



Legislation Text

File #: 22-1161, **Version:** 1

STRATEGIC PRIORITY: Government Performance & Financial Management

AGENDA DATE: June 22, 2022

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a three-year service price agreement for equipment fluid sampling test analysis services for the Water Utilities Department - Tribologik in the estimated amount of \$506,285 and SGS North America in the estimated amount of \$133,500, lowest responsible bidders of two - Total estimated amount of \$639,785 - Financing: Dallas Water Utilities Fund (\$618,035) and Stormwater Drainage Management Fund (\$21,750)

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 equipment fluid sampling test analysis services for the Water Utilities Department (DWU) to test and analyze oil used in its motors, pumps, gearboxes, and transformers. DWU operates and maintains over 1,300 pumps, 500 gear boxes, 1,100 motors, and 100 transformers located at 35 pump stations and 5 treatment plants in Dallas, Carrollton, Sunnyvale, and surrounding counties. Oil condition serves as an indicator of unexpected equipment wear, potential issues in equipment functionality, and oil replacement needs.

DWU uses oil analysis data for improved equipment efficiency monitoring and to develop a more thorough predictive maintenance program including more timely oil changes to reduce cost and improve equipment reliability.

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)

This item has no prior action.

FISCAL INFORMATION

Fund	FY 2022	FY 2023	Future Years
Dallas Water Utilities Fund	\$138,035.00	\$240,000.00	\$240,000.00
Stormwater Drainage Management Fund	\$6,750.00	\$7,500.00	\$7,500.00
Total	\$144,785.00	\$247,500.00	\$247,500.00

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	M/WBE %	M/WBE \$
\$639,785.00	Other Services	N/A	N/A	NA
<ul style="list-style-type: none"> • The Business Inclusion and Development Policy does not apply to Other Service contracts. • Tribologik - Non-local; Workforce - 0.00% Local • SGS North America - 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 BV22-

00011763. We opened them on January 22, 2022. We recommend the City Council award this service price agreement to the lowest responsive and responsible bidders by group.

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Tribologik	8330 Decarie Montreal, QC Canada, H4P2P5	Group 1 - \$506,285.00 Group 2 - No Bid
*SGS North America	7302 Harbourmaster Court Tampa, FL 33607	Group 1 - No Bid Group 2 - \$133,500.00

OWNERS

Tribologik

Marvin Ostin, Chief Executive Officer

SGS North America

Stephen Nolan, Chief Executive Officer