



## Legislation Text

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**File #:** 21-1786, **Version:** 1

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

**AGENDA DATE:** October 13, 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 master agreement for the purchase of liquid dipotassium orthophosphate solution for the Water Utilities Department - Carus LLC, lowest responsible bidder of three - Estimated amount of \$9,451,680 - 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 solution that will be utilized by Water Utilities Department. Dipotassium orthophosphate is a National Sanitation Foundation certified chemical used for corrosion control in potable water systems. The Water Utilities Department uses the chemical to reduce the effects of corrosion and maintenance on the water system infrastructure. The Water Utilities Department has been using this corrosion inhibitor at all three 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, City Council authorized a three-year master agreement for the purchase of liquid dipotassium orthophosphate for the Water Utilities Department with Carus Corporation by Resolution No. 18-1517.

**FISCAL INFORMATION**

Fund	FY 2022	FY 2023	Future Years
Dallas Water Utilities Fund	\$3,150,560.00	\$3,150,560.00	\$3,150,560.00

<b><u>Council District</u></b>	<b><u>Amount</u></b>
6	\$1,303,680.00
Outside City Limits	<u>\$8,148,000.00</u>
Total	\$9,451,680.00

**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 \$
\$9,451,680.00	Goods	32.00%	0.00%	\$0.00
<ul style="list-style-type: none"> <li>• This contract does not meet the M/WBE goal, but complies with good faith efforts.</li> <li>• Carus LLC - Non-local; Workforce - 0.00% Local</li> </ul>				

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

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 bids from solicitation number BI21-00017273. We opened them on September 3, 2021. We recommend the City Council award this master agreement in its entirety to the lowest responsive and responsible bidder.

\*Denotes successful bidder

<b><u>Bidder</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
*Carus LLC	315 Fifth St. Peru, IL 61354	\$ 9,451,680.00

Chemrite, Inc.	5202 Belle Wood Ct. Ste 104 Buford, GA 30518	\$ 9,517,800.00
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Shannon Chemical Corporation	602 Jeffers Cr. Exton, PA 19341	\$24,534,000.00
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**OWNER**

**Carus LLC**

Andy Johnston, President