



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date: 7/10/2018

District F

Item Creation Date:

N26457 -- Replacement of Aeration Basins Ceramic Diffusers - MOTION

Agenda Item#: 19.

**Background:**

Formal Bids Received January 11, 2018 for S63-N26457 – Approve an award to Industrial TX Corp. in the amount not to exceed \$519,480.00 for Replacement of Aeration Basin Ceramic Diffusers to Membrane Diffusers for Houston Public Works.

**Specific Explanation:**

The Director of the Department of Houston Public Works and the Chief Procurement Officer recommend that City Council approve an award to Industrial TX Corp. on its low bid meeting specifications in the amount of \$432,900.00 and contingencies (for unforeseen changes within the scope of work) in the amount of \$86,580.00 for a total amount not to exceed \$519,480.00 for Houston Public Works. It is further requested that authorization be given to issue a purchase order.

This project was advertised in accordance with the requirements of the State of Texas bid laws. One hundred seventeen (17) prospective bidders downloaded the solicitation document from SPD's e-bidding website and two bids were received as detailed below:

<u>COMPANY</u>	<u>TOTAL AMOUNT</u>
1. Industrial TX Corp.	\$432,900.00
2. LEM Construction	\$456,000.00

This award consists of replacing the plant's existing faulty, leaking and obsolete ceramic type diffusers with membrane type diffusers in aeration basins #1 and #2 for Houston Public Works' Wastewater Operations (WWO) Upper Brays Wastewater Treatment Plant, located at 13525 West Houston Center Blvd, Houston, TX 77082. The leaking ceramic diffusers are the direct result of malfunctioning equipment which have caused instances of Texas Commission on Environmental Quality (TCEQ) regulated permitted effluent non-compliances. The existing Aeration Basins are required to maintain compliance with TCEQ, Environment Protection Agency (EPA), and the National Pollutant Discharge Elimination System mandates and standards to preserve and protect the public's health and safety.

The new membrane type diffusers and pipes will come with a one-year manufacturer's warranty on materials and workmanship. The anticipated life expectancy of these membrane type diffusers is 7-10 years.

**M/WBE Subcontracting:**

This bid was issued with an 11% goal for M/WBE participation. Industrial TX Corp. has designated the below named company as its certified M/WBE subcontractor:

<u>SUBCONTRACTOR</u>	<u>TYPE OF WORK</u>	<u>AMOUNT</u>	<u>%</u>
Escalante Construction, Inc.	Construction services	\$47,619.00	11

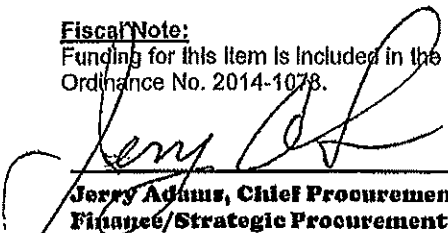
This Award will be monitored by the Office of Business Opportunity

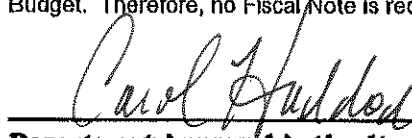
**Hire Houston First:**

The proposed award 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 FY2019 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**  
 Strategic Procurement Division

  
**Department Approval Authority**

**Amount of Funding:**

\$519,480.00

Water & Sewer System Operating Fund  
Fund No.: 8300

**Contact Information:**

<u>NAME:</u>	<u>DEPARTMENT/DIVISION</u>	<u>PHONE</u>
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John Petrie, Assistant Director	HPW	(832) 395-3754

**ATTACHMENTS:**

<u>Description</u>	<u>Type</u>
<u>OBO All Other Documents</u>	Backup Material
<u>Form A - Campaign Finance Ordinance</u>	Backup Material
<u>Form B - Campaign Finance Ordinance</u>	Backup Material
<u>Tax Report</u>	Backup Material
<u>Affidavit of Ownership</u>	Backup Material
<u>Funding Information</u>	Financial Information
<u>Bid Tabulation</u>	Backup Material
<u>Award Recommendation from HPW</u>	Backup Material