



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 10/25/2016

L24022-A2 - Mail Processing Service - ORDINANCE

Agenda Item#:

Background:

S46-L24022-A2 – Approve an amending ordinance to increase the maximum contract amount from \$3,657,750.00 to \$4,206,412.50 for the contract No. 4600011312 between the City of Houston and HOV Services for mail processing services for the Department of Public Works and Engineering.

Specific Explanation:

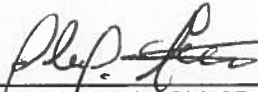
The Director of the Department of Public Works and Engineering and the Chief Procurement Officer recommend that City Council approve an amending ordinance to increase the maximum contract amount from \$3,657,750.00 to \$4,206,412.50 between the City of Houston and HOV Services for mail processing services for the Department of Public Works and Engineering.

The contract was awarded on February 1, 2012 by Ordinance No. 2012-0092 for a three (3) year period with two (2) one-year options in an amount not to exceed \$2,926,200.00 and was subsequently amended on September 9, 2015, by Ordinance No. 2015-0849 to increase the scope of services for special mailings to customers in the form of water quality reports, bacteria notifications and increase the maximum contract amount from \$2,926,200.00 to \$3,657,750.00. Expenditures as of September 16, 2016 totaled \$3,114,514.54. The additional spending authority will provide the incremental dollars necessary to support the daily operational needs through the contract expiration date of May 28, 2017 while during this time frame the department will be transitioning to the new award recommended vendor

The current scope of work requires the contractor to provide all personnel, management, supervision, labor, materials, equipment, and incidentals necessary to process and mail utility bills on a daily basis or as required. The contractor is also required for maintaining the security and/or confidentiality of all transmitted data files, which includes customer names, service addresses and account numbers for PWE Utility Customer Service.

M/WBE Participation:

The contract was awarded with a 11% participation goal and HOV Services is currently achieving 7.86% of the required M/WBE goal. The Office of Business Opportunity will continue to monitor this contract to ensure maximum M/WBE participation.



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

Department Approval Authority Signature

Prior Council Action:

Ordinance 2012-0092 approved by City Council on February 1, 2012
Ordinance 2015-0849 approved by City Council on September 9, 2015

Amount of Funding:

\$548,662.50 – Water & Sewer System Operating Fund (8300)

Contact Information:

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ATTACHMENTS:

Description	Type
<u>Executed Contract</u>	Backup Material
<u>Ordinance 2012-0092</u>	Backup Material
<u>Ordinance 2015-0849</u>	Backup Material
Funding Information Sheet	Backup Material