



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date:

ALL

Item Creation Date: 7/2/2019

HPW-20AJK16 / Amendment & Addn'l Approp / PM Construction & Rehab, LLC

Agenda Item#:

**Background:**

**SUBJECT:** Amendment and Additional Appropriation to FY2019 Drainage Rehab Work Orders #4

**RECOMMENDATION:** Approve a first amendment to the Construction Contract for FY2019 Drainage Rehab Work Orders #4 with PM Construction & Rehab, LLC. and appropriate additional funds.

**PROJECT NOTICE/JUSTIFICATION:** Transportation and Drainage Operations will provide work authorizations on a location by location basis, as needed, to preserve, repair, rehabilitate or reconstruct the storm water drainage asset to such a condition that is may be effectively used for its designated functional purpose.

**DESCRIPTION/SCOPE:** This Citywide program provides construction services to resolve localized storm water drainage problems. The project scope is established by each work authorization.

**LOCATION:** The project is located throughout the City of Houston.

**PREVIOUS HISTORY AND SCOPE:** City Council approved the original Contract on December 5, 2018 under Ordinance No. 2018-978. The scope of work under the Original Contract consisted of construction for local storm water drainage system improvements and repairs as determined by work authorizations. Under this contract, the contractor successfully completed construction projects as determined by work authorizations.

**SCOPE OF THIS AMENDMENT AND FEE:** The amendment will request an extension of time to the original contract by an additional 365 days. The amendment and requested additional appropriation will accomplish the following: Construction and coordination of drainage improvements throughout the City.

The total cost of this additional appropriation is \$3,370,000.00.

· Additional Appropriation Amount	\$3,000,000.00
· CIP Cost Recovery	\$300,000.00
· Testing Services	\$70,000.00

**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 PM Construction & Rehab, LLC., is a designated HHF company, but they were the successful awardee without the 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/WBE PARTICIPATION:** The M/WBE goal established for this project is 11% MBE goal and 7% WBE goal. The original Contract amount totals \$3,000,000.00. The contractor has been paid \$853,260.00 (28.45%) to date. Of this amount, \$18,817.00 (2.21%) has been paid to MWBE subcontractors to date. Assuming approval of the requested additional appropriation, the contract amount will increase to \$6,000,000.00. The contractor proposes the following plan to meet the M/WBE goal.

	<u>Amount</u>	<u>% of Contract</u>
Paid MWBE Commitment	\$18,817.00	0.31%
Unpaid MWBE Commitment	\$521,183.00	8.69%

<u>MBE - Name of Firms</u>	<u>Work Description</u>	<u>Amount</u>	<u>% of Contract</u>
1 Buku Contractor's Supply, LLC.	Supplies – Safety, Rebar, Pipe	\$210,000.00	3.50%

<u>WBE - Name of Firms</u>	<u>Work Description</u>	<u>Amount</u>	<u>% of Contract</u>
1 Advantage Manhole & Concrete Services, Inc.	Manhole Rehab Services	\$180,000.00	3.00%
2 Deanie Hayes, Inc.	Supplies - Aggregates	\$30,000.00	0.50%

<u>SBE - Name of Firms</u>	<u>Work Description</u>	<u>Amount</u>	<u>% of Contract</u>
1 Chief Solutions, Inc.	CCTV Services	\$120,000.00	2.00%

**TOTAL: \$1,080,000.00 18.00%**

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



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

WBS No. M-420126-0101-4

**Prior Council Action:**

Ordinance No. 2018-978, dated December 5, 2018

**Amount of Funding:**

\$3,370,000.00 – Fund No. 4042 – Street and Traffic Control and Storm Drainage DDSRF (Supported by Drainage Utility Charge)

Original (previous) appropriation of \$3,370,000.00 from Fund No. 4042 – Street and Traffic Control and Storm Drainage DDSRF.

**Contact Information:**

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**ATTACHMENTS:**

<u>Description</u>	<u>Type</u>
SAP Documents	Financial Information
Map	Backup Material
OBO Docs	Backup Material
Fair Campaign & Form B	Backup Material
Affidavit of Ownership and Tax Report	Backup Material
POP Docs	Backup Material
Form 1295	Backup Material
Prior Council Action	Backup Material