

SUBJECT: Contract Award for New Front Easement Reconnections WBS# R-002015-0018-4		Page 1 of 2	Agenda Item #								
FROM (Department or other point of origin): Department of Public Works and Engineering		Origination Date	Agenda Date								
DIRECTOR'S SIGNATURE  Dale A. Rudick, P.E.		Council District affected: All									
For additional information contact: Jason Iken, P.E. Senior Assistant Director  Phone: (832) 395-4989		Date and identification of prior authorizing Council action: N/A									
RECOMMENDATION: (Summary) Reject low bid, return bid bond, award construction contract to next low bidder and appropriate funds.											
Amount and Source of Funding: \$1,987,478.00 from Water and Sewer System Consolidated Construction Fund No. 8500. 											
<p>SPECIFIC EXPLANATION: This project is part of the Substitute Service Line Program (SSLP). For the health, safety and welfare of the citizens of Houston, this project will provide wastewater service line relocations (substitute services) to wastewater mains within the public right-of-way. The service line relocations from the back lot main to the front lot main are needed due to aged, worn or defected mains that are subject to excessive leaks or sudden failure, main lines located such that access for repairs or maintenance is prevented or hindered, and old main lines which lack sufficient capacity to provide adequate service meeting general City standards.</p> <p>DESCRIPTION/SCOPE: Work includes the relocation of sewer services for approximately 100 properties throughout the City. The relocation includes the abandonment of the sewer service to the back lot main, and the installation of a new sewer service to the front lot main. The contract duration for this project is 730 calendar days.</p> <p>LOCATION: The work order project area is generally bounded by the City Limits.</p> <p>BIDS: Three (3) bids were received on December 03, 2015 for this project as follows:</p> <table border="0"> <thead> <tr> <th><u>Bidder</u></th> <th><u>Bid Amount</u></th> </tr> </thead> <tbody> <tr> <td>1. Reliance Construction Services, L.P</td> <td>\$1,782,165.40 (reject)</td> </tr> <tr> <td>2. Nerie Construction, LLC</td> <td>\$1,878,550.00</td> </tr> <tr> <td>3. T Construction, LLC</td> <td>\$2,323,402.00</td> </tr> </tbody> </table>				<u>Bidder</u>	<u>Bid Amount</u>	1. Reliance Construction Services, L.P	\$1,782,165.40 (reject)	2. Nerie Construction, LLC	\$1,878,550.00	3. T Construction, LLC	\$2,323,402.00
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2. Nerie Construction, LLC	\$1,878,550.00										
3. T Construction, LLC	\$2,323,402.00										
LTS No. 15800 File/Project No. WW 5159-03		REQUIRED AUTHORIZATION									
		CUIC# 20JAI581									
Finance Department	Other Authorization:	Other Authorization:  Jun Chang P.E., D/WRE, Deputy Director Public Utilities Division									

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AWARD: The apparent low bidder, Reliance Construction Services, L.P., with a bid of \$1,782,165.40, failed to make the requisite good faith efforts to meet the advertised MWBE goal in compliance with the City's written Good Faith Efforts Policy. Therefore, it is recommended that Reliance Construction Services, L.P. bid be rejected and this construction contract be awarded to Nerie Construction, LLC, with a low bid of \$1,878,550.00.

PROJECT COST: The total cost of this project is \$1,987,478.00 to be appropriated as follows:

- Bid Amount \$1,878,550.00
- Contingencies \$93,928.00
- Engineering Testing Services \$15,000.00

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

HIRE HOUSTON FIRST: The proposed contract requires compliance with the City's 'Hire Houston First' ordinance that promotes economic opportunity for Houston businesses and supports job creation. In this case, the proposed contractor meets the requirements of Hire Houston First.

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

M/W/SBE PARTICIPATION: The contractor has submitted the following proposed program to satisfy the 17.00% MBE goal, and 7.00% WBE goal for this project.

<u>MBE - Name of Firms</u>	<u>Work Description</u>	<u>Amount</u>	<u>% of Contract</u>
To-Mex Construction, LLC	Rerouting Services	\$319,353.50	17.00%
	TOTAL	\$319,353.50	17.00%
<u>WBE - Name of Firms</u>	<u>Work Description</u>	<u>Amount</u>	<u>% of Contract</u>
Posey's Construction & Development Inc., DBA Posey's Tractor Service	Rerouting Services	\$131,498.50	7.00%
	TOTAL	\$131,498.50	7.00%

All known rights-of-way and easements required for this project have been acquired.

DR MB
DAR:JC:JI:DR:MB:al

File No. WW 5159-03