



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 8/24/2022

HPW – 20FO02 Contract Award / Reliance Construction Services, L.P.

Agenda Item#:

Background:

SUBJECT: Contract Award for Work Order Construction Contract for Small Diameter Water Lines.

RECOMMENDATION: (SUMMARY) Reject low bid, return bid bond, award Construction Contract to the second low bidder, Reliance Construction Services, L.P., for Work Order Contract for Small Diameter Water Lines and appropriate funds.

PROJECT NOTICE/JUSTIFICATION: This project is part of the Capital Improvement Program and is required to provide work authorization on a location by location as-needed basis, to provide quality water services, protection, and improve system reliability.

DESCRIPTION/SCOPE: This project consists of the Citywide program that provides construction services for water main extensions. The scope is established by each work authorization. The Contract duration for this project is 730 calendar days.

LOCATION: The projects are located throughout the City of Houston.

BIDS: This project was advertised for bidding on April 22, 2022. Bids were received on May 19, 2022. The three (3) bids are as follows:

<u>Bidder</u>	<u>Adjustment Factor:</u>	
1. Tikon Group, Inc.	1.750	Non-responsible
2. Reliance Construction Services, L.P.	1.979	
3. Resicom, Inc	4.750	

AWARD: The apparent low bidder, Tikon Group, Inc., was considered non-responsible due to withdrawing their bid. Therefore, it is recommended that this construction contract be awarded to the second low bidder Reliance Construction Services, L.P., with a bid of \$2,800,000.00 (1.979 Adjustment Factor) and Addenda Numbers 1 and 2 be made part of this Contract.

PROJECT COST: The total cost of this project is \$3,225,000.00 to be appropriated as follows:

· Bid Amount	\$ 2,800,000.00
· Contingencies	\$ 140,000.00
· Testing Services	\$ 145,000.00
· CIP Cost Recovery	\$ 140,000.00

Testing Services will be provided by Geoscience Engineering and Testing, Inc. under a previously approved contract.

HIRE HOUSTON FIRST: The proposed contract requires compliance with the City's 'Hire Houston First' (HHF) ordinance that promotes economic opportunity for Houston business and supports job creation. In this case Reliance Construction Services, L.P. is a designated HHF company, but they were the successful awardee without application of the HHF preference.

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, the Contractor provides benefits for some employees but will pay into the Contractor Responsibility Fund for others, in compliance with City policy.


M/WSBE PARTICIPATION: The contractor has submitted the following proposed program to satisfy the 15% MBE goal and 8% WBE goal for this project.

<u>MBE - Name of Firms</u>	<u>Work Description</u>	<u>Amount</u>	<u>% of Contract</u>
1. Reliance Construction Services, L.P.	Sewer Lines and related structures	\$322,000.00	11.50%
2. Castaneda Trucking, Boring & Tunneling.	Boring, Tunneling pipe installation	<u>\$ 98,000.00</u>	<u>3.50%</u>
	TOTAL	\$420,000.00	15.00%

	<u>WBE - Name of Firms</u>	<u>Work Description</u>	<u>Amount</u>	<u>% of Contract</u>
1.	KMA Contractors Services, Inc.	Brick, Stone Construction Materials	\$112,000.00	4.00%
		TOTAL	\$112,000.00	4.00%

	<u>SBE - Name of Firms</u>	<u>Work Description</u>	<u>Amount</u>	<u>% of Contract</u>
1.	R Concrete Repairs	Concrete work	\$112,000.00	4.00%
		TOTAL	\$112,000.00	4.00%

FISCAL NOTE: No significant Fiscal Operating impact is anticipated as a result of this project.

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 10/3/2022
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Carol Ellinger Haddock, P.E., Director
 Houston Public Works

WBS No. S-000700-0074-4

Amount and Source of Funding:

\$3,225,000.00 – Fund No. 8500 – Water and Sewer System Consolidated Construction Fund.

Contact Information:

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ATTACHMENTS:

Description	Type
SAP Documents	Financial Information
Maps	Backup Material
OBO Documents	Backup Material
Form B	Backup Material
Ownership Information Form & Tax Report	Backup Material
Pay or Play	Backup Material
Bid Extension Letter	Backup Material
Bid Tabulations	Backup Material
Form 1295	Backup Material