



County of Fresno

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Legislation Text

File #: 17-0805, Version: 1

DATE: September 12, 2017

TO: Board of Supervisors

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

SUBJECT: Emergency Cleanup Services - County Facilities

RECOMMENDED ACTION(S):

- 1. Make a finding that it is in the best interest of the County to waive the competitive bidding process consistent with Administrative Policy No. 34 under the “unusual or extraordinary circumstances” exception for emergency cleanup services.**
- 2. Approve and authorize the Chairman to execute an Agreement with Belfor Property Restoration for emergency clean up services effective upon execution, not to exceed five consecutive years, which includes a three-year base contract and two optional one-year extensions, total not to exceed \$2,500,000.**

Approval of the recommended actions will allow the Internal Services Department (ISD) Facility Services Division to contract for disaster/emergency restoration and repair services as may be needed from time to time for various County facilities.

ALTERNATIVE ACTION(S):

Your Board could direct staff to competitively bid these services. However, if the awarded vendor is not a preferred vendor of the County’s insurance carrier, it could delay remediation of County property and equipment, which may cause additional significant damage and delays in returning those facilities to service. In addition, not using a preferred vendor may result in the County not being reimbursed the full cost as the awarded vendor may have higher rates than what would be authorized by the County’s insurance carrier.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

Recommended Action No. 1 is to suspend the customary competitive bidding process consistent with the “unusual extraordinary circumstances” exception contained in Administrative Policy No. 34. This will allow the County to contract with Belfor Property Restoration (Belfor), the preferred vendor of choice of County’s insurance carrier; Belfor is a preferred vendor due to preapproved work rates, which allow emergency cleanup services to start immediately upon notification. Any delays when emergency remediation is necessary can cause additional significant damage to County property and equipment. Purchasing has reviewed the request and concurs with the Department’s request to waive the competitive bidding process.

FISCAL IMPACT:

Work performed under this agreement will be on an as-needed basis as requested by County. Therefore, there is no increase in Net County Cost. 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, who would process the reimbursement claim through the County's insurance carrier.

Appropriations are included in the FY 2017-18 Internal Services Department - Facility Services Division Org 8935 Recommended Budget. Future costs associated with this agreement will be requested in future years. If additional appropriations are required for larger incidents, staff will return to your Board for approval. The recommended agreement will have a spending limit of \$2,500,000 for the total five-year term.

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, Facility Services would file 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 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 wherein any delay can cause additional significant damage to County property and equipment.

This agreement will be used for minor disasters and emergencies. However, this does not preclude a declaration of emergency in the event of a major loss. In the event of larger disasters and emergencies, staff will return to your Board requesting authorization for the Director of Internal Services/Chief Information Officer to negotiate and execute agreements and other documents as necessary to timely procure the necessary services and supplies for remediation and restoration services.

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request
On file with the Clerk - Agreement

CAO ANALYST:

John Hays