



## CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 6/12/2018

20VNP20 Contract Award / Reytec Construction Resources, Inc.

Agenda Item#:

### **Background:**

**SUBJECT:** Contract Award for Work Orders & On-Call Large Diameter Water Mains and Valves Package No. 14

**RECOMMENDATION: (SUMMARY)** Reject low bid, return bid bond, award Construction Contract to the second low bidder and appropriate funds.

**PROJECT NOTICE/JUSTIFICATION:** This project is part of the City's Surface Water Transmission Program and is required to maintain, improve and prolong the existing water transmission systems.

**DESCRIPTION/SCOPE:** The scope of this project includes construction, rehabilitation, and replacement of the existing large diameter water lines, valves, and appurtenances associated with the work, as determined by the City of Houston and directed by the Work Order. The contract duration for this project is 730 calendar days. This project was designed by Lockwood, Andrews, and Newnam, Inc.

**LOCATION:** The project is located in various locations within the City of Houston and its extra territorial jurisdictions.

**BIDS:** This project was advertised for bidding on March 2, 2018. Bids were received on March 29, 2018. The three (3) bids are as follows:

<u>Bidder</u>	<u>Adjustment Factor</u>
1. PM Construction & Rehab, LLC	0.87 (Non-Responsible)
2. Reytec Construction Resources, Inc.	0.90
3. Fused Industries, LLC.	1.88

**AWARD:** The apparent low bidder, PM Construction & Rehab, LLC, was considered non-responsible as per City of Houston Document 00200, Section 14.0B (not presenting satisfactory evidence that the bidder has regularly engaged in performing construction work as proposed, and has the capital, labor, equipment, and material to perform the work). Therefore, it is recommended that this construction contract be awarded to second low bidder, Reytec Construction Resources, Inc., with an adjustment factor of 0.90, at set amount of \$2,000,000.00 and that Addendum Number 1 and 2 be made a part of this Contract.

**PROJECT COST:** The total cost of this project is \$2,520,000.00 to be appropriated as follows:

Bid Amount	\$2,000,000.00
Contingencies	\$100,000.00
Testing Services	\$120,000.00
CIP Cost Recovery	\$300,000.00

Testing Services will be provided by Aviles Engineering Corporation. under a previously approved contract.

**HIRE HOUSTON FIRST:** The proposed contract requires compliance with the City's 'Hire Houston First' (HHF) ordinance that promotes economic opportunity for Houston business and supports job creation. In this case company Reytec Construction Resources, Inc. is a designated HHF company, but they were the successful awardee without application of the HHF preference.

**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.

**M/WSBE PARTICIPATION:** The contractor has submitted the following proposed program to satisfy the 12% MBE goal and 7% WBE goal for this project.

<u>MBE – Name of Firms</u>	<u>Work Description</u>	<u>Amount</u>	<u>% of Contract</u>
1. Reyes Pineda Construction, Inc.	Services	\$240,000.00	12.00%
	<b>Total</b>	<b>\$240,000.00</b>	<b>12.00%</b>

<u>WBE – Name of Firms</u>	<u>Work Description</u>	<u>Amount</u>	<u>% of Contract</u>
1. Access Data Supply Inc.	Supplier	\$140,000.00	7.00%
	<b>Total</b>	<b>\$140,000.00</b>	<b>7.00%</b>

**FISCAL NOTE:** No significant Fiscal Operating impact is anticipated as a result of this project.

All known rights-of-way, easements and/or right-of-entry required for the project to be acquired at the time of work order request.



Carol Ellinger Haddock, P.E., Director  
Houston Public Works

WBS No. S-000701-0021-4

**Amount of Funding:**

\$2,520,000.00 from Fund No. 8500 - Water and Sewer System Consolidated Construction Fund

**Contact Information:**

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Assistant Director, Capital Projects  
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**ATTACHMENTS:**

<b>Description</b>	<b>Type</b>
Maps	Backup Material
OBO Docs (HHF Vendor Info Sheets & Letters of Intent)	Backup Material
From A - Contractor's Submission List (doc 00452)	Backup Material
Form B- Fair Campaign Ord.	Backup Material
Affidavit of Ownership (doc 455)	Backup Material
Tax Report	Backup Material
Pay or Play (Pop 1-3)	Backup Material
Bid Extension Letter	Backup Material
Form 1295	Backup Material
SAP Documents	Financial Information