



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/14/2021

ALL

Item Creation Date: 8/5/2021

E30060 – Helicopter Repair and Maintenance Services - ORDINANCE (MD Helicopters, Inc.)

Agenda Item#: 45.

Background:

Sole Source for S84-E30060 - Approve an ordinance awarding a sole source agreement between the City of Houston and MD Helicopters, Inc. in the maximum contract amount of \$961,974.54 for maintenance and repair and overhaul/exchange services for the MD 500E helicopter fleet for the Houston Police Department.

Specific Explanation:

The Police Chief of the Houston Police Department and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a **five (5) year sole source agreement** between the City of Houston and **MD Helicopters, Inc.** in the maximum contract amount of **\$961,974.54** for maintenance, repair, and overhaul/exchange services for the main rotor and tail rotor transmissions of HPD's MD 500E helicopter fleet.

The scope of work requires the contractor to provide all labor, material, expendable supplies, vehicles, tools, equipment, and supervision necessary to perform repair and overhaul/exchanges services for the helicopters' two main rotor transmission parts and one tail rotor transmission part.

This contract is for the continued operation of the HPD Air Support Division's fleet of six (6) MD 500E helicopters. As the age of the fleet increases, parts must be replaced in order to comply with the lifetime limits set by the Federal Aviation Administration (FAA). The overhaul/exchange of the main rotor and tail rotor transmissions in the helicopters is necessary when each aircraft has reached the life limits set by the parts manufacturer and the FAA; in this case, the maximum allotted hours for safe operation is 5000 flight hours. Failure to perform this required maintenance will result in the helicopter being grounded until the maintenance and service has been performed.

MD Helicopters, Inc. is the original equipment manufacturer (OEM) of the MD 500E model helicopter and the sole source of the factory-authorized repairs of these components. MD Helicopters, Inc. recently revised its Maintenance Manuals effectively preventing any other facilities from repairing or overhauling these life-limited components.

This recommendation is made pursuant to subsection 252.022(a)(7) of the Texas Local Government Code, which provides that "a procurement of items that are available from only one source" is exempt from the competitive bid process.

M/WBE Participation:

M/WBE participation zero-percentage goal document approved by the Office of Business Opportunity.

Pay or Play Program:


The proposed contract requires compliance with the City's 'Pay or Play' ordinance regarding health benefits for employees of City contractors. In this case, MD Helicopters Inc. provides health benefits to eligible employees in compliance with City policy.

Hire Houston First:

This procurement is exempt from the City's Hire Houston First Ordinance. Bids/proposals were not solicited because the department is utilizing a sole source contractor for this purchase.

Fiscal Note:

Funding for this item is included in the FY22 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DocuSigned by:

0DD350139A6F4C8...

Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

Department Approval Signature

12/4/2021

Estimated Spending Authority:

Department	FY 2022	Out Years	Total
Houston Police Department	\$182,833.42	\$779,141.12	\$961,974.54

Amount and Source of Funding:

\$961,974.54 – General Fund (1000)

Contact Information:

Name:	Department / Division	Phone
Yesenia Chuca, Purchasing Manager	FIN/SPD	(832) 393-8727
Edith Beal, Senior Procurement Specialist	FIN/SPD	(832) 393-8730
Sonja O Dat, Executive Staff Analyst	HPD	(713) 308-1728

ATTACHMENTS:

Description	Type
E30060 - Cleared Tax Report	Backup Material
E30060 - OIF_MD Helicopters	Backup Material
E30060 - OBO Approved	Backup Material
E30060 - Quote	Backup Material
E30060 - SSJ_CPO Approval	Backup Material
E30060 - SOW & Fees Schedule	Backup Material
Funding Document - COF	Financial Information
Funding Document - Attachment A	Financial Information
E30060 - MD Helicopter_Drug Policy	Backup Material
E30060 - Exhibit D_No Safety Impact Cet_MD	Backup Material
Funding Information SAP HPD 1000	Financial Information