



## Legislation Text

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**File #:** 21-1608, **Version:** 1

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

**AGENDA DATE:** September 22, 2021

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize a three-year master agreement for the purchase of various types of pressure reducing valves and accessories for the Water Utilities Department - Municipal Valve & Equipment Company, Inc., only bidder - Estimated amount of \$492,800.00 - Financing: Water Utilities Fund (\$484,000.00) and Stormwater Drainage Management Fund (\$8,800.00)

### **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 various types of pressure reducing valves and accessories for the Water Utilities Department (DWU). Pressure reducing valves are used for controlling and maintaining the pressure levels within the water system. The valves throttle the pressure of the inflowing water so that water is dispersed out of the valve at a constant functional pressure.

Higher pressures within the water main lines could rupture pipes, damage other equipment, and cause possible injury to staff or a potential operational shut down. Water Utilities Department maintains approximately 5,000 miles of water mains throughout the water distribution system.

DWU maintains approximately 100 pressure-reducing valves throughout the DWU transmission system. This includes 39 pressure reducing valves that control and maintain the system pressure for the 13 pressure districts within the City. The other 61 pressure reducing valves control the pressure to all of our 23 customer cities. These pressure-reducing valves provide treated potable drinking water for consumption and are vital to keeping the system pressure at Texas Commission of Environmental Quality standards for fire suppression. The impact of delay, cancellation, or price change to the three-year estimate would jeopardize the ability to provide continuous fire protection and essential drinking water for our City residents and surrounding customer cities.

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 March 23, 2016, City Council authorized a three-year master agreement for various types of pressure reducing valves, parts and accessories with Hugh M. Cunningham Inc. and Municipal Valve & Equipment Company, Inc. by Resolution No. 16-0423.

### **FISCAL INFORMATION**

Fund	FY 2021	FY 2022	Future Years
Water Utilities Fund	\$14,000.00	\$235,000.00	\$235,000.00
Stormwater Drainage Management Fund	\$ 800.00	\$ 4,000.00	\$ 4,000.00
Total	\$14,800.00	\$239,000.00	\$239,000.00

### **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 \$
\$492,800.00	Goods	32.00%	0.00%	\$0.00
• This contract does not meet the M/WBE goal, but complies with good faith efforts.				
• Municipal Valve & Equipment Company, Inc. - Local; Workforce - 0.05% Local				

### **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 bid from solicitation number BV21-00016147. We opened it on May 28, 2021. We recommend the City Council award this master agreement in its entirety to the only bidder.

<b><u>Bidder</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
Municipal Valve & Equipment Company, Inc.	4010 Billy Mitchell Drive Addison, TX 75001	\$388,454.98

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

**OWNER**

**Municipal Valve & Equipment Company, Inc.**

David McGoodwin, President  
Randy Green, Treasure