



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/27/2016

Item Creation Date:

L25887 - Parts Immersion Cleaning Services - ORDINANCE

Agenda Item#: 4.

Background:

Formal Bid Received for S74- L25887 – Approve an ordinance awarding a contract to Heritage-Crystal Clean, LLC, on its sole bid in an amount not to exceed \$804,781.55 for parts immersion cleaning services for various departments.

Specific Explanation:

The Director of the Fleet Management Department and the Chief Procurement Officer recommends that City Council approve an ordinance awarding a **three-year contract, with two one-year options** to **Heritage-Crystal Clean, LLC**, on its sole bid meeting specifications for parts immersion cleaning services in an amount not to exceed **\$804,781.55** for various departments.

This contract will be used to provide parts immersion cleaning equipment, schedule inspections, maintenance, cleaning of tanks, and schedule disposal of spent waste material from various fleet repair shops throughout the City. The scope of work requires the contractor to provide all equipment, labor, materials, supervision, tools and transportation necessary to provide the parts immersion cleaning services, including the chemical solvent, rental of parts cleaner tanks, and paint spray gun cleaners. Additional services will include inspection, maintenance and cleaning of tanks, and scheduled disposal of spent waste materials used to degrease automotive and bicycle parts at fleet repair shops citywide. The Texas Commission on Environmental Quality classifies these chemical solvents as hazardous waste and requires its disposal in accordance with the Environmental Protection Agency regulations. The Houston Police Department has 15 parts cleaners at 11 different locations, Public Works and Engineering Department has 33 parts cleaners at 17 different locations, Fire Department has 3 parts cleaners at 1 location, Parks Department has 3 parts cleaners at 1 location, Houston Airport System has 3 parts cleaners at 3 different locations, and Solid Waste Management Department has 8 parts cleaners at 6 different locations.

This project was advertised in accordance with the requirements of the State of Texas bid laws. Four prospective bidders downloaded the solicitation document from the Strategic Procurement Division’s e-bidding website, and as a result, one bid was received. Prior to issuing the solicitation, the Strategic Procurement Division canvassed the City’s registered vendor data base, as well as the market, to identify potential bidders who could possibly provide the services needed. As a result sixty eight (68) potential bidders were identified and notified of the Invitation to Bid (ITB). Subsequent to the receipt of the bid, potential bidders were contacted to determine the reason for the limited response to the ITB; potential bidders advised they did not have the necessary resources to meet the scope of work requirements specified in the ITB, or they were not interested in submitting a bid.

M/WBE Participation:

The invitation to bid was issued as a goal-oriented contract with a 11% M/WBE participation level. Heritage-Crystal Clean, LLC has designated the below-named company as its certified M/WBE subcontractor:

<u>Name</u>	<u>Type of Work</u>	<u>Dollar Amount</u>	<u>Percentage</u>
Saxon Fleet Services, Inc.	Truck Maintenance	\$88,525.97	11%

Pay or Play Program:

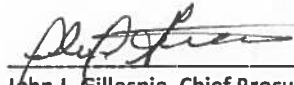
The proposed contract requires compliance with the City’s “Pay or Play” ordinance regarding health benefits for employees of City contractors. In this case **Heritage-Crystal Clean, LLC** will provide health benefits to covered eligible employees in compliance with City policy.

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 the proposed contractor **Heritage-Crystal Clean, LLC** does not meet the requirements of HHH designation.

Fiscal Note:

Funding for this item is included in the FY17 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policy Ordinance 2014-1078.



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

Department Approval Authority Signature

ESTIMATED SPENDING AUTHORITY

Department	FY17	Out-Years	Total Amount
Public Works and Engineering	\$20,901.72	\$83,606.88	\$104,508.60
Fleet Management Department	\$140,054.59	\$560,218.36	\$700,272.95

Prior Council Action:

Amount of Funding:

\$104,508.60 – Water and Sewer Operating Fund (8300)
\$700,272.95 – Fleet Management Fund (1005)

\$804,781.55 - TOTAL

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ATTACHMENTS:

Description	Type
Form A (Fair Campaign Ordinance)	Backup Material
Form B (Fair Campaign Ordinance)	Backup Material
Ownership Information Form	Backup Material
M/WBE Letter of Intent	Backup Material
POP Documents	Backup Material
Funding Information Spreadsheet	Backup Material
Tax Report	Backup Material