



HOUSTON
HOUSING AUTHORITY

Transforming Lives & Communities

REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or to take action to authorize the Interim President & CEO or designee to execute a contract with ERC Environmental & Construction Services, Inc. ("ERC") to perform all the necessary work to renovate four units at Allen Parkway Village ("APV").

2. Date of Board Meeting: November 23, 2021

3. Proposed Board Resolution:

Resolution:

That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO or designee to negotiate, execute and make necessary changes and corrections to a contract with ERC Environmental & Construction Services, Inc. ("ERC") to renovate four units at Allen Parkway Village ("APV") not to exceed \$289,544.20 pursuant to the memorandum from Cody Roskelley, Vice President of REID dated November 1, 2021, to Mark Thiele, Interim President & CEO.

4. Department Head Approval

Signature _____

DocuSigned by:

Cody Roskelley

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Date: 11/17/2021

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

Funds Budgeted and Available Yes No Source _____

VP of FO Approval

Signature _____

Date: _____

6. Approval of President & CEO

DocuSigned by:

Mark Thiele

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11/17/2021

Signature _____

Date: _____



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MEMORANDUM

TO: MARK THIELE, INTERIM PRESIDENT & CEO
FROM: CODY ROSKELLEY, VICE PRESIDENT OF REID
SUBJECT: CONSIDERATION AND/OR TO TAKE ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO OR DESIGNEE TO EXECUTE A CONTRACT WITH ERC ENVIRONMENTAL & CONSTRUCTION SERVICES, INC. ("ERC") TO RENOVATE FOUR UNITS AT ALLEN PARKWAY VILLAGE ("APV").
DATE: NOVEMBER 1, 2021

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to take all necessary actions to negotiate, execute and make necessary changes and corrections to a contract with ERC Environmental & Construction Services, Inc. ("ERC") to renovate four (4) apartment units at Allen Parkway Village ("APV") in the amount of \$289,544.20.

BACKGROUND

Allen Parkway Village (APV) is a 278 development scheduled for rehabilitation in 2022. Units 1505, 1507, 1605, and 1607 have been vacant for a considerable amount of time. Per HUD requirements, these units must be brought online immediately. The rehabilitation of these units will be used as a mockup for Allen Parkway Village's extensive rehab in 2022.

A Scope of Work ("SOW") and Independent Cost Estimate ("ICE") was developed by the REID Department and submitted to HHA's Procurement Department.

ADVERTISEMENT

In August of 2021, a legal notice advertising Invitation for Bid 21-31 The Rehabilitation of Four (4) Units at APV ("IFB 21-31") was posted in the Houston Chronicle and Forward Times Newspapers, and the Houston Business Journal.

In addition to posting "IFB 21-31" on the website of HHA's Procurement Department, HHA's Procurement Department sent e-mails announcing "IFB 21-31" to potential bidders on its Bidder's List, and qualified firms registered in the City of Houston's database.

The City of Houston Office of Business Opportunity ("OBO") and the Houston Minority Supplier Development Council ("HMSDC") agreed to notify potential minority vendors of "IFB 21-31".

Additionally, interested parties were also able to access “IFB 21-31” by going to the websites of the City of Houston Office of Business Opportunity (“OBO”); the Greater Houston Black Chamber of Commerce (“GHBCC”); the Houston Minority Supplier Development Council (“HMSDC”); the Houston Chapter of the National Association of Minority Contractors (“NAMC”); and to the Houston Office of the United States Small Business Administration (“SBA”).

All interested parties were invited to attend a non-mandatory pre-bid conference on September 1, 2021, to learn about the bidding and project requirements of “IFB 21-31”.

EVALUATION PROCESS

On October 4, 2021, HHA’s Procurement Department opened the following sealed bids in response to “IFB 21-31”:

Rank	Firm/Company	M/WBE	Total Bid Price
1	DL Services, LLC	MBE	\$79,050.00
2	All in One Building Maintenance & Construction, LLC	MBE	\$95,000.00
3	ERC Environmental & Construction Services, Inc. (“ERC”)	N/A	\$289,544.20
4	Deccan Development	MBE	\$1,179,226.50

During the vetting of the bids, it was discovered that DL Services, LLC, and All in One Building Maintenance & Construction, LLC did not submit the required bid bond, which renders them non-responsive.

The submittal of a bid bond is annotated in “IFB 21-31” and was emphasized during the non-mandatory pre-bid conference. Bidders were informed that the failure to submit a bid bond would render their bid non-responsive.

The submittal of the required bid bond with the sealed bid is a requirement that cannot be waived.

- The submittal of a bid bond for construction contracts exceeding \$100,000 is a requirement in HHA’s Procurement Policy.
- According to Section 6.11 (B) (1) of the HUD Procurement Handbook: “If a bid bond or guarantee is not submitted with the bid, the PHA should reject the bid as non-responsive.”
- Per Section 9 of HUD Form, 5369 Instructions to Bidders for Contracts Public and Indian Housing Programs that was included in “IFB 21-31”: “failure to submit a bid guarantee (i.e., Bid Bond) with the bid shall result in the rejection of the bid.”

Both bidders were contacted and admitted their mistake, and apologized for the inconvenience.

ERC Environmental & Construction Services, Inc. (“ERC”) has agreed to make a cash contribution to the Self Sufficiency Compliance Fund to support economic self-sufficiency opportunities and/or job training opportunities.

ERC Environmental & Construction Services, Inc. ("ERC") has done work for "HHA" in the past, and there are no conflicts of interest. Also, ERC Environmental & Construction Services, Inc. ("ERC") is not on the HUD Debarment List.

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 or designee to negotiate, execute and make necessary changes and corrections to a contract with ERC Environmental & Construction Services, Inc. ("ERC") to renovate four units at Allen Parkway Village ("APV") not to exceed \$289,544.20 pursuant to the memorandum from Cody Roskelley, Vice President of REID dated November 1, 2021, to Mark Thiele, Interim President & CEO