



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 7/19/2016

ALL

Item Creation Date: 4/28/2016

T25587 - Alcohol and Controlled Substance Testing Services - ORDINANCE

Agenda Item#: 6.

Summary:

AN ORDINANCE APPROVING AND AUTHORIZING AN AGREEMENT BETWEEN THE CITY OF HOUSTON AND ALERE TOXICOLOGY SERVICES, INC. FOR ALCOHOL AND CONTROLLED SUBSTANCE TESTING SERVICES FOR THE HUMAN RESOURCES DEPARTMENT; PROVIDING A MAXIMUM CONTRACT AMOUNT; CONTAINING PROVISIONS RELATING TO THE SUBJECT; AND DECLARING AN EMERGENCY.

Background:

Request For Proposal Received for S23-T25587 – Approve an ordinance awarding a contract to the best respondent, Alere Toxicology Services, Inc. for a total amount not to exceed \$2,500,000.00 for alcohol and controlled substance testing services for the Human Resources Department.

Specific Explanation:

The Director of the Human Resources Department and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a **three-year contract, with two one-year options**, to the best respondent **Alere Toxicology Services, Inc.** for a total amount not to exceed **\$2,500,000.00** for alcohol and controlled substance testing services for the Department of Human Resources.

Funding for this item is included in the FY2017 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policy Ord. 2014-1078.

The scope of work requires the contractor to provide all labor, supervision, materials, supplies, tools, equipment and transportation to perform alcohol and controlled substance testing to detect the presence of illegal drugs, prescription drugs or any other substances that could impair an employee's ability to safely and effectively perform the functions of any given job, or that may increase the potential for accidents, absenteeism, substandard performance, or which may tend to undermine the efficiency of the work force and work for the City. The Contractor shall provide turnkey services for approximately 10,000 collections and controlled substance screens and 1,500 alcohol screens per calendar year. A network of collection sites must be able to support these numbers in order to ensure that City employees do not experience excessive down time waiting to be processed at the collection sites.

This Request for Proposal was advertised in accordance with the requirements of the State of Texas bid Laws. Forty-seven prospective Proposers downloaded the request for proposal documents from the Strategic Procurement Division's e-bidding website, as a result proposals were received from Alere Toxicology Services, Inc. and Norton Medical Industries.

The evaluation Committee was composed of five evaluators from the Departments of Human Resources, Public Works and Engineering, Police and Legal. The proposals were evaluated based on the following criteria.

1. Comprehensive Services
2. Location and accessibility of facilities
3. Customer support
4. Experience and Qualification
5. Proposal Cost
6. MWBE Participation

Alere Toxicology was deemed the best respondent.

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 has elected to provide health benefits to eligible employees in compliance with City policy.

Hire Houston First:

The proposed contract requires compliance with the City's 'Hire Houston First' ordinance that promotes economic opportunity for Houston businesses and support job creation. In this case neither of the proposers are located in the Houston Area.

M/WDBE PARTICIPATION:

The invitation to bid was advertised as a goal-oriented contract with an 11% MWBE participation level. The contractor has designated the below named company as its certified MWBE subcontractor.

<u>Name</u>	<u>Type of Work</u>	<u>Dollar Amount</u>	<u>Percentage</u>
Houston Medical Testing Services, Inc.	Collection Services	\$1,000,000.00	40%



 John J. Gillespie, Chief Procurement Officer
 Finance/Strategic Procurement Division

 Department Approval Authority Signature

Estimated Spending Authority

Dept.	FY17	Out-Years	TOTAL
Human Resources	\$350,000.00	\$2,150,000.00	\$2,500,000.00

Amount of Funding:

\$2,500,000.00 - Central Services Revolving Fund (1002)

Contact Information:

<u>NAME</u>	<u>DEPARTMENT/DIVISION</u>	<u>PHONE</u>
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Jane E. Cheeks, Interim Director	HR	(832) 393-6043
Richard Morris, Division Manager	FIN/SPD	(832) 393-8736
Roy Breaux, Procurement Specialist	FIN/SPD	(832) 393-8728

ATTACHMENTS:

<u>Description</u>	<u>Type</u>
<u>RCA#T25587- Alere Toxicology Services, Inc</u>	Signed Cover sheet
<u>MWBE AGREEMENT</u>	Backup Material
<u>Pay or Play Documents</u>	Backup Material
<u>Tax Report</u>	Backup Material
<u>Form A</u>	Backup Material
<u>Form B</u>	Backup Material
<u>HR Award Recommendation</u>	Financial Information
<u>RCA Budget Funding Information</u>	Financial Information
<u>Ordinance 7.8.16</u>	Ordinance/Resolution/Motion
<u>Contract (revised)</u>	Contract/Exhibit