



Legislation Details (With Text)

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On agenda: 1/10/2024 **Final action:**

Title: Authorize a three-year service price agreement for the purchase, maintenance, and repair of odor control and corrosion inhibitor agents for use in the sanitary sewer system and wastewater treatment process for the Water Utilities Department - Pencco, Inc. in the estimated amount of \$9,248,900 and Evoqua Water Technologies LLC in the estimated amount of \$445,500, lowest responsible bidders of two - Total estimated amount of \$9,694,400 - Financing: Dallas Water Utilities Fund (subject to annual appropriations)

Sponsors:

Indexes: 100

Code sections:

Attachments: 1. Resolution

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

AGENDA DATE: January 10, 2024

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Jack Ireland

SUBJECT

Authorize a three-year service price agreement for the purchase, maintenance, and repair of odor control and corrosion inhibitor agents for use in the sanitary sewer system and wastewater treatment process for the Water Utilities Department - Pencco, Inc. in the estimated amount of \$9,248,900 and Evoqua Water Technologies LLC in the estimated amount of \$445,500, lowest responsible bidders of two - Total estimated amount of \$9,694,400 - Financing: Dallas Water Utilities Fund (subject to annual appropriations)

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, maintenance, and repair of odor control and corrosion inhibitor agents for use in the sanitary sewer system and wastewater treatment process for the Water Utilities Department. Chemicals purchased under this agreement protect the wastewater system infrastructure against corrosion, improve sludge quality for safer disposal, and mitigate nuisance odors which may occur throughout the wastewater system.

Odors are generated during the process of conveying sewage from homes and businesses to the treatment facilities. While traveling through sewer lines, sewage can often become septic and generate hydrogen sulfides, which is easily recognized by its offensive odor. The agents will be dosed directly into the wastewater systems by 10 independent dispensing systems which are permanently stationed in specific locations throughout the City. Further, the Biocatalyst Solution can be deployed in mobile systems to any sanitary sewer manhole needed.

The Water Utilities Department provides wastewater treatment services to approximately 2.6 million customers in Dallas and surrounding communities. The City has treated an average of 68 billion gallons over the past five years.

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 calculated living wage during the solicitation process of this contract is \$17.82; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 13, 2020, the City Council authorized a three-year master agreement for ferrous sulfate with Pencco, Inc. through an Interlocal Agreement with the San Antonio Water Systems; ferrous chloride with Pencco, Inc. through an Interlocal Agreement with the City of San Angelo; and bioxide and biocatalyst solution with Evoqua Water Technologies LLC and NRPGROUP, Inc. by Resolution No. 20-1552.

FISCAL INFORMATION

Fund	FY 2024	FY 2025	Future Years
Dallas Water Utilities Fund	\$269,288.00	\$3,231,466.00	\$6,193,646.00

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
\$9,694,400.00	Other Services	N/A
M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
N/A	N/A	N/A
<ul style="list-style-type: none"> • The Request for Bid method of procurement resulted in the lowest responsive bidders being selected. 		
<ul style="list-style-type: none"> • Pencco, Inc. - Non-local; Workforce - 0.00% Local • Evoqua Water Technologies LLC - Non-local; Workforce - 0.00% Local 		

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Low Bid	<ul style="list-style-type: none"> • 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
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The Office of Procurement Services received the following bids from solicitation number BI23-00022274. We opened them on June 23, 2023. We recommend the City Council award this service price agreement to the lowest responsive and responsible bidders by group. Information related to this solicitation is available upon request.

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Pencco, Inc.	6555 West, TX-34, Ennis, TX 75119	Multiple Groups
*Evoqua Water Technologies LLC	2650 Tallevast Road Sarasota, FL 34243	Multiple Groups

OWNERS

Pencco, Inc.

R. L. Horne, President

Evoqua Water Technologies LLC

Ronald C Keating, President