

CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/9/2015

ALL

Item Creation Date: 8/19/2015

L24022-A1 - Mail Processing Services for Utility Water Bills - ORDINANCE

Agenda Item#: 21.

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Summary:

ORDINANCE amending Ordinance No. 2012-0092 (Passed on February 1, 2012) to increase the maximum contract amount for contract between the City of Houston and **HOV SERVICES, INC** for Mail Processing Services for Utility Water Bills for the Department of Public Works & Engineering - \$731,550.00 - Enterprise Fund

Background:

Subject: S19-L24022-A1 - Approve an Amending Ordinance to Increase the Maximum Contract Amount for Contract No. 4600011312 for Mail Processing Services for Utility Water Bills for the Department of Public Works and Engineering.

The Department of Public Works and Engineering and the City Purchasing Agent recommends that City Council approve an amending ordinance to increase the maximum contract amount from \$2,926,200.00 to \$3,657,750.00 for the contract between the City of Houston and HOV Services, Inc. for mail processing services for utility water bills for the Department of Public Works and Engineering.

The contract was awarded on February 1, 2012 by Ordinance 2012-0092, for a three-year term with two one-year options, in the original amount of \$2,926,200.00. Expenditures as of August 7, 2015 totaled \$2,633,488.77. The contract incurred expenditures at a rate higher than anticipated due to increases in special mailings to customers in the form of water quality reports, bacteria notifications. Therefore, an increase to the maximum contract amount is needed to ensure that these services continue through the end of the contract term.


The scope of work requires the contractor to provide all personnel, management, supervision, labor, equipment and incidentals necessary to process and mail utility bills on a daily basis or as required. The contractor is also required for maintaining the security and/or confidentiality of all transmitted data files, which includes customer names, service addresses and account numbers for PWE Utility Customer Service.

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 health benefits to eligible employees in compliance with City policy.

M/WBE Subcontracting:

This contract was awarded with a 11% goal for MWBE participation. HOV Services, Inc. is currently achieving 8.38%. The Office of Business Opportunity will continue to monitor this contract to ensure maximum MWBE participation.


Calvin D. Wells, City Purchasing Agent
Finance/Strategic Procurement Division

Department Approval Authority Signature

Prior Council Action:

Ordinance No.: 2012-0096; Passed February 1, 2012

Amount of Funding:

\$731,550.00 - PWE Water and Sewer System Operating Fund (8300)

Contact Information:

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ATTACHMENTS:

Description

Amending Ordinance

Clear tax report

Type

Ordinance/Resolution/Motion

Backup Material

Ordinance 2012-0092
Contract 4600011312
Previous RCA L24022

Ordinance/Resolution/Motion
Contract/Exhibit
Other