



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: OCTOBER 20, 2015**

FROM: FINANCE DEPARTMENT **WARDS: ALL**

**SUBJECT: REQUEST FOR PROPOSALS NO. 1522 EMERGENCY AND NON-EMERGENCY
GENERAL CONTRACTORS PANEL - TWO FOUR-YEAR CONTRACTS FOR AN
AMOUNT NOT TO EXCEED OF \$1,000,000 EACH**

ISSUE:

The issue for City Council consideration is to approve master agreements for construction with Stilwell Construction and Alabbasi Construction & Engineering for emergency and non-emergency general contracting services.

RECOMMENDATIONS:

That the City Council:

1. Approve a construction agreement for Emergency and Non-Emergency general contracting services with Stilwell Construction of Riverside, California in the not to exceed amount of \$1,000,000 per fiscal year between the period of November 1, 2015 through June 30, 2019;
2. Approve a construction agreement for Emergency and Non-Emergency general contracting services with Alabbasi Construction & Engineering of Perris, California in the not to exceed amount of \$1,000,000 per fiscal year between the period of November 1, 2015 through June 30, 2019; and
3. Authorize the City Manager or his designee to execute the respective agreements, including making minor non-substantive changes.

BACKGROUND:

Historically, liability insurance claims filed against the City that require emergency-based construction work to remediate property damage have been addressed through engaging a contractor utilizing the emergency authorization provided by the City's Purchasing Resolution No. 22576, Article two, section 300(d). 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. Examples include sewer lateral tree root invasions (typically Shamel Ash), 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 Purchasing & Risk Management Division issued a Request for Proposals (RFP) 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.

Examples of liability claim construction work services:

Emergency

- Respond to call for service to address sewer back-ups when residents claim that the line is backing up due to problems with the city lateral or main line, and a city technician confirms that the problem may be related to roots from a city tree.

Non- Emergency

- Investigate the cause of damage for claims received from residents in which they assert that their driveway, home or other private property has been damaged by city tree roots.
- Repair private property such as driveways that have been damaged by city tree roots.

On June 4, 2015, RFP 1522 was posted on the City's electronic bidding website by the Purchasing & Risk Management Division. RFP 1522 closed on July 14, 2015 and the City received nine competitive responses. A cross-functional review panel was selected to evaluate the responsive proposals including representatives from the Public Works, Public Utilities, General Services and Finance Departments, as well as the City's third party claims adjuster. After evaluations were conducted, five contractors were selected to present to the RFP review panel on August 14, 2015. Subsequently, two contractors, Stilwell Construction and Alabbasi Construction & Engineering, were recommended for award by the RFP review panel. Both companies have worked extensively with the City over many years and are anticipated to be able to both do the work in a timely manner and with the appropriate degree of customer service necessary for handling emergency claims.

FISCAL IMPACT:

Funds to cover the cost of the various projects that will be assigned to this panel are included in the Fiscal Year 2015/16 adopted budget in the liability insurance trust fund. These costs are allocated to departments based on the City's internal insurance rate allocation process, which allocates costs to departments based on claims experience, number of employees and size of vehicle fleet.

Prepared by: Brent A. Mason, Finance Director/Treasurer
Certified as to
Availability of funds: Brent A. Mason, Finance Director/Treasurer
Approved by: Al Zelinka, FAICP, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Agreement with Stilwell Construction
2. Agreement with Alabbasi Construction & Engineering