

REQUEST FOR COUNCIL ACTION

TO: Mayor via City Secretary

RCA# 10262

Subject: Formal Bids Received for Asphaltic Pavement Repair Services Citywide for the Public Works and Engineering Department S50-C24977

Category #
4

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Agenda Item

FROM (Department or other point of origin):

Calvin D. Wells
City Purchasing Agent
Finance Department

Origination Date

October 24, 2014

Agenda Date

DIRECTOR'S SIGNATURE

Council District(s) affected

All

For additional information contact:

David Guernsey Phone: (832) 395-3640
Ray DuRousseau Phone: (832) 393-8726

Date and Identification of prior authorizing Council Action:

RECOMMENDATION: (Summary)

Approve an ordinance awarding a contract to Times Construction, Inc. in an amount not to exceed \$7,500,000.00 for asphaltic pavement repair services citywide for the Public Works and Engineering Department.

Maximum Contract Amount: \$7,500,000.00

Finance Budget

\$7,500,000.00 - PW&E - Dedicated Drainage & Street Renewal Fund (2310)

SPECIFIC EXPLANATION:

The Director of the Public Works and Engineering Department and the City Purchasing Agent recommend that City Council approve an ordinance awarding a one-year contract, with four one-year options to extend, for a total five-year term to Times Construction, Inc. on its low bid in an amount not to exceed \$7,500,000.00 for asphaltic pavement repair services citywide for the Public Works and Engineering Department (PW&E). The City Purchasing Agent may terminate this contract at any time upon 30-days written notice to the contractor. This work order contract will be used to assist PW&E's street maintenance personnel in repairing residential streets citywide.

This project was advertised in accordance with the requirements of the State of Texas bid laws. Eighteen prospective bidders downloaded the solicitation document from SPD's e-bidding website and two bids were received. Prior to issuing the solicitation, the Strategic Procurement Division canvassed the City's registered vendor database, as well as the market, to identify potential bidders who could possibly provide the type of services needed. As a result, twenty-four potential bidders were identified and notified of the Invitation to Bid (ITB). Subsequent to 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 and others advised that the MBE/WBE goal was too high and the annual bonding amount would have constrained their company from bidding other projects. Therefore, they elected not to submit a bid.

Company

1. Times Construction, Inc.
2. Level Infrastructure, Inc.

Total Amount

\$ 7,500,000.00
\$13,623,175.04

- Due to the disparity between the bids, representatives from the Strategic Procurement Division and the Public Works and Engineering Department met with the president of Times Construction, Inc. to discuss its bid prices and review the scope of work for this project. Times Construction, Inc.'s president stated that its bid includes all costs associated with performing the work called for in the bid

REQUIRED AUTHORIZATION

Finance Department:

Other Authorization:

Other Authorization:

65CDW10262
John A. Rudick

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specifications. Based on the aforementioned, the Strategic Procurement Division and the participating department are confident that the recommended company can perform the specified work for the price bid.

The scope of work requires the construction contractor to furnish all labor, equipment, materials, supervision and transportation necessary for asphaltic pavement repair services citywide. The work will consist of using asphaltic material to repair pavement failures, filling excavated or damaged areas of roadway to mitigate pavement hazards and to improve existing pavement surfaces. Materials and workmanship for this project are warranted for one year upon completion and acceptance of each work order.

MBE and WBE Subcontracting:

This invitation to bid was issued as a goal-oriented contract with 12% MBE and 7% WBE participation levels. Times Construction, Inc. has designated the below-named companies as its MBE and WBE subcontractors.

<u>Name</u>	<u>Type of Work</u>	<u>Dollar Amount</u>	<u>Percentage</u>
El Dorado Services, LLC	Demolition and Asphalt Services	\$ 900,000.00	12% MBE
MVA Construction, LLC	Demolition and Asphalt Services	\$ 525,000.00	7% WBE
Total:		\$1,425,000.00	19%

The Mayor's Office of Business Opportunity will monitor this contract.

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 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 supports job creation. In this case, the proposed contractor meets the requirements of Hire Houston First.

Buyer: Art Lopez

Estimated Spending Authority			
Department	FY 2015	Out Years	Total
Public Works and Engineering	\$1,500,000.00	\$6,000,000.00	\$7,500,000.00