



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 5/15/2018

ALL

Item Creation Date: 2/5/2018

L25853 - Used Oil, Oily Water, Oil Filters, Antifreeze and Absorbents Disposal Services -
ORDINANCE

Agenda Item#: 31.

Summary:

ORDINANCE awarding contract to **Q ENVIRONMENTAL, INC** for Used Oil, Oily Water, Oil Filters, Antifreeze and Absorbents Disposal Services for Fleet Management Department; providing a maximum contract amount - 3 Years with two one-year options - \$1,434,101.30 - Fleet Management Fund

Background:

Formal Bids Received July 26, 2016 for S23-L25853 - Approve an ordinance awarding a contract to **Q Environmental, Inc.** in an amount not to exceed \$1,434,101.30, for used oil, oily water, oil filters, antifreeze and absorbents disposal services for Fleet Management Department .

Specific Instructions

The Director of the Fleet Management Department and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a **three-year contract, with two one-year options**, to **Q Environmental, Inc.** on its low bid meeting specifications in an amount not to exceed \$1,434,101.30 for used oil, oily water, oil filters, antifreeze and absorbents disposal services for Fleet Management Department.

This project was advertised in accordance with the requirements of the State of Texas bid laws. Thirteen prospective bidders downloaded the solicitation document from the Strategic Procurement Division's e-bidding website and four bids were received as outlined below.

<u>Company</u>	<u>Total Amount</u>
1. Flex Oil Services	\$ 559,653.75 (Partial Bid)
2. Thermo Fluids, Inc.	\$ 913,220.00 (Partial Bid)
3. Q Environmental, Inc.	\$1,434,101.30
4. Heritage-Crystal Clean, LLC	\$3,299,175.00

Due to the disparity between the bids, the Strategic Procurement Division (SPD) procurement specialist contacted the potential supplier to discuss the scope of work for this procurement. During the discussion, Q Environmental, Inc.'s President stated that its bid includes all cost associated with supplying the services requested in the bid specifications. Based on the aforementioned, the Strategic Procurement Division and the Fleet Management Department are confident that the recommended company can provide the specified services for the price bid.

The scope of work requires the contractor to provide all labor, supervision, materials, supplies, tools, equipment and transportation necessary to properly dispose of used oil filter, antifreeze, absorbents and contaminated and non-contaminated oil, extracted from automobiles, trucks, tractors and heavy equipment by the City's Fleet Management personnel.

M/WBE Participation:

This bid was issued with an 11% MWBE participation. Q Environmental, Inc. submitted a Good Faith Effort to the Office of Business Opportunity, which was approved. Therefore, Q Environmental, Inc. will not be required to meet the 11% MWBE goal.

Pay or Play Program:

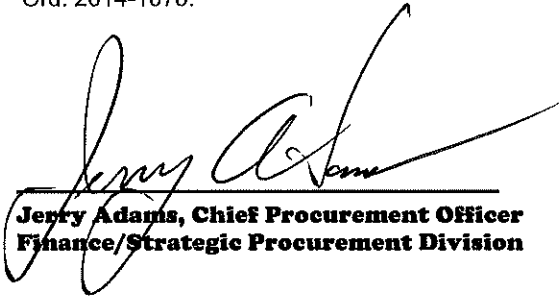
The proposed contract requires compliance with the City's 'Pay or Play' ordinance regarding health benefits for employees of City contractors. In this case, the proposed contractor has elected to pay into the Contractor Responsibility Fund in compliance with City Policy.

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 Q Environmental, Inc. is a designated HHF Company.

Fiscal Note:

Funding for this item is included in the FY2018 Adopted Budget. Therefor no Fiscal Note is required as stated in the Financial Policy Ord. 2014-1078.


Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

Department Approval Authority

Estimated Spending Authority			
DEPARTMENT	FY2018	OUT YEARS	TOTAL
Fleet Management Department	\$59,830.05	\$1,374,271.25	\$1,434,101.30

Amount of Funding:

\$1,434,101.30

Fleet Management Fund
Fund 1005

Contact Information:

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ATTACHMENTS:

Description	Type
<u>Revised Cover sheet</u>	Signed Cover sheet
<u>Award Recommendation</u>	Backup Material
<u>Bid Tabulation</u>	Backup Material
<u>Pay or Play Documents</u>	Backup Material
<u>Fair Campaign Documents</u>	Backup Material
<u>M/WBE Good Faith Pre-Award Approval</u>	Backup Material
<u>Texas Secretary of State Registration</u>	Backup Material
<u>Copy of Unsigned Contract</u>	Backup Material
<u>Extension of bid prices</u>	Backup Material
<u>Clear Tax Report</u>	Backup Material
<u>Funding Information</u>	Financial Information
<u>Ordinance (revised)</u>	Ordinance/Resolution/Motion