



Legislation Text

File #: 20-1782, Version: 1

STRATEGIC PRIORITY: Government Performance and Financial Management
AGENDA DATE: October 13, 2020
COUNCIL DISTRICT(S): All
DEPARTMENT: Office of Procurement Services
EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a three-year master agreement for **(1)** ferrous sulfate with Pencco, Inc. through an Interlocal Agreement with the San Antonio Water Systems in the estimated amount of \$4,906,800; **(2)** ferrous chloride with Pencco, Inc. through an Interlocal Agreement with the City of San Angelo in the estimated amount of \$2,661,350; and **(3)** bioxide and biocatalyst solution with Evoqua Water Technologies LLC in the estimated amount of \$2,704,650 and NRPGROUP, Inc. in the estimated amount of \$284,700, lowest responsible bidders of four - Total estimated amount of \$10,557,500 - 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 enable the City to purchase odor control and corrosion inhibitor agents for use in the sanitary sewer system and wastewater treatment process. Chemicals purchased under this agreement protect the wastewater system infrastructure against corrosion, improve sludge quality for safer disposal, and mitigate nuisance odors which may occur throughout the wastewater system.

Odors are generated during the process of conveying sewage from homes and businesses to the treatment facilities. While traveling through sewer lines, sewage can often become septic and generate hydrogen sulfides, which is easily recognized by its offensive odor. The agents will be dosed directly into the wastewater systems by 10 independent dispensing systems which are permanently stationed in specific locations throughout the City. Further, the Biocatalyst Solution can be deployed in mobile systems to any sanitary sewer manhole needed.

Dallas Water Utilities provides wastewater treatment services to approximately 2.5 million customers in Dallas and surrounding communities. The City has treated an average of 68 billion gallons over the past five years.

The San Antonio Water Systems and the City of San Angelo Interlocal Agreements are authorized by Chapter 791 of the Texas Government Code and Subchapter F, Chapter 271, Texas Local Government Code. Section 271.102 of the Texas Local Government Code authorizes a local government to participate in a Cooperative Purchasing Program with another local government or a local cooperative organization.

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. Additionally, in an effort to secure more competition, the Office of Economic Development Business Workforce and Inclusion Division sent notifications to chambers of commerce and advocacy groups to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On September 22, 2015, City Council authorized a three-year master agreement for ferrous sulfate and ferrous chloride with Pencco, Inc. by Resolution No. 15-1742.

FISCAL INFORMATION

Fund	FY 2021	FY 2022	Future Years
Dallas Water Utilities Fund	\$3,519,166.00	\$3,519,167.00	\$3,519,167.00

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	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$10,557,500.00	Goods	18.00%	29.96%	\$103,000.00
<ul style="list-style-type: none">• The Business Inclusion and Development does not apply to Interlocal Agreements; however, the prime contractor is subcontracting with a certified M/WBE.				
<ul style="list-style-type: none">• NRPGGroup, Inc. - Non-Local; Workforce - 25.00%• Pencco, Inc. - Non-Local; Workforce - 2.00%• Evoqua Water Technologies LLC - Non-Local; Workforce - 0.00%				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Interlocal Agreement/Intergovernmental Agreement	<ul style="list-style-type: none"> • Interlocal Agreements/Intergovernmental Agreements allow the City to take advantage of competitively bid contracts by a State agency or local government and enable the City to purchase goods or services at lower prices • Interlocal Agreements/Intergovernmental Agreements are an alternative method of meeting the requirements for competitive bidding or competitive sealed proposals, not an exception from that requirement
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

The Office of Procurement Services received the following bids from solicitation number BF20-00013567. We opened them on July 23, 2020. We recommend the City Council award this master agreement to the lowest responsive and responsible bidders by group.

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Evoqua Water Technologies LLC	2650 Tallevast Rd. Sarasota, FL 34243	Group 1 - No Bid Group 2 - No Bid Group 3 - \$2,704,650.00 Group 4 - No Bid
*NRPGGroup, Inc.	9131 East 37th St. North Wichita, KS 67226	Group 1 - No Bid Group 2 - No Bid Group 3 - No Bid Group 4 - \$284,700.00
Altivia Chemicals, LLC	1100 Louisiana St. Suite 4800 Houston, TX 77002	Group 1 - \$6,345,000.00 Group 2 - No Bid Group 3 - No Bid Group 4 - No Bid
Pencco, Inc.	831 Bartlett Rd. Sealy, TX 77473	Group 1 - Non-responsive Group 2 - Non-responsive Group 3 - Non-responsive Group 4 - Non-responsive

OWNERS

Pencco, Inc.

R.L. Horne, President
Aline Horne, Secretary

Evoqua Water Technologies LLC

Ron C. Keating, President and Chief Executive Officer
Jennifer R. Miller, Vice President

NRPGroup, Inc.

Gary Morgan, President
Gus Martin, Operations Manager