



CITY OF HOUSTON OFFICE of BUSINESS OPPORTUNITY

FREQUENTLY ASKED QUESTIONS

Office of Business Opportunity Contract Compliance Monitoring Services – Staff Augmentation

Q1: Why are these staff augmentation services needed?

A1: OBO's Contract Compliance Division currently monitors over 1,200 City contracts that have Minority, Women, Small, and Disadvantaged Business Enterprise (MWSDBE) goals, prevailing wage, and Equal Employment Opportunity compliance requirements. Failure to effectively monitor these contracts could result in wage underpayment to employees of City contractors, unaddressed MWSDBE and equal employment violations, and loss of federal funding, including grants. Recently, the number of active contracts with compliance monitoring requirements has increased at an unprecedented rate in relation to staff headcount available to perform required compliance monitoring.

Q2: Why is OBO's compliance staff not able to handle the existing contract load?

A2: OBO is budgeted for seven (7) compliance officers to monitor the 1,200 plus contract load. Over the last couple of years, OBO has experienced an 85% attrition rate for its compliance officers; many of these losses were to the private sector, other city departments and entities whose salaries are more competitive. In addition, attracting qualified talent to backfill those vacant positions has proven challenging in this current employment environment. It should be noted that the engagement of these vendors will only serve as a stopgap. Based upon the current volume of contracts and the anticipated future increases in projects projected by HPW, there will still be a need in the future to increase headcount in the Contract Compliance Division and utilize technology to automate processes.

Q3: Are there statutory requirements for the delivery of these monitoring services?

A3: OBO performs these monitoring functions pursuant to Chapter 15, Articles V & VI of the City Code of Ordinances, Ordinances 78-1538, 84-1309, 85-2070, 85-2071, 06-91 and 08-665, Federal regulations, and Texas Government Code – Chapter 2258.

Q4: How will the vendors be engaged on these contracts?

A4: OBO has identified approximately 800 contracts on which these vendors will do full compliance. The remaining contracts will be handled by existing OBO compliance staff, as those projects are closer to completion. As described on each Request for Council Action, each vendor will be responsible for select contracts. MPACT will perform monitoring on construction contracts (~300) which require MWSDBE, prevailing wage and equal employment opportunity monitoring. While HillDay will perform monitoring on professional services, goods and non-professional services contracts (~500) which will require MWSDBE and EEO monitoring.

Q5: Who are the two vendors?

A5: In furtherance of the City's mission to promote growth opportunities for the City's certified firms, both vendors are MWBE certified firms, and are certified to perform the services required in this engagement. Each vendor has demonstrated an expertise in and history of performing the compliance monitoring functions for which they will be responsible.

Q6: What is the duration of these contracts?

A6: These vendors are each being engaged for a nine (9) month period. In addition to leveraging their expertise to perform compliance, we anticipate that this engagement will allow us to create long term operational efficiencies in our compliance processes by incorporating industry best practices.