



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 3/14/2018

T26449 Financial Services for Disaster Related Funding - ORDINANCE

Agenda Item#:

Background:

Request for Proposals Received February 15, 2018 for S36-T26449 – Approve an ordinance awarding a Professional Services contract to Deloitte & Touche, LLP in an amount not to exceed \$5,000,000.00 for Financial Services for Disaster Related Funding for the Finance Department.

Specific Explanation:

The Chief Business Officer/Director of the Finance Department and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a **three-year professional services contract, with two one-year options**, to **Deloitte & Touche, LLP** in the total amount not to exceed **\$5,000,000.00** for financial services for disaster related funding for the Finance Department.

The scope of work requires the contractor to provide all labor, materials, and supervision required to provide financial modeling, reporting, and support for all disaster recovery funding received for Hurricane Harvey and other disasters. The contractor will provide financial oversight services, as well as assistance, as required, to the City staff regarding cash flow, budgetary matters, and lost tax revenues, quantifying changes to expense and capital outflows, and identifying alternative revenue and expense measures. The Finance Department may issue task orders describing the services and deliverables required.

The Request of Proposals (RFP) was advertised in accordance with the State of Texas bid laws, and as a result, proposals were received from four firms: AlixPartners LLP, Deloitte & Touche LLP, Ernst & Young LLP, and K&G Accounting and Tax Services. The Evaluation Committee consisted of evaluators from the Finance, Housing and Community Development, and Houston Public Works Departments, and the Houston Airport System. The evaluation was based on the following criteria.

1. Responsiveness of Proposal
2. Technical Competence
3. Price

Deloitte & Touche LLP received the highest overall score and was deemed the best qualified to perform the required services as outlined in the RFP.

MWBE Participation:

This professional services contract is being issued with a 24% goal for M/WBE participation. Deloitte & Touche, LLP has designated the below-named company as its certified M/WBE subcontractor.

| Name | Type of Work | Percentage |
|---------------------|-------------------------------|------------|
| Niche Assurance LLC | Financial Planning Assistance | 24% |

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.

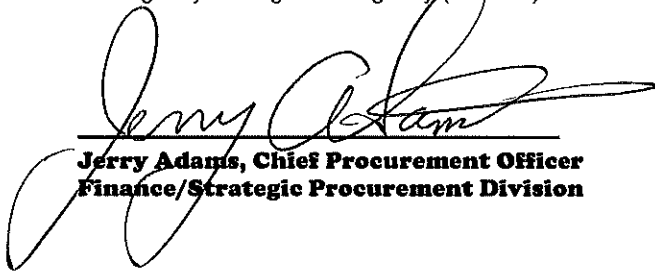
Hire Houston First:

Hire Houston First does not apply to this expenditure, because it may involves the use of federal funds and is subject to specific procurement rules of the federal government.

Fiscal Note:

Funding for this item is included in the FY19 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

This item is related to the impact of Hurricane Harvey DR4332 and it is the City's intent to seek reimbursement from the Federal Emergency Management Agency ("FEMA") and other eligible sources for such expenditures.



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

Department Approval Authority

| Estimated Spending Authority | | | |
|------------------------------|----------------|----------------|----------------|
| DEPARTMENT | FY2019 | OUT-YEARS | TOTAL |
| Finance | \$1,000,000.00 | \$4,000,000.00 | \$5,000,000.00 |

Amount of Funding:

\$5,000,000.00 - General Fund (1000)

Contact Information:

| NAME | DEPARTMENT/DIVISION | PHONE |
|---|---------------------|----------------|
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| Melissa Dubowski, Assistant Director | FIN | (832) 393-9101 |

ATTACHMENTS:

| Description | Type |
|---|-----------------------|
| <u>MWBE Documents</u> | Backup Material |
| <u>Form A - Fair Campaign</u> | Backup Material |
| <u>Form B</u> | Backup Material |
| <u>Delinquent Tax Report</u> | Backup Material |
| <u>Certification of Funds</u> | Financial Information |
| <u>Department Award Recommendation</u> | Backup Material |
| <u>Pay or Play Acknowledgemet and Certification Forms</u> | Backup Material |
| <u>Drug Policy Compliance Agreement</u> | Backup Material |
| <u>Texas Secretary of State</u> | Backup Material |
| <u>1295 Changes</u> | Backup Material |