



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date: 11/15/2016

ALL

Item Creation Date: 10/5/2016

**L25625- Maintenance & Repair Services for Sludge Dewatering and Drying Equipment -  
ORDINANCE**

Agenda Item#: 18.

**Summary:**

**Background:**

**Formal Bids Received for S72-L25625- Approve an ordinance awarding a contract to Industrial TX. Corp., on its sole bid in an amount not to exceed \$14,706,940.00 for maintenance and repair services for sludge dewatering and drying equipment for the Department of Public Works and Engineering.**

**Specific Explanation:**

The Director of the Department of Public Works and Engineering and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a **three-year contract with two one-year options, to Industrial TX Corp.**, on its sole bid in an amount not to exceed **\$14,706,940.00** for maintenance and repair services for sludge dewatering and drying equipment for the Department of Public Works and Engineering.

The Scope of work requires the contractor to provide all supervision, labor, parts, tools, materials, equipment, supplies, test equipment and facilities necessary to provide maintenance and precision repair services for the sludge dewatering and drying systems and supporting equipment at various City of Houston Wastewater Operations Facilities. The contractor is also required to repair equipment on-site at City facilities as well as shop repairs at Contractor's or sub-contractor facility to ensure that all equipment operate efficiently, safely and at an optimum level at all times.

This project was advertised in accordance with the requirements of the State of Texas bid laws. Twelve prospective bidders downloaded the solicitation document from SPD's e-bidding website and 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 type of services needed. As a result, thirty five (35) potential bidders were identified and notified of the Invitation to Bid (ITB). Subsequent to the receipt of the bids, prospective bidders were contacted to determine the reason for the limited response to the ITB. Some potential respondents advised that the size of the project was beyond the capabilities of their company. Therefore, they elected not to submit a bid. Based on the information that was obtained when a market analysis was performed we were able to ascertain that the pricing is reasonable and in line with the rates being charged to other municipalities.

**M/WBE Participation:**

The ITB solicitation was advertised with an 11% goal for M/WBE participation. Industrial TX Corp. has designated the below named companies as its certified M/WBE subcontractor:

Company	Type of Work	Amount	Percentage
Escalante Construction, Inc.	General Construction	\$808,881.00	5.5%
Company	Type of Work	Amount	Percentage
Aviles Painting Contractor	Painting	\$808,881.00	5.5%

**Pay or Play Program:**

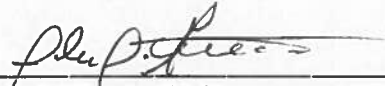
The proposed contract requires compliance with the City's 'Pay or Play' ordinance regarding health benefits for employees of City contractors. In this case Industrial TX Corp., will Pay on behalf of some covered employees and Play on behalf of other covered employees in compliance with City policy.

**Hire Houston First:**

The proposed contract 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 Industrial TX Corp. is a designated HHF Company, but they were the successful awardee without application of the HHF preference.

**Fiscal Note:**

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.

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

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Department Approval Authority Signature

**Estimated Spending Authority**

DEPARTMENT	FY17	OUT YEARS	TOTAL
Department of Public Works & Engineering	\$2,000,000.00	\$12,706,940.00	\$14,706,940.00

**Amount of Funding:**

\$14,706,940.00- Water & Sewer System Operating Fund (8300)

**Contact Information:**

Name:	Department:	Phone:
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Yvette Smith, Procurement Specialist	FIN/SPD	832-393-8765

**ATTACHMENTS:**

Description	Type
<u>OBO</u>	Backup Material
<u>Bid Tab</u>	Backup Material
<u>Form A (Fair Campaign)</u>	Backup Material
<u>Form B (Fair Campaign)</u>	Backup Material
<u>Delinquent Tax Report</u>	Backup Material
<u>Department Recommendation</u>	Backup Material
<u>Funding Spreadsheet</u>	Financial Information
<u>Affidavit of Ownership</u>	Backup Material
<u>POP 1</u>	Backup Material
<u>POP 2</u>	Backup Material
<u>OBO-2</u>	Backup Material