



Legislation Text

File #: 24-328, **Version:** 1

STRATEGIC PRIORITY: Government Performance & Financial Management
AGENDA DATE: February 14, 2024
COUNCIL DISTRICT(S): All
DEPARTMENT: Office of Procurement Services
EXECUTIVE: Jack Ireland

SUBJECT

Authorize a two-year master agreement for the purchase of liquid dipotassium orthophosphate for the Water Utilities Department - Carus LLC, lowest responsible bidder of two - Estimated amount of \$5,224,827.60 - Financing: Dallas Water Utilities Fund

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, 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 master agreement will provide for the purchase of liquid dipotassium orthophosphate for the Water Utilities Department (DWU). Liquid dipotassium orthophosphate is a National Sanitation Foundation certified chemical used for corrosion inhibitor for drinking water systems. DWU uses the chemical to reduce the effects of corrosion and maintenance on the water system infrastructure. DWU has been using this corrosion inhibitor at all water treatment plants since 2010.

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.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 24, 2018, the City Council authorized a three-year master agreement for liquid dipotassium orthophosphate with Carus LLC by Resolution No. 18-1517.

On October 13, 2021, the City Council authorized a three-year master agreement for liquid dipotassium orthophosphate with Carus LLC by Resolution No. 21-1679.

On April 27, 2022, the City Council authorized a two-year master agreement for liquid dipotassium orthophosphate with Carus LLC by Resolution No. 22-0654.

FISCAL INFORMATION

Fund	FY 2024	FY 2025	Future Years
Dallas Water Utilities Fund	\$2,612,413.00	\$2,612,413.60	\$0.00

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
\$5,224,827.60	Goods	32.00%
M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
0.00%	0.00%	\$0.00
<ul style="list-style-type: none"> The Request for Bid method of procurement resulted in the lowest responsive bidders being selected. Carus 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 BH24-00023347. We opened them on December 8, 2023. We recommend the City Council award this master agreement in its entirety to the lowest responsive and responsible bidder.

*Denotes successful bidder

<u>Bidder</u>	<u>Address</u>	<u>Amount</u>
*Carus LLC	315 Fifth Street Peru, IL 61354	\$5,224,827.60

Shannon Chemical
Corporation

2707 Weir Street
Dallas, TX 75212

\$6,083,824.68

OWNER

Carus LLC

Andy Johnston, Chief Executive Officer