



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/15/2022

ALL

Item Creation Date: 6/30/2022

L29295.A1 - Mail Processing Services (HOV Services, Inc.) - Ordinance

Agenda Item#: 29.

Background:

L29295.A1 – Approve an ordinance authorizing a first amendment to contract number 4600016224 between the City of Houston and HOV Services Inc., (approved by Ordinance 2020-723, passed on August 26, 2020) to amend Exhibit F (Fees and Cost Schedule), to add services, add price increase language to the current contract for mail processing services for various City departments.

Specific Explanation:

The Director and Presiding Judge of the Municipal Courts Department and the Interim Chief Procurement Officer recommend that City Council approve an ordinance authorizing a first amendment to the contract between the City of Houston and HOV Services Inc., to amend Exhibit F (Fees and Cost Schedule), to add services and, add price increase language to the current contract various City departments.

This contract was awarded on August 31, 2020, by Ordinance No. 2020-723, for a three-year term with two one-year options in the amount not to exceed \$3,613,144.55. Expenditures as of May 23, 2022, totaled \$766,907.89. No additional spending authority is required. All other terms and conditions of the contract shall remain the same.

The scope of work requires the Contractor to provide all facilities, personnel, transportation and supplies necessary to process and mail all official correspondence including invoices, delinquent notices, certificates, court notices and parking citations for the Municipal Courts Department and the Administration and Regulatory Affairs Department.

The first amendment is needed to add services, add price increase language to the current contract and correct Exhibit F Fee and Cost schedule to reflect what HOV Services, Inc., originally bid in response to the advertised ITB.

- The additional services to be added to the current contract are Duplex Printing and Custom Computer Programming. These services were confirmed and added through an Add Letter dated June 16, 2022. The added services and fees were provided by HOV via a quote dated June 3, 2022.
- The contract is being amended to include the standard price adjustment provision included in the City’s purchases for commodities. The adjustment mechanism will be tied to a relevant price index and any requests for increases or decreases will follow the standard process of review and approval by the Chief Procurement Officer.
- The original fee schedule reflects the bid prices rounded to the second decimal place, but the bid prices were placed to the fourth decimal place. For example, simplex printing was quoted at \$0.017 and was rounded to \$0.02 and PDF creation was quoted at \$0.0027 but rounded to \$0.00. This resulted in invoices not matching the contract amount.

M/WBE Subcontracting:

The bid was issued with a 11% MWBE participation. HOV Services Inc., submitted a Good Faith Effort to the Office of Business Opportunity, which was approved for a 0% MWBE goal. Therefore, HOV Services, Inc., will not be required to meet the 11% MWBE goal.

Fiscal Note:

There is no impact to the fiscal budget or no additional spending authority. Therefore, no Fiscal Note is required as stated in the Financial Policies.

11/8/2022

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Jedediah Greenfield
Interim Chief Procurement Officer

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Department Approving Authority Signature

11/9/2022

Prior Council Action:

Ord. No. 2020-0723 – Passed 8/26/2020

Amount and Source of Funding:

NO FUNDING REQUIRED

Contact Information:

NAME:	DEPARTMENT/DIVISION	PHONE
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Karen Simonton, Sr. Procurement Specialist	FIN/SPD	832.393.9037
Lilly Warden, Assistant Director	MCD	713.247.8749

ATTACHMENTS:**Description**

L29295 - Contract
L29295 - PCA 2020-723 Ordinance
L29295.A1 - Ownership Form
L29295.A1 - Clear Tax Report
L29295 - Original RCA for S89-L29295
L29295.A1 - Add Letter Signed by Vendor

Type

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