



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: NOVEMBER 19, 2019

FROM: FINANCE DEPARTMENT WARDS: ALL

SUBJECT: MASTER AGREEMENTS FOR RFP NO. 1913 EMERGENCY GENERAL CONTRACTOR PANEL WITH BELFOR RESTORATION SERVICES, KAIROS CONSTRUCTION AND STILWELL CONSTRUCTION, INC. IN AN AMOUNT NOT TO EXCEED \$750,000 PER CONTRACTOR PER YEAR WITH A TERM ENDING JUNE 30, 2022 AND THE OPTION TO EXTEND FOR TWO ADDITIONAL ONE YEAR TERMS, NOT TO EXCEED FIVE YEARS

ISSUE:

Approve Master Agreements for Request for Proposal 1913 Emergency General Contractor Panel with Belfor USA Group, Inc. DBA Belfor Property Restoration, Kairos Construction, and Stilwell Construction Inc. in an amount not to exceed \$750,000 per contractor per year with an initial term ending June 30, 2022, and the option to extend for two additional one year terms not to exceed five years.

RECOMMENDATIONS:

That the City Council:

1. Approve a Master Agreement for Request for Proposal 1913 Emergency General Contractor Panel with Belfor USA Group, Inc. DBA Belfor Property Restoration (CSLB No. 810553), of Riverside, California, in an amount not to exceed \$750,000 per fiscal year through June 30, 2022;
2. Approve a Master Agreement for Request for Proposal 1913 Emergency General Contractor Panel with Kairos Construction (CSLB License No. 861206), of Murrieta, California, in an amount not to exceed \$750,000 per fiscal year through June 30, 2022;
3. Approve a Master Agreement for Request for Proposal 1913 Emergency General Contractor Panel with Stilwell Construction Inc. (CSLB No. 6152340), of Riverside, California, in the not to exceed amount of \$750,000 per fiscal year through June 30, 2022; and
4. Authorize the City Manager, or designee, to execute the respective agreements, including making minor non-substantive changes and the optional contract extensions.

BACKGROUND:

The City receives 311 calls from residents who believe their property was damaged as a result of invasive tree roots stemming from City owned trees, or who are experiencing backflow into their homes as a result of sewer line complications located on or after their property line, among other things. The City then dispatches technicians according to the type and category of the call to assess the underlying cause and extent of the damages. Depending on the findings, the City will dispatch the corresponding emergency contractor to redress the damages utilizing the emergency authorization provided by the City's Purchasing Resolution No. 23256, Article Three.

The purpose of having an Emergency panel is to ensure that the City has the necessary resources to respond to general or specialized emergency and non-emergency calls and to increase the City's overall capacity for responding to multiple emergency and non-emergency situations as needed. Such an emergency occurred on Monday, March 4, 2019, when a City owned water main break located on Magnolia Avenue burst and flooded multiple businesses causing extensive property damage and loss of income to business owners. City staff enlisted the services of one of the City's contracted emergency contractors who worked diligently to repair the damages caused by the main break.

During the course of any given year, repairs to private and/or City property are required to mitigate the cost of the related claim or loss to the City, including repairs that require immediate emergency attention. Title 7.10.065 defines "Emergency Work" as work made necessary to restore property to a safe condition following property damage caused by an emergency or work necessary to prevent or minimize damage from a potential emergency. Examples include sewer lateral tree root invasions, tree branch failures, water main breaks, potential trip and fall hazards, miscellaneous street and sidewalk repairs and various other anomalies that are identified through the claims process.

In the interest of reducing these emergency-based costs, the Risk Management Division issued Request for Proposal (RFP) 1913 to engage a panel of qualified construction contractors to provide these services in the future. Staff believes that by inserting this element of competition, the process will gain efficiency and reduce costs by having pre-determined fixed pricing included in the contracts. This panel will respond to both emergency and non-emergency repair work related to liability insurance claims against the City on an around-the-clock basis.

DISCUSSION:

RFP 1913 for the Emergency General Contractor Panel was posted on May 10, 2019 on the City's electronic bidding (PlanetBids) website. RFP 1913 was closed on May 30, 2019 and the City received five (5) competitive responses. A cross-functional review panel was selected to evaluate the responsive proposals including representatives from the Public Works and Public Utilities Departments and the Risk Management Division. Emergency response time (for Contractors submitting proposals for emergency work) shall be less than 60 minutes to arrive on location. After evaluations were conducted, three (3) contractors were recommended to serve on the City's Emergency and Non-Emergency contractor panel.

The Purchasing Manager concurs that the recommendations to award RFP 1913 to Belfor Property Restoration Services, Kairos Construction and Stilwell Construction Inc. comply with Purchasing Resolution 23256.

FISCAL IMPACT:

Sufficient funds for FY 2019-2020 are available in the Financial Liability Trust GL 2320200-428630.

Prepared by: Marie Ricci, Assistant Chief Financial Officer.
Certified as to
Availability of funds: Edward Enriquez, Chief Financial Officer /Treasurer
Approved by: Carlie Myers, Deputy City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Master Agreement for Emergency General Contractor Panel with Belfor Property Restoration
2. Master Agreement for Emergency General Contractor Panel with Kairos Construction
3. Master Agreement for Emergency General Contractor Panel with Stillwell Construction, Inc.
4. RFP Award Recommendation