



Legislation Text

File #: K-1920-106, **Version:** 1

CONSIDERATION OF AWARDING BID-1920-41 AND APPROVAL OF CONTRACT K-1920-106 BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND D & J ENTERPRISES, INC., AS A PRE-POSITIONED OR 'STAND BY' AGREEMENT THAT OBLIGATES CONTRACTOR TO PROVIDE CERTAIN DEBRIS CLEAN-UP REMOVAL SERVICES ON AN AS-NEEDED BASIS.

BACKGROUND: Natural disasters commonly occur in Oklahoma including wind storms, ice storms, flooding and tornados. Each event has its own unique debris removal and disposal requirements.

When faced with natural disasters, planning is the key to preparedness. A Debris Management Plan ensures a quicker and more thorough and calculated response to a disaster. It also establishes a strategic framework for providing debris removal assistance in support of a Presidential-declared emergency or major disaster and helps qualify a city for additional Federal Emergency Management Agency (FEMA) reimbursement dollars, in some cases. This additional assistance is explained in sections 403 (Essential Assistance) and 407 (Debris Removal) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (hereafter, the Stafford Act), 42 U.S.C. 5121-5206, and implementing regulations at 44 CFR Part 206.

It became apparent after the December 2007 ice storm that the City of Norman should have a Debris Management Plan. Also, FEMA has a program to increase federal reimbursement from 75% to 80% for those governmental agencies that have an approved Debris Management Plan in place before a disaster strikes. If a plan had been in place before the December 2007 ice storm, the City could have received an additional \$300,000 reimbursement.

The attached table, Attachment A, is a listing of all 14 of the major weather events in Norman since 2007. The total City expenditure for debris removal for all of the events is \$8,992,775. Six (6) of the storms required outside contracting services to aid in the debris removal. Of these events, the City has received reimbursement of \$6,015,220 or 80% of the total \$7,552,755 from FEMA and the Oklahoma Department of Emergency Management (OEM).

On November 25, 2008, City Council approved Contract K-0809-101 with Beck Disaster Recovery, Inc. (BDR) in the amount of \$64,949 to prepare the City's first ever Debris Management Plan. On September 8, 2009, City Council approved the plan.

On December 22, 2009, City Council awarded Pre-Position Contracts to T.F.R. Enterprises, Crowder Disaster Recovery, and DRC Emergency Services for Disaster Debris Clearance and Removal Services.

On November 19, 2014, City Council awarded Pre-Position Contracts to T.F.R. Enterprises, Ceres Environmental Services, Inc., and TAG Grinding Services, Inc., for Disaster Debris Clearance and Removal Services.

DISCUSSION: The Debris Management Plan recommended that the City have a pre-positioned agreement with 3-5 debris removal companies. This is a FEMA requirement to receive the additional 5% of federal funding. These are stand-by agreements with no associated value. For bid purposes, a sample event was created with quantities for a standard debris removal event. The bid quantities listed in the bid schedule were approximately the same as the final quantities of the December 2007 ice storm. Some additional bid items were added which would be associated with a tornado event such as removal of “white goods” (appliances) and abandoned vehicle removal. A bid item for drainage channel debris removal was also added. Using this sample event, bids are tabulated for comparison of the bidders. The agreement does not have a value until a work order is developed and a “Notice to Proceed” is issued by the City Manager, for an amount based on the estimated quantities of a specific disaster. Typically, at that point, the Mayor has officially declared the weather event to be a local emergency. The City of Norman will be prepared for the next disaster by having the executed agreements in place and will be able to start debris removal more quickly.

The City of Norman executed agreements with three national companies in the first pre-position contracts awarded for Disaster Debris Clearance and Removal Services in December of 2009. These pre-position contracts were originally effective for three years with the option for two one-year extensions. It is important to have multiple pre-position contracts in the case of a particularly devastating disaster requiring more than one contractor, or the absorption of one company by another, or a company proposing drastic increases in their fees during the extension process. The three companies and their associated bids for the sample disaster were as follows:

1. T.F.R. Enterprises, Leander, TX - \$7,604,080.20
2. Crowder Disaster Recovery, Tallahassee, FL - \$8,110,525.28
3. DRC Emergency Services, Mobile, AL. - \$8,623,808.52

The original contracts executed in 2009 and the 2 one-year extensions expired on December 23, 2014.

The City of Norman advertised Bid Documents and Specifications in October, 2014 to once again establish pre-position contracts should a natural disaster occur. On November 6, 2014, nine (9) bids were received for “Disaster Debris Clearance and Removal Services”. The three (3) lowest qualified bidders are listed below:

1. T.F.R. Enterprises, Leander, TX - \$7,650,002.50
2. Ceres Environmental Services, Inc., Houston, TX - \$9,986,191.94
3. TAG Grinding Services, Inc., Dadeville, AL - \$11,202,573.50

These contracts executed in 2014 and the 2 one-year extensions expired on December 19, 2019, but they were extended to January 31, 2020.

The City of Norman advertised Bid Document and Specifications in November, 2019 to once again establish pre-position contracts should a natural disaster occur. On December 5, 2019, six (6) bids were received for “Disaster Debris Clearance and Removal Services”. The three (3) lowest qualified bidders are listed below:

1. T.F.R. Enterprises, Inc., Leander, TX - \$ 8,084,136.00
2. D & J Enterprises, Inc., Auburn, AL - \$10,862,123.90

3. Custom Tree Care, Inc., Topeka, KS - \$11,201,329.04

Staff recommends that the City enter into a pre-positioned agreement with each of the three (3) lowest qualified bidders. In the event of a disaster, staff will call the lowest bidder and if they cannot respond within the time frame listed in the agreement, staff will call the second low bidder to respond and so on. The contractor shall attend a Debris Management Kickoff Meeting with the City Manager (City Debris Manager) and other City staff no later than 72 hours following the disaster (or at such time that it is safe to return to the city). The contractor shall mobilize at least 50% of the debris clearance fleet necessary for project completion within 72 hours of the Debris Management Kickoff meeting. One-hundred percent of the fleet necessary for project completion shall be present within seven (7) working days following the issuance of a Notice to Proceed from the City. The selected contractor will be required to post a Performance and Payment Bond in the amount of 100% of the estimated contract price within 10 days after the issuance of the Notice to Proceed by the City. The City reserves the right to adjust the estimated contract price at the time of the event based on the size, severity and type of debris generating event. The bond shall continue throughout the contract execution period when the City Manager issues a Notice to Proceed, until such time as the scope of work contained in the contract is completed as determined by the City Manager.

The pre-positioned agreements will be effective for a period of three (3) years with the option for Council to extend the contract for two (2) additional one-year periods upon mutual agreement of both parties. If agreement renewal is agreed upon by both the City and the contractor, price adjustments for set rates will not exceed the average of the Construction Cost Index (CCI) during the 12-months prior to renewal or 5%, whichever is less. Bid prices are locked in for a 3-year period. All work set forth in the scope of work must be approved by personnel authorized by the City Manager.

RECOMMENDATION NO 1: Staff recommends that Bid 1920-41 for the Disaster Debris Clearance and Removal Services be awarded to D & J Enterprises.

RECOMMENDATION NO 2: Staff further recommends that upon approval of Bid 1920-41, Contract K -1920-106 with D & J Enterprises be approved.