



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

District E

Item Creation Date: 9/11/2024

Doc997836293 - Onsite Water Treatment, Sludge Dewatering and Disposal Services - (Denali Water Solutions LLC) - ORDINANCE

Agenda Item#:

Background:

Best Value Bids received May 30, 2024, for P34-Doc997836293 – Approve an ordinance awarding a contract to Denali Water Solutions, LLC, in an amount not to exceed \$101,263,572.00 for onsite water treatment, sludge dewatering, and disposal services for a one-year contract term (1), with four (4) one-year options for the Houston Public Works.

Specific Explanation:

The Director for Houston Public Works and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a **one-year contract (1), with four (4) one-year options** to **Denali Water Solutions, LLC**, in an amount not to exceed **\$101,263,572.00** for onsite water treatment, sludge dewatering and disposal services for Houston Public Works.

The scope of work requires the contractor to furnish all supervision, labor, parts, tools, materials equipment, supplies, and engineering incidentals necessary to operate and maintain the thickening and dewatering equipment, including hauling and disposal of the dewatered solids at the Northeast Water Purification Plant (NEWPP) and the NEWPP plant expansion.

The Best Value Bid (BVB) was advertised in accordance with the requirements of the State of Texas bid laws. Three (3) prospective bidders downloaded the solicitation document from the SPD’s Ariba website, and three (3) bids were received.

<u>Company</u>	<u>Total</u>
Denali Water Solutions LLC	\$101,263,572.00 (Best qualified bid)
Synagro Technologies	\$104,804,268.00
Merrell Brothers Inc.	\$139,260,168.00

The evaluation committee was composed of three voting members from Houston Public Works and two non-voting members. A financial review of the vendors was conducted, and the best value bids were evaluated based on the following criteria:

- Technical Competence
- Past Performance
- Demonstrated approach
- Pricing

MWBE Participation:

The BVB was advertised with a 20% goal for MWBE participation. Denali Water Solutions, LLC., has designated the company below as its certified M/WBE subcontractor.

<u>Company Name</u>	<u>Type of Work</u>	<u>Percentage (%)</u>
Captain Supply and Services, LLC	Rental Equipment and Chemicals	20%

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, Denali Water Solutions Inc., has elected to play by providing health benefits to eligible employees in compliance with City policy.

Hire Houston First:

The proposed award requires compliance with the City’s ‘Hire Houston First’ (HHF) ordinance that promotes economic opportunity for Houston businesses and supports job creation. In this case, Denali Water Solutions Inc. does not meet the requirements for HHF designation; no HHF firms were within three percent.

Fiscal Note:

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 Funding for this item is included in the FY25 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

11/25/2024

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Jedediah Greenfield, Chief Procurement Officer
 Finance/Strategic Procurement Division

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Randall V. Macchi, Director
 Houston Public Works

11/26/2024

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Estimated Spending Authority

Department	FY25	Out-Years	Total Amount
Houston Public Works	\$5,547,771.00	\$95,715,801.00	\$101,263,572.00

Amount and Source of Funding:

\$101,263,572.00

Water & Sewer System Operating Fund
 Fund No.: 8300

Contact Information:

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 Jedediah Greenfield, Chief Procurement Officer Finance/SPD (832) 393-9126

ATTACHMENTS:

Description	Type
Doc997836293 - Ownership Form	Backup Material
Doc997836293 - Tax Report	Backup Material
Doc997836293 - MWBE Form	Backup Material
Doc997836293 - Pay or Play (POP)	Backup Material
Doc997836293 - Denali Signature Page	Backup Material
Doc997836293 - Cost and Fee Schedule Denali	Backup Material
Doc997836293 - Ethics Form 1295	Backup Material
Doc997836293 - Drug Policy Declaration	Backup Material
Doc997836293 -Form A	Financial Information
Doc997836293 - Certificate of Funds (COF)	Financial Information
Doc997836293 - Partially signed Contract	Backup Material
Doc997836293 - AM Best Ratings	Backup Material
Doc997836293 - COI with Endorsements	Backup Material
Doc997836293 - Letter of Intent Denali	Backup Material
Doc997836293 - Pay or Play Forms	Backup Material
Doc997836293 - SOS	Backup Material
Doc997836293 - Conflict of Interest	Backup Material