



Board Agenda Item 51

DATE: October 9, 2018

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Agreement for Title Report and Escrow Services for Various Public Works Projects

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute an Agreement with Fidelity National Title Company for title and escrow services, effective upon execution, not to exceed five consecutive years, which includes a three-year base contract with two optional one-year extensions, total not to exceed \$200,000.

Approval of the recommended action will authorize Fidelity National Title Company (Fidelity) to provide Litigation Guarantees and Escrow/Title Insurance Services. During the last two years of the term, only updated Litigation Guarantees will be requested and no new services or reports will be allowed. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended action is not approved, Department of Public Works and Planning staff will be required to obtain Title and Escrow services individually for each project at market rates, leading to higher costs and project delays. The existing Title and Escrow agreement with Fidelity expires on October 13, 2020; however, no new services can be ordered during the last two years of the agreement and new services are now warranted.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum compensation is \$200,000 for the term. Fidelity will be compensated at prescribed rates for services. Sufficient appropriations and estimated revenues are included in the Department of Public Works and Planning - Roads Org 4510 FY 2018-19 Adopted Budget. The recommended agreement may be used by other divisions or county departments, if so, Org 4510 will be reimbursed by the user. The actual cost will be based on the number of service orders requested by the users.

DISCUSSION:

Litigation Guarantees, a type of Title Report, and escrow services are required to complete real property transactions for various Department projects, including road reconstruction and widening, bridge replacement and rehabilitation, traffic mitigation and signalization, installation of new and upgraded drinking water and wastewater facilities, and capital improvement projects for new and existing county facilities. While Department staff performs certain real property services, Litigation Guarantees and Escrow/Title Insurance Services fall outside of the scope of staff duties.

A formal Request for Qualifications (RFQ) was issued on May 21, 2018 by the Department of Public Works and Planning in accordance with County Ordinance Code, Chapter 4.10 - Selection of Architects, Engineers and Other Professionals. The RFQ was advertised on the County's website and six local companies who provide Litigation Guarantees and Escrow/Title Insurance Services were notified. The Department received Statements of Qualifications (SOQ) from one firm, Fidelity, before the submission deadline of June 15, 2018. The SOQ was evaluated and deemed responsive, and the Department entered into agreement negotiations with the firm. The selection committee consisting of real property associates and a supervising engineer in the Department's Design Division considered the fee schedule submitted and found it to be reasonable, and recommended that the contract be awarded to Fidelity.

Similar to the existing agreement, the recommended agreement allows for new Litigation Guarantees and Escrow/Title Insurance Services during the first three years. Only updated Litigation Guarantees can be requested during the last two years. Updated Litigation Guarantees are requested as deemed necessary, particularly in situations regarding eminent domain, to ensure the accuracy of the information contained in the reports. The maximum fee was determined by averaging the two quotation schedules, which the firm submitted (one for services pertaining to residential parcels, and one for commercial parcels), and then rounding up to ensure an adequate cap. The quotation schedules were based on an estimated number of order quantities for each service, and list the service fees for Litigation Guarantees, updated Litigation Guarantees, Escrow/ Title insurance. Fees will be charged on a per-order basis.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Fidelity National Title Company

CAO ANALYST:

Sonia M. De La Rosa