



Board Agenda Item 38

DATE: November 14, 2017

TO: Board of Supervisors

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

SUBJECT: Declaration of Emergency Regarding the Flood Incident at the Fresno County University Medical Center

RECOMMENDED ACTION(S):

- 1. Adopt Resolution acknowledging the emergency nature of the flood incident at the Fresno County University Medical Center and make a finding pursuant to County Administrative Policy 34 that unusual and extraordinary circumstances exist such that it is in the best interest of the County to suspend competitive bidding, and negotiate and execute contracts for services and supplies as necessary for the remediation and restoration of County property.**
- 2. Authorize the Director of Internal Services/Chief Information Officer to negotiate and execute agreements and other documents necessary for the remediation and restoration of the Fresno County University Medical Center.**
- 3. Adopt Budget Resolution increasing the FY 2017-18 appropriations and estimated revenues for the Internal Services Department, Facility Services Org 8935 in the amount of \$800,000 (4/5 vote).**

Approval of the Recommended Actions 1 and 2 will allow the Director of Internal Services/Chief Information Officer to timely procure the necessary services and supplies to remediate and restore the Fresno County University Medical Center (UMC). Approval of Recommended Action 3 will appropriate the estimated funds necessary to pay for these services.

ALTERNATIVE ACTION(S):

There is no alternative action.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

Recommended Action 1 is to suspend the customary competitive bidding process consistent with the "unusual or extraordinary circumstances" exception contained in Administrative Policy No. 34. This is consistent with the processes used for previous and similar remediation projects for emergencies such as the Fresno County Hall of Records, North Annex Jail, and Brix-Mercer Building. Purchasing has reviewed the request and concurs with the Department's request to suspend the competitive bidding process.

FISCAL IMPACT:

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

insurance coverage that limits the out-of-pocket deductible to a range of \$5,000 to \$25,000 per claim. The appropriate deductible amount is dependent on the applicable coverage for each claim. The deductible will be paid using insurance proceeds from the Risk Management Fund-Property Insurance Program. Facility Services will be responsible for paying all upfront costs beyond the deductible directly to vendor. Those costs would then be submitted to Risk Management, who would process the reimbursement claim through the County's insurance carrier. Sufficient appropriations are available in the Interest and Miscellaneous Expenditures Org 2540 FY 2017-18 Adopted Budget to cover any unreimbursed amount. The current estimated cost of the remediation is \$800,000. Approval of the third recommended action will increase the FY 2017-18 appropriations and estimated revenues in the amount of \$800,000 in the internal Services Department, Facility Services Org 8935 to cover these costs. Should additional funds be required, staff will return to your Board on a later date.

DISCUSSION:

On October 4, 2017, County staff discovered flooding in the UMC. The flooding began on the sixth floor, which subsequently led to water leaking through to the lower floors, ending at the basement floor. To prevent the potential for further damage, a declaration of emergency was made by the Director of Internal Services/Chief Information Officer in conjunction with the County Administrative Officer. This allowed service contractors to conduct remediation and restoration activities immediately.

This emergency declaration falls outside the parameters of the existing service agreement, as this event may necessarily require engaging multiple service providers to complete the minimum remediation and restoration needed to make the facility safe.

Approval of the recommended actions will allow the building to be restored as quickly and efficiently as possible, and provides Facility Services with sufficient appropriations to make any necessary upfront payments for services.

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request
On file with Clerk - Resolution
On file with Clerk - Budget Resolution Org 8935

CAO ANALYST:

John Hays