



**CITY OF HOUSTON**  
**OFFICE**  
*of*  
**BUSINESS OPPORTUNITY**

**Interoffice  
CORRESPONDENCE**

**To:** Jeff Masek, P.E.  
Section Lead  
Facilities Delivery Line  
Capital Projects

**From:** Johnnie Burns  
Division Manager

**Date:** 8/12/2019

**CC:** Sayed A Ali, PE  
Tara Grizzell  
Penelope MsFadin

**Subject:** Closeout Evaluation for: Low Lift Pump Station (LLPS) Direct Connection and Pressure Regulating Station at East Water Purification Plant - 4600013858 - S-000902-0133-3 and S-000902-0133-4


The above project was awarded to CYMI Industrial, Inc. The work was completed on March 05, 2019 and the clearance request was received on July 18, 2019.


Final Audit and Evaluation by the Contract Compliance Section was assessed for compliance with the MWSDBE goal and Labor/EEO provisions of the contract.

Here are the ratings assessed for this project regarding Goal and Labor / EEO Compliance:

<u>Goal</u>	<u>MBE</u>	<u>WBE</u>	<u>SBE</u>	<u>DBE</u>	<u>Total</u>
Advertised	7.00%	2.00%	0.00%	0.00%	<b>9.00%</b>
Award	9.79%	2.75%	5.34%	0.00%	<b>17.88%</b>
Actual	7.41%	30.09%	5.22%	0.00%	<b>42.72%</b>

	<u>Outstanding</u>	<u>Satisfactory</u>	<u>Unsatisfactory</u>
Labor / EEO Compliance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
MWSDBE Compliance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
MWSDBE "GFE"	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

  
\_\_\_\_\_  
**Isaiah Osazuwa**  
Business Development Supervisor

**APPROVED:**  
  
\_\_\_\_\_  
**Johnnie Burns**  
Division Manager



Council Members: Brenda Stardig \*\* Jerry Davis \*\* Ellen R. Cohen\*\*Dwight Boykins \*\* Dave Martin \*\* Steve Le \*\*Greg Travis \*\*Karla Cisneros \*\*Robert Gallegos \*\*

Mike Laster \*\* Larry V. Green \*\* Mike Knox \*\* David W. Robinson. \*\* Michael Kubosh \*\* Amanda Edwards \*\* Jack Christie\*\* Controller: Chris Brown



**CITY OF HOUSTON**  
OFFICE  
*of*  
**BUSINESS OPPORTUNITY**

**Sylvester Turner**  
**Mayor**

Carlecia D. Wright  
Director  
P.O. Box 1562  
Houston, Texas 77251-1562

T. 832.393.0600  
F. 832.393.0647  
[www.houstontx.gov](http://www.houstontx.gov)

August 12, 2019

Ms. Suzanna Sanchez  
CYMI Industrial, Inc  
815 Walker, Suite 453  
Houston, TX 77002

**Re: Closeout Rating for: Low Lift Pump Station (LLPS) Direct Connection and Pressure Regulating Station at East Water Purification Plant - 4600013858**

Dear Ms. Sanchez:

The City of Houston evaluates the overall performance of each general contractor before final clearance and final payment request is made to City Council on all construction projects.

The Office of Business Opportunity evaluates the payment of prevailing wage rates, and utilization of MWSBE's approved in the contract, if there is an MWSBE goal.

Following is our final performance rating for Labor & EEO and MWSBE Compliance on the above referenced project.

**Labor and EEO Standards Compliance Evaluation:**

- Wage and other labor compliance requirements are outstanding
- Wage and other labor compliance requirements are satisfactory
- Wage and other labor compliance requirements are unsatisfactory

**MWSDBE Goal Compliance Evaluation:**

The MWSBE compliance has been rated "Satisfactory", based on your efforts. Your company achieved 42.72%, while the contractual goal was 17.88%.



August 19, 2019

Ms. Suzanna Sanchez  
CYMI Industrial, Inc.  
815 Walker, Suite 453  
Houston, TX 77002.

CYMI Industrial, Inc. received a **"Satisfactory"** rating for MWSDBE participation based on your efforts and a **"Satisfactory"** rating for Labor & EEO standards compliance. The Labor and EEO Standards compliance is final.

The contractual goal on this project was 17.88%, and you achieved 42.72% which breaks down as follows, MBE 7.41%, WBE 30.09% and SBE 5.22%. CYMI Industrial, Inc. was below the MBE goal by 2.38%, your firm was also below the SBE goal by 0.12% and you failed to utilize one of the original SBE goal credit subcontractors – Macaulay Controls company. Lastly, you exceeded the WBE goal by 27.34%. It is upon consideration of the above that OBO rated your participation a "Satisfactory".

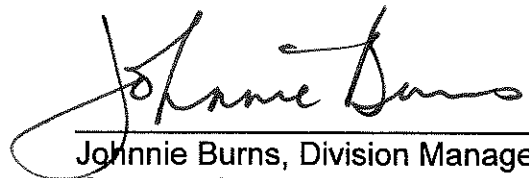
Your firm has fourteen (14) days, to respond to this letter should you disagree with the above evaluation. After 14 days, this becomes final. Should you choose to respond regarding the rating, we will review all explanations and documents, and notify you and the department of our decision.

If you have any questions, please contact Isaiah Osazuwa at 832-393-0630.

Sincerely,

**Read and Approved:**

  
\_\_\_\_\_  
Isaiah Osazuwa  
Supervisor Contract Compliance Section

  
\_\_\_\_\_  
Johnnie Burns, Division Manager  
Contract Compliance Sections

DATE:	8/12/2019	CONSTRUCTION PROJECT CLOSEOUT SUMMARY						
PRIME :		CYMI Industrial, Inc						
OA NUMBER	WBS NUMBER			PROJECT DESCRIPTION				
4600013858	S-000902-0133-3 and S-000902-0133-4			Low Lift Pump Station (LLPS) Direct Connection and Pressure Regulating Station (PRS) at East Water Purification Plant (EWPP)				
ORIGINAL AMOUNT		FINAL AMOUNT		MWSDBE RATING		LABOR / EEO RATING		
\$10,826,912.00		\$10,540,310.51		Satisfactory		Satisfactory		
AWARD DATE	NOTICE TO PROCEED	LAST DAY OF WORK	CLOSEOUT DATE	REQUEST RECEIVED	COMPLETION DATE	DAYS TO PROCESS	MWSDBE GOAL %	ACTUAL MWSDBE GOAL
08/01/16	08/01/16	03/05/19	07/15/19	07/18/19	08/12/19	18	17.88%	42.72%
GOAL CREDIT SUBS ON RCA			8	CUF AUDITS COMPLETED				
SUBS ADDED BY DEVIATION			0	CUF CREDIT REDUCTIONS				
GOAL CREDIT SUBS NOT UTILIZED			1	SUB PO / AGREEMENTS RECEIVED				
GOAL DETAILS			MBE:	WBE:	SBE:	DBE:	TOTAL	
ADVERTISED GOAL %			7.00%	2.00%			9.00%	
AWARD MWSDBE %			9.79%	2.75%	5.34%		17.88%	
ACTUAL PARTICIPATION %			7.41%	30.09%	5.22%		42.72%	
DATE NAICS CODES ENTERED FOR SUBS	DATE PROJECT CLOSED LCP	TOTAL WAGE DISCREPANCIES	TOTAL CLEARED WAGE DISCREPANCIES	TOTAL WAGES RECOVERED	TOTAL PENALTIES RECEIVED	DAYS TO COMPLETE WAGE ISSUES		
6/23/2016	8/12/2019	0						
FORMAL AUDITS CONDUCTED		MEETINGS HELD WITH CONTRACTOR		TOTAL PAYROLLS RECEIVED		TOTAL PAYROLLS AUDITED		
3		0		243		243		
DATE	SENT TO	RECEIVED FROM	SUMMARY OF LETTERS REGARDING GOAL					
8/7/2019	Suzanna Sanchez	Nzo M.	Inquiring about non-utilization of goal credit subcontractor					
3/6/2018	D.Black	Issa Dadoush	Replying to BDC's request for clarity on statement from sub. Thompson					
3/5/2018	Suzanna Sanchez	D.Black	Email from prime advising on payments to sub					
3/5/2018	D.Black	Issa Dadoush	Email to prime on issue with unpaid subs					
7/12/2017	I.Osazuwa	Leon Brashier	Email requesting payroll update					
7/7/2017	Leon Brashier	I.Osazuwa	Follow up email on request for documents					
7/6/2017	Leon Brashier	I.Osazuwa	Email response from documents					
7/3/2017	Leon Brashier	I.Osazuwa	Request for documents					
3/15/2017	Leon Brashier	I.Osazuwa	Request for documents					

# Construction Project Closeout Summary (Page 2)

## Missing Documents

None

### Response(s) from Prime regarding non-use of goal credit subs if no deviation was requested.

Received a response from prime claiming non-used goal credit subcontractor - Macaulay Controls Company was a third tier subcontractor and so was not privy to their contract with the second tier subcontractor.

### Response(s) from subs regarding non-use after being originally listed but not removed by deviation.

Received no response from goal credit sub upon communicating with them regarding they not being used, though originally listed.

Date:	Meetings Held
	Attendees & Summary of Meeting
	None
Date:	Good Faith Efforts Summary of Submittal
	None
Date:	Departments Response to GFE Submittal
	None
Date:	OBO's Response to GFE
	None
Date:	OBO's GFE Recommendation
	None

### MWSDBE Ratings

This project was awarded with a 17.88% overall goal more specifically defined as 9.79% MBE, 2.75% WBE and 5.34% SBE of which the prime achieved 42.72% (7.41% MBE, 30.09% WBE and 5.22% SBE). CYMI Industrial, Inc. therefore exceeded the overall goal by 24.84%. CYMI Industrial, Inc. failed to utilize one of the goal credit subcontractors Macaulay Controls Company and the subcontract failed to respond to requests regarding their non-use, the prime provided a response claiming non-used sub was a their tier sub. This explanation is not deemed accurate because the non-used sub (Macaulay Controls Company is actually listed as an original goal credit sub on the RCA. Therefore, even though the prime exceeded the overall goal, they fell shot of meeting both the committed MBE and SBE goals, and also did not provide an acceptable response as to why they failed to utilize all original goal credit subcontractors. Therefore based on the above findings, OBO has rated this contract a "Satisfactory".

Compliance Monitor	Division Manager
DB / Nzo Mungu	Johnnie Burns





HOUSTON PUBLIC WORKS  
 CAPITAL PROJECTS  
 PERFORMANCE EVALUATION  
 CONSTRUCTION CONTRACTOR  
 WBS. NO. S-000902-0133-4  
 CONTRACT NO. 4600013858

1. Name and Address of Contractor

CYMI Industrial, Inc., 815 Walker St., Suite 453 Houston, TX 77002

2. Project Description: Force Main Renewal and Replacement for Piping Rock, and Woodsman Trail

3. A) Original Contract Amount:	\$10,826,912.00	B) Award Date:	08/01/2016
C) Final Work Completed Amount:	\$10,540,310.51	D) Contract Date:	06/21/2016
E) Calendar Days Allowed by Contract:	720	F) Notice to Proceed:	08/01/2016
G) Approved Additional Days:	226	H) Planned Completion Date:	07/22/2018
I) Total Days Allowed:	946	J) Revised Completion Date:	03/05/2019
K) Total Days Used:	946	L) Actual Completion Date:	03/05/2019

4. Contractor: \_\_\_\_\_ Prime Contract \_\_\_\_\_ Subcontractor: \_\_\_\_\_

5. Program Monitoring / Contract Compliance Evaluation and Rating

Outstanding      Standard      Unsatisfactory

MWDBDE Goal

17.88%      42.72%  
 Per Contract      Actual

(A) MWBDE Participation

Reason:

*Prime exceeded goal but failed to utilize all goal credit Sub*

\_\_\_\_\_ X \_\_\_\_\_

(B) Prevailing Wage Rates

Reason:

*No discrepancy in wages.*

\_\_\_\_\_ X \_\_\_\_\_

*Nzo Mungu*  
 Contract Compliance Officer

*Mölnh ballman*  
 Affirmative Action / Contract Compliance



**CITY OF HOUSTON**  
Houston Public Works

**Interoffice**

**Correspondence**

To: Will Norwood III  
Office of Business Opportunity  
Staff Analyst

From: Section Lead  
Facilities Delivery line  
Capital Projects

Date: July 15, 2019

Subject: **FINAL CLOSE-OUT INFORMATION**

The project listed below is currently in the process of final close-out by the Houston Public Works. It is expected that this action will occur within 30 days.

**Project Name:** East Water Purification Plant Low Lift Pump Station Direct Connection

**Project Number:** S-000902-0133-4

**Prime Contractor:** CYMI Industrial, Inc.

**Work was last performed on this contract:** March 5, 2019

By copy of this memo, I am requesting a close-out letter pertaining to compliance items and completion of the attached Contract Performance Evaluation.

Please return this form when forwarding the clearance letter to my attention at Capital Projects, Bob Lanier Building, 611 Walker St., 15<sup>th</sup> Floor, Houston, Texas 77002.

Should you have any questions or comments, please contact me at (832) 395-2312.

*Ronald J Masek*  
R. Jeff Masek, P.E., CCM

RJM:SA:pjm

Attachments: Copy of the Pre-draft Estimate and Contract Performance Evaluation

ec: Syed A Ali, PE  
Tara Grizzell  
Project File: S-000902-0133-4 (21.0)

Penelope McFadin

(DO NOT WRITE IN THIS SPACE)

RECEIVED BY (for Affirmative Action):

*Johnnie Davis*

Date: 7/18/19