

CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 8/1/2017

ALL

Item Creation Date: 6/20/2017

L26101 - Water Meter Instrumentation, Calibration and Repair Services - ORDINANCE

Agenda Item#: 4.

Summary:

Background:

Formal Bids Received for S10-L26101 – Approve an ordinance awarding a contract to BL Technology, Inc. on its best value bid in an amount not to exceed \$1,174,323.44 for water meter instrumentation, calibration and repair services for the Department of Public Works and Engineering.

Specific Explanation:

The Director of Department of Public Works and Engineering (PWE) and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a three-year contract with two one-year options to BL Technology, Inc. for water meter instrumentation, calibration and repair services in the total amount not to exceed \$1,174,323.44 for the Department of Public Works and Engineering.

The scope of work requires the contractor to provide all labor, supervision, parts, materials, tools, equipment, supplies and transportation necessary to perform services and parts for performing in-the-field instrumentation, calibration, and repairing of 3-inch and larger meter population of mechanical, magnetic, effluent and Venturi meters.

PWE subsequently requested to increase the spending authority amount to the maximum allowable limit of 25% (totaling \$234,864.69) above the vendor's bid amount of \$939,458.75, for a newly-adjusted contract award amount of \$1,174,323.44. PWE stated that they did not have historical data available to correctly estimate the number of labor hours necessary for demand service calls and preventive maintenance over a five-year contract term. It was determined that the quantity of one (1) be used as placeholders to capture bidders' hourly rates on the solicitation e-bid form; therefore, the bidders' total bid amounts fell far short of PWE's projected expenditures for hourly services over the contract term.

This best value bid (BVB) was advertised in accordance with the requirements of the State of Texas bid laws. Thirty-two prospective bidders downloaded the solicitation document from SPD's e-bidding website, and best value bids were received from BL Technology, Inc., Wingo Services, Co., Inc., and MG Automation, LLC. The evaluation committee was comprised of evaluators from Utility Customer Service Division of the Department of Public Works and Engineering. The best value bids were evaluated based upon the following criteria:

- * Technical Qualifications / Experience
- * Cost
- * Financial Strength of Offeror
- * M/WBE Subcontracting Participation

BL Technology, Inc. was deemed as the best value respondent for water meter instrumentation, calibration and repair services.

M/WBE Participation:

This invitation to bid was issued as a goal-oriented contract with an 11% goal for M/WBE participation level. BL Technology, Inc. has designated the below-named company as its certified M/WBE subcontractor:

Name	Type Work	Amount	%
Macaulay Controls Company	Supplier of Instrumentation	\$129,175.58	11%

Pay or Play Program:

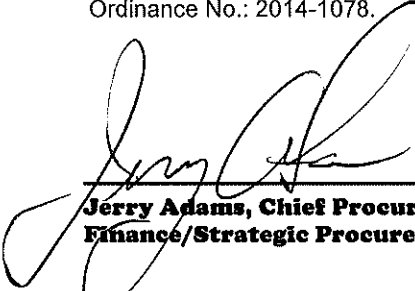
The proposed contract requires compliance with the City's 'Pay or Play' ordinance regarding health benefits for employees of City contractors. In this case, BL Technology, Inc. shall provide health benefits to eligible employees in compliance with City policy.

Hire Houston First:

The proposed contract requires compliance with the City's 'Hire Houston First' ordinance that promotes economic opportunity for Houston businesses, while supporting job creation. In this case, BL Technology, Inc. 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 FY18 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policy Ordinance No.: 2014-1078.



**Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division**

Department Approval Authority

Estimated Spending Authority:

DEPARTMENT	FY2018	OUT YEARS	TOTAL
Public Works and Engineering	\$149,864.69	\$1,024,458.75	\$1,174,323.44

Amount of Funding:

\$1,174,323.44

PWE W&S System Operating Fund (8300)

Contact Information:

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ATTACHMENTS:

Description	Type
<u>Form-A</u>	Backup Material
<u>Form-B</u>	Backup Material
<u>MWBE</u>	Backup Material
<u>Pay or Play</u>	Backup Material
<u>HHF</u>	Backup Material
<u>Texas SOS</u>	Backup Material
<u>Affidavit</u>	Backup Material
<u>Tax Log</u>	Backup Material
<u>RCA Funding Budget</u>	Financial Information
<u>COI-Endorsements</u>	Backup Material
<u>Form-1295, Ethics</u>	Backup Material
<u>Bid Tab, BVB</u>	Backup Material
<u>1-Pg BVB Evaluation Summary</u>	Backup Material
<u>Contract, Unsigned</u>	Contract/Exhibit
<u>MWBE LOI</u>	Backup Material
<u>Drug Policy</u>	Backup Material
<u>Funding Sheet</u>	Backup Material