



Transforming Lives & Communities

PURSUANT TO THE MARCH 16, 2020 NOTICE ISSUED BY THE OFFICE OF THE TEXAS ATTORNEY GENERAL AND IN ACCORDANCE WITH APPLICABLE PORTIONS OF THE TEXAS OPEN MEETING ACT, THIS MEETING WAS HELD VIA TELEPHONE CONFERENCE

RESOLUTION NO. 3184

At the meeting of the Houston Housing Authority Board of Commissioners, **August 25, 2020**, the following resolution was moved by **Commissioner Cooksey** and seconded by **Vice Chair Kirkendoll**:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to negotiate, execute, and make necessary changes and corrections to a contract with Environmental & Construction Service (ERC) to furnish and install new energy efficient HVAC equipment at Ewing Apartments in the amount of \$151,002.45 pursuant to the memorandum dated August 4, 2020 from Cody Roskelley, Vice President of REID, to CEO, Mark Thiele, Interim President & CEO.

A true and accurate copy of the vote is listed below.

| Name | Aye | No | Abstain | Name | Aye | No | Abstain |
|---------------------------|-----|--------------------------|--------------------------|--------------|-----|--------------------------|--------------------------|
| L. Snowden, Chair | x | <input type="checkbox"/> | <input type="checkbox"/> | G. Hernandez | x | <input type="checkbox"/> | <input type="checkbox"/> |
| K. Kirkendoll, Vice Chair | x | <input type="checkbox"/> | <input type="checkbox"/> | A. Cooksey | x | <input type="checkbox"/> | <input type="checkbox"/> |
| K. Thomas | x | <input type="checkbox"/> | <input type="checkbox"/> | S. Ballard | x | <input type="checkbox"/> | <input type="checkbox"/> |
| M. Miller | x | <input type="checkbox"/> | <input type="checkbox"/> | | | | |

(SEAL)

Mark Thiele, Secretary
HHA Board of Commissioners



HOUSTON
HOUSING AUTHORITY

Transforming Lives & Communities

REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration to authorize the Interim President & CEO to execute a contract with Environmental & Construction Service (ERC), to provide a turn-key Heating Ventilation Air Conditioning (HVAC) solution at Ewing Apartments.

2. Date of Board Meeting: August 25, 2020

3. Proposed Board Resolution:

Resolution:

That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to negotiate, execute, and make necessary changes and corrections to a contract with Environmental & Construction Service (ERC) to furnish and install new energy efficient HVAC equipment at Ewing Apartments in the amount of \$151,002.45 pursuant to the memorandum dated August 4, 2020 from Cody Roskelley, Vice President of REID, to CEO, Mark Thiele, Interim President & CEO.

4. Department Head Approval

Signature  Date: 8/20/2020

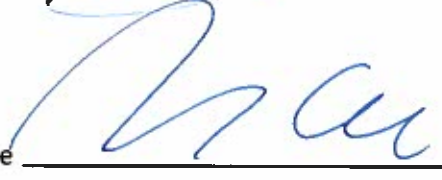
5. Statement regarding availability of funds by VP of Fiscal Operations

Funds Budgeted and Available Yes No Source PUBLIC HOUSING CAPITAL FUNDS

VP of FO Approval

Signature  Date: 8/20/20

6. Approval of President & CEO

Signature  Date: 8/20/2020



HOUSTON
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MEMORANDUM

TO: MARK THIELE, INTERIM PRESIDENT & CEO
FROM: CODY ROSKELLEY, VICE PRESIDENT REID
SUBJECT: CONSIDERATION TO AUTHORIZE THE INTERIM PRESIDENT & CEO TO EXECUTE A CONTRACT WITH ENVIRONMENTAL & CONSTRUCTION SERVICE (ERC) TO PROVIDE A TURN-KEY HEATING VENTILATION AIR CONDITIONING (HVAC) SOLUTION AT EWING APARTMENTS
DATE: AUGUST 5, 2020

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to negotiate, execute, and make necessary changes and corrections to a contract with Environmental & Construction Service (ERC) to furnish and install HVAC at Ewing Apartments in the amount of \$151,002.45.

BACKGROUND

The current HVAC systems at Ewing Apartments have reached their end of life, need replacement, and are in need being of brought up to energy efficiency standards. This is a needed Capital Improvement for the property from Capital Funds.

The Scope of Work (SOW), and Independent Cost Estimate (ICE) were developed by REID and submitted to HHA's Procurement Department.

In April and May of 2020, HHA's Procurement Department placed a legal notice advertising Invitation for Bid (IFB) 20-20 Ewing HVAC Replacement Project in the Houston Chronicle, and Forward Times Newspapers.

The intent of IFB 20-20 is to establish a fixed price contract with the lowest responsive and responsible bidder who can provide a turn-key HVAC solution at Ewing Apartments which at a minimum includes:

- Delivering, installing, and testing new Energy Efficient HVAC Wall Condensers, Air Handlers, Thermostats, and required accessories; and,
- Removing the existing Wall Condensers, Air Handlers, and Thermostats (of varying conditions), and ensuring they are properly and lawfully discarded.

IFB 20-20 Ewing Replacement Project was posted on HHA's Procurement webpage, and HHA's Procurement Department sent e-mails announcing this solicitation to potential Bidder's on HHA's Bidder's List, and those Bidders registered with the City of Houston Office of Business Opportunity.

Additionally, HHA's Procurement Department sent e-mails announcing IFB 20-20 to the Houston Minority Supplier Development Council (HMSDC), the National Association of Minority Contractors-Greater Houston Chapter, the Houston Office of U.S. Small Business Administration, and to potential bidders on HHA's Bidder's List.

EVALUATION PROCESS

On May 27, 2020, HHA's Procurement Department publicly opened the following sealed bids in response to IFB 20-20:

| Rank | Bidder | M/WBE Designation | Total Bid Price |
|------|--|-------------------|--|
| 1 | Roofing Designs by JR, LLC | W/MBE | \$ 110,534.00 *+ \$ 11,000 \$ 121,534.00 |
| 2 | Environmental & Construction Service (ERC) | N/A | \$ 151,002.45 |
| 3 | Lakefield Service | MBE | \$ 168,673.81 |
| 4 | HD Supply Facilities Maintenance, Ltd. | N/A | \$ 180,587.63 |
| 5 | FMG Construction, LLC | MBE | \$ 217,047.00 |
| 6 | Trench Core | MBE | \$ 270,874.21 |
| 7 | Elston Aire | W/MBE | \$ 272,777.00 |

IFB 20-20 contained a requirement (per Amendment No. 2) for the removal and reinstallation of a hot water heater, and bidders were told in writing that their bid would not be considered if this requirement was not included in their bid.

When the bids were opened, Roofing Designs by JR, LLC bid contained a Cover Letter stating the work could be performed in the amount of \$110,534.00, and acknowledged Amendment No. 2. *During the vetting of the bids, the bidder admitted an error, and indicated in writing that an additional \$11,000.00 is needed for the removal/reinstallation of the water heater. The additional \$11,000.00 increases the total bid price to \$121,534.00.

Per Section 5.0 Procurement Methods, subparagraph D. Mistakes in Bids per HHA's Procurement Policy Revised 1-17-17: *"After bid opening, changes in bid prices or other provisions of bids prejudicial to the interest of the HHA or fair competition shall not be permitted."*

Consequently, Roofing Designs by JR, LLC bid should be considered non-responsive, and ERC designated as the lowest responsive and responsible bidder.

There are no conflicts of interests, and ERC is not on the HUD Debarment List. Additionally, ERC has successfully performed other work for HHA.

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to negotiate, execute, and make necessary changes and corrections to a contract with Environmental & Construction Service (ERC) to furnish and install new energy efficient HVAC equipment at Ewing Apartments in the amount of \$151,002.45 pursuant to the memorandum dated August 5, 2020 from Cody Roskelley, Vice President of REID, to CEO, Mark Thiele, Interim President & CEO.