disaster/emergency restoration and repair services, effective upon execution, with no change in term to September 11, 2022 and increasing the maximum compensation amount by \$1,000,000 to a total of \$3,500,000.

Approval of the recommended action will allow the Internal Services Department - Facility Services Division (Facility Services) to continue providing emergency restoration and repair services to various facilities as needed through Belfor USA Group Inc., dba Belfor Property Restoration (Belfor). The increase will be funded with insurance proceeds. This item is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, Facility Services would need to increase staff and expend time and resources on project development and bid solicitation, as disasters and emergencies arise. Facility Services would be unable to respond to emergencies in a timely manner, potentially leading to increased damage and costs.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum compensation will increase by \$1,000,000 to \$3,500,000 to address unanticipated disaster/emergency restoration and repair needs. Work performed under this agreement is on an as-needed basis as requested by Facility Services. Depending upon the total cost of expenditure per incident, the County carries insurance coverage that can limit the out-of-pocket deductible to a range of \$5,000 to \$25,000, depending upon which coverage applies to the claim. When the deductible is required, it will be paid using insurance proceeds from the Risk Management Fund-Property Insurance Program. Facility Services is then responsible for paying all upfront costs beyond the deductible directly to Belfor. Those costs would then be submitted to Risk Management, which would process the reimbursement claim through the County's insurance carrier. Appropriations and estimated revenues are included in the ISD - Facility Services Org 8935 FY 2021-22 Recommended Budget. The County recovers all costs associated with these services through insurance reimbursements.

DISCUSSION:

When emergencies occur to County property and equipment, an assessment is completed by Facility

Services to determine the extent of damages and necessary actions for remediation. In the event that the County does not have the staff or resources to remediate damages, Facility Services files a Property Loss form with Risk Management. After Risk Management reviews the form, a claim is submitted to the County's insurance carrier to procure the services of a vendor specialized in emergency cleanup services. The insurance carrier does not require use of a specific vendor to perform remediation but recommends that a preferred vendor be utilized. Belfor is a preferred vendor due to its preapproved work rates with the County's insurance carrier, which results in the County receiving the maximum potential reimbursement with claims. Additionally, the preapproved rates allow Belfor to commence cleanup services immediately. This is critical, due to the fact that these services are used in emergency situations where any delay can cause additional significant damage to County property and equipment.

On September 12, 2017, the Board approved Agreement No. 17-456 with Belfor to provide disaster/emergency restoration and repair services.

The recommended agreement will increase funding to address unanticipated disaster/emergency restoration and repair needs, with no change to the term. The amendment also includes language regarding electronic signatures.

REFERENCE MATERIAL:

BAI #48, September 12, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - First Amendment to Agreement No. 17-456 with Belfor

CAO ANALYST:

Sonia M. De La Rosa