



Legislation Text

File #: 22-2688, Version: 1

STRATEGIC PRIORITY: Government Performance & Financial Management
AGENDA DATE: December 14, 2022
COUNCIL DISTRICT(S): 6, 8, Outside
DEPARTMENT: Office of Procurement Services
EXECUTIVE: Jack Ireland

SUBJECT

Authorize a two-year master agreement for the purchase of drinking water treatment chemicals for the Water Utilities Department - Texas Lime Company in the estimated amount of \$11,517,750.00, Evonik Corporation in the estimated amount of \$1,054,500.00, Pencoco, Inc. in the estimated amount of \$30,928,449.00, and Chemtrade Chemicals US, LLC in the estimated amount of \$5,926,002.00, lowest responsible bidders of five - Total estimated amount of \$49,426,701.00 - 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 drinking water treatment chemicals for the Water Utilities Department (DWU). These chemicals used for pH adjustment, coagulation, and filtration all of which are used to achieve regulatory compliance as required by the Environmental Protection Agency (EPA) and Texas Commission on Environmental Quality (TCEQ).

The chemicals provided in this master agreement will include:

- Ferric Sulfate - Used in the coagulation stage of the water purification process, ferric sulfate helps remove dirt, algae, bacteria, and other contaminants in the water as mandated by the EPA and TCEQ.
- Hydrogen Peroxide - Applied for the enhancement of the biological filtration process, peroxide improves hydraulic performance, helping ensure production continuously meets both demand and quality standards set by the EPA and TCEQ.

- Hydrated Lime - Used at the Bachman Water Treatment for pH adjustment, the DWU selected hydrated lime due to its fewer impurities over other types of lime offering greater stability throughout our distribution system. The Southside Wastewater treatment plant uses hydrated lime in the wastewater process to help balance the pH side stream flow.
- Quicklime - Used in both the water purification and wastewater treatment processes, quicklime is used by 3 water purification plants and 1 wastewater treatment plant to make lime slurry which is used to adjust the pH level of the water. Additionally, lime slurry made with quicklime is used in wastewater treatment to remove suspended solids and eliminate odors as required by the EPA. Quicklime has been used by DWU for over twenty years in both water and wastewater treatment process.

DWU provides service to an estimated 2.6 million people in the City and surrounding communities, treating approximately 370 million gallons of drinking water and 167 million gallons of wastewater per day.

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)

This item has no prior action.

FISCAL INFORMATION

Fund	FY 2023	FY 2024	Future Years
Dallas Water Utilities Fund	\$24,713,350.50	\$24,713,350.50	\$0.00

<u>Council District</u>	<u>Amount</u>
6	\$ 7,399,302.00
8	\$ 815,625.00
Outside	<u>\$41,211,774.00</u>
Total	\$49,426,701.00

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
\$49,426,701.00	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"> • M/WBE goal waived due to no M/WBE availability. 		
<ul style="list-style-type: none"> • Texas Lime Company - Local; Workforce - 100.00% Local • Evonik Corporation - Non-local; Workforce - 0.00% Local • Pencco, Inc. - Non-local; Workforce - 0.00% Local • Chemtrade Chemicals US, 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 BI22-00020110. We opened them on September 16, 2022. We recommend the City Council award this master agreement to the lowest responsive and responsible bidders by groups and lines. Information related to this solicitation is available upon request.

*Denotes successful bidders

<u>Bidder</u>	<u>Address</u>	<u>Amount</u>
*Texas Lime Company Suite 230	5429 Lyndon B. Johnson Frwy. Dallas, TX 75240	Multiple groups/lines
*Evonik Corporation	299 Jefferson Rd. Parsippany, NJ 07054	Multiple groups/lines
*Pencco, Inc.	831 Bartlett Rd. Sealy, TX 77474	Multiple groups/lines
*Chemtrade Chemicals US, LLC	90 East Halsey Rd. Parsippany, NJ 07054	Multiple groups/lines
Lhoist North America	5600 Clearfork Main St. Suite 300 Fort Worth, TX 76109	Multiple groups/lines

OWNERS

Texas Lime Company

Timothy Byrne, President

Evonik Corporation

Christian Kullmann, Chief Executive Officer

Pencco, Inc.

Rin Horne, President

Chemtrade Chemicals US, LLC

Scott Rook, Chief Executive Officer