



## Legislation Text

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**File #:** 21-2188, **Version:** 1

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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** December 8, 2021

**COUNCIL DISTRICT(S):** 6, Outside City Limits

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize a three-year service price agreement for the purchase of bulk anhydrous ammonia and ammonia tank evacuation, cleaning, and inspection services for the Water Utilities Department - Shrieve Chemical Company, only bidder - Estimated amount of \$1,707,925 - 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 anhydrous ammonia and ammonia tank evacuation, cleaning, and inspection services for the Water Utilities Department (DWU). Anhydrous ammonia purchased through this agreement is certified in accordance with National Sanitation Foundation International and American National Standard Institute 60 for drinking water treatment chemicals. Anhydrous Ammonia is used in the disinfection process to meet regulatory compliance as required by the Environmental Protection Agency (EPA) and Texas Commission on Environmental Quality (TCEQ). DWU provides drinking water to over 2.4 million residents in the City of Dallas and its surrounding communities. Proper disinfection is necessary to ensure the safety and quality of drinking water in the distribution system.

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 December 13, 2017, City Council authorized a three-year master agreement for the purchase of anhydrous ammonia for Dallas Water Utilities with Shrieve Chemical Company by Resolution No. 17-1877.

On January 10, 2018, City Council authorized a three-year service contract for tank evacuation, cleaning, and inspection services for the Water Utilities Department with Action Environmental, LLC dba Team Action, LLC by Resolution No. 18-0085.

**FISCAL INFORMATION**

Fund	FY 2022	FY 2023	Future Years
Dallas Water Utilities Fund	\$569,307.00	\$569,308.00	\$569,310.00

<b><u>Council District</u></b>	<b><u>Amount</u></b>
6	\$ 480,325.00
Outside	<u>\$1,227,600.00</u>
Total	\$1,707,925.00

**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:

<b>Contract Amount</b>	<b>Procurement Category</b>	<b>M/WBE Goal</b>	<b>M/WBE %</b>	<b>M/WBE \$</b>
\$1,707,925.00	Other Services	N/A	N/A	N/A
• The Business Inclusion and Development Policy does not apply to Other Service contracts.				
• Shrieve Chemical Company - Non-local; Workforce - 0.00% Local				

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

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Low Bid	<ul style="list-style-type: none"><li>• 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</li><li>• Negotiations are not allowed</li></ul>
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The Office of Procurement Services received the following bid from solicitation number BI21-00017261. We opened it on September 17, 2021. We recommend the City Council award this service price agreement in its entirety to the only bidder.

<b><u>Bidder</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
*Shrieve Chemical Company	1442 East Lake Front Cr. The Woodlands, TX 77380	\$1,707,925.00
Tanner Industries, Inc.	735 Davisville Rd. 3rd Flr. Southhampon, PA 18966	Non-responsive
DPC Industries	601 West Industrial Blvd. Cleburne, TX 76033	Non-responsive

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

**OWNER**

**Shrieve Chemical Company**

George Fuller, Chief Executive Officer