



Legislation Details (With Text)

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On agenda: 11/10/2021 **Final action:**

Title: Authorize a three-year service price agreement for the purchase of bulk liquid chlorine, tank rental, and hydrostatic testing services for the Water Utilities Department - DPC Industries Limited Partnership dba DPC Industries Company, only bidder - Estimated amount of \$7,173,914.62 - Financing: Dallas Water Utilities Fund

Sponsors:

Indexes: 200, 4, 6, 8

Code sections:

Attachments: 1. Resolution

Date	Ver.	Action By	Action	Result
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STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: November 10, 2021

COUNCIL DISTRICT(S): 4, 6, 8, Outside

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a three-year service price agreement for the purchase of bulk liquid chlorine, tank rental, and hydrostatic testing services for the Water Utilities Department - DPC Industries Limited Partnership dba DPC Industries Company, only bidder - Estimated amount of \$7,173,914.62 - Financing: Dallas Water Utilities Fund

BACKGROUND

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This service price agreement will provide for the purchase of bulk liquid chlorine, tank rental, and hydrostatic testing services. Chlorine is used at the purification plants to disinfect drinking water as required by the United States Environmental Protection Agency and the Texas Commission on

Environmental Quality. The chemical will be used at the wastewater treatment plant in the disinfection process. In order to meet the regulatory requirements, sufficient chlorine must be added to maintain a specified residual level. The Water Utilities Department provides services to an estimated 2.4 million people in Dallas and surrounding communities.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$15.21; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 10, 2018, City Council authorized a three-year master agreement for bulk liquid chlorine supplied in tank trucks; and a three-year service contract for storage tank rentals and hydrostatic testing with DPC Industries Company by Resolution No. 18-0089.

FISCAL INFORMATION

Fund	FY 2022	FY 2023	Future Years
Dallas Water Utilities Fund	\$2,391,303.00	\$2,391,303.00	\$2,391,308.62

<u>Council District</u>	<u>Amount</u>
4	\$ 516,864.16
6	\$ 442,977.50
8	\$5,395,556.64
Outside	\$ 818,516.32
Total	\$7,173,914.62

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Procurement Category	M/WBE Goal	M/WBE %	M/WBE \$
\$7,173,914.62	Other Services	N/A	N/A	N/A
<ul style="list-style-type: none"> • The Business Inclusion and Development Policy does not apply to Other Service contracts. • DPC Industries Limited Partnership dba DPC Industries Company - Non-local; Workforce - 0.00% Local 				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Low Bid	• Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements
	• Negotiations are not allowed

The Office of Procurement Services received the following bid from solicitation number BI21-00017343. We opened it on September 25, 2021. We recommend the City Council award this service price agreement in its entirety to the only bidder.

<u>Bidder</u>	<u>Address</u>	<u>Amount</u>
DPC Industries Limited Partnership dba DPC Industries Company	601 West Industrial Blvd. Cleburne, TX 76033	\$7,173,914.62

Note: The Office of Procurement Services conducted a single bid review and found no exceptions.

OWNER

DPC Industries Limited Partnership dba DPC Industries Company

R.C. Karm - President