

# Agenda Report

November 14, 2022

TO:

Honorable Mayor and City Council

FROM:

Department of the City Manager

SUBJECT: CONTRACT AWARD TO CHICAGO TITLE COMPANY FOR TITLE AND

**ESCROW SERVICES FOR AN AMOUNT NOT-TO-EXCEED \$100.000** 

## **RECOMMENDATION:**

It is recommended that the City Council:

- 1. Find that the proposed action is not a project subject to the California Environmental Quality Act ("CEQA") pursuant to Section 21065 of CEQA and State CEQA Guidelines Sections 15060(c)(2), 15060(c)(3), 15378, and as such, no environmental document pursuant to CEQA is required for the project; and
- 2. Authorize the City Manager to enter into a contract, as a result of the competitive selection process specified by Section 4.08.047 of the Pasadena Municipal Code, with Chicago Title Company for title and escrow services for a two-year term not to exceed \$40,000, with the option of three additional one-year extensions combined options not to exceed \$60,000, subject to the approval of the City Manager, for a total contract length of five years or until \$100,000 is expended, whichever comes first. Competitive bidding is not required pursuant to City Charter Section 1002(F) contracts for professional or unique services.

#### **BACKGROUND:**

The Economic Development Division oversees a real estate portfolio of over 400 properties and leases that are managed, negotiated, and maintained for various City departments and tenants. The Division seeks to place one qualified professional under contract for title and escrow services to provide quality services for commercial and residential properties within the City. As future projects are identified, the consultant will provide cost estimates and time frames for the delivery of future title and escrow reports.

A Request for Proposal ("RFP") was posted on the City's procurement system, Planet Bids, on July 18, 2022, through which 2,735 vendors were notified of the RFP

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opportunity. Of the vendors notified, 13 were identified as prospective proposers and 12 downloaded information about the RFP. On August 09, 2022, the City received one proposal. The RPF was completed in a competitive manner, by attempting to reach as many vendors as possible to participate. The scope of work was adequately drafted by asking for title and escrow services and not limiting the scope with other requirements in an effort not to limit the responses. Unfortunately, only one vendor response was received. When staff called other prospective vendors to inquire why a proposal had not been submitted, they failed to return our calls.

The proposal was reviewed, evaluated, and weight scored by City of Pasadena staff, as per the criteria described within the RFP, and ranked as set forth in Attachment "A" to this report. The proposal from Chicago Title Company was ranked the highest, as Chicago Title Company had the strongest company qualifications, a strong experience working with the City of Pasadena other municipalities, and competitive pricing on the RFP proposed projects. Chicago Title Company had a previous contract length of five years with the City of Pasadena, in which a total payment amount of \$4,780 was issued to them.

Based upon the scoring, staff recommends entering into a contract with Chicago Title to provide Title and Escrow Services.

### **COUNCIL POLICY CONSIDERATION:**

The proposed action is consistent with the City Council's Strategic Plan Goal to maintain fiscal responsibility and stability and support and promote the quality of life and local economy.

#### **ENVIRONMENTAL ANALYSIS:**

The proposed action herein is not subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(3) and 15378(b). CEQA Guidelines Section 15060 (c)(3) excludes from environmental review those activities that are not a "project" as defined in Section 15378. Section 15378(b) excludes from the definition of "project" governmental funding activities which do not involve a commitment to a project which may result in a potentially significant environmental effect. The proposed action consists of a contract and appropriation of funds for title and escrow services. No direct or reasonably foreseeable indirect physical change in the environment would result.

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# **FISCAL IMPACT:**

The cost of this action will be an amount not to exceed \$40,000 for the initial two-year term. With the three (3) one-year optional extensions, the grand total cost for the full term of the contract is not to exceed \$100,000. Funding for this action will utilize existing budget appropriations and future appropriations in account 10111005-811500, Economic Development Division Consultant Services.

Respectfully submitted,

DAVID A. KLUG

Economic Development Director

Prepared by:

JEFFREY HERNANDEZ

Real Property Manager

**Economic Development Division** 

Approved by:

MIGUEL MÁRQUEZ

City Manager

Attachments: (1)

Attachment A - Title and Escrow Services Proposal Evaluation