

AGENDA ITEM # 4

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: October 25, 2017

COUNCIL DISTRICT(S): All

DEPARTMENT: City Controller

CMO: Elizabeth Reich, 670-7804

MAPSCO: N/A

SUBJECT

Authorize the preparation of plans for issuance of General Obligation Refunding and Improvement Bonds, Series 2017, in an amount not to exceed \$350,000,000 - Financing: This action has no cost consideration to the City

BACKGROUND

Pursuant to elections held in November 2006, and November 2012, the residents of Dallas voted and authorized the City to issue general obligation bonds for the purpose of providing funds for permanent public improvements. The City's Financial Advisor recommends: (1) refunding a portion of outstanding Series 2007A Bonds, (2) refunding and retirement of commercial paper notes issued for interim financing; and (3) issuance of improvement bonds to finance capital improvement projects at the City.

The City's Financial Advisor, PFM, recommends issuing up to \$350,000,000 in refunding and improvement bonds for the purpose of funding capital improvements, and refunding outstanding commercial paper notes and certain bonds. Based on recent market conditions, the refunding is expected to result in a net present value savings of approximately \$3.018 million. Actual savings will depend on market conditions at the time of the sale.

ESTIMATED SCHEDULE OF PROJECT

Authorize preparation for Issuance of Bonds	October 2017
Approval of parameters ordinance	November 2017
Pricing	November 2017
Delivery of Proceeds	December 2017

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance and Financial Management Committee will be briefed on October 16, 2017.

FISCAL INFORMATION

This action has no cost consideration to the City. Payment for cost of issuance is not made unless the bonds are issued. The anticipated cost of issuance is \$771,500 from Current Funds. See Attachment I - \$771,500 - 2017 General Obligation Refunding & Improvement Bond Funds.

M/WBE INFORMATION

See Attachment I for M/WBE participation.

AGENDA ITEM # 5

STRATEGIC PRIORITY:	Government Performance and Financial Management
AGENDA DATE:	October 25, 2017
COUNCIL DISTRICT(S):	All
DEPARTMENT:	City Controller
CMO:	Elizabeth Reich, 670-7804
MAPSCO:	N/A

SUBJECT

An ordinance authorizing the issuance of City of Dallas, Texas, General Obligation Commercial Paper Notes, Series A and Series B, in an aggregate principal amount not to exceed \$350,000,000 for the purpose of funding certain authorized purposes; approving and authorizing certain officers and employees to act on behalf of the City in the selling and delivery of such notes; making certain covenants, agreements, and resolving other matters incident and related to the issuance, sale, delivery, and security of the notes, including the approval of an Issuing and Paying Agency Agreement, Credit Agreements, Offering Memorandum, and Dealer Agreement; and providing for an effective date – Total program costs not to exceed \$5,506,305 – Financing: Current Funds (\$576,000 upfront closing costs plus an annual fee of \$1,643,435 for three years) (subject to annual appropriations)

BACKGROUND

In 2010, City Council approved an ordinance establishing a \$350 million General Obligation (GO) Commercial Paper (CP) Program as interim financing for the City's capital improvements. Contracts are awarded using commercial paper as a funding source. Notes are issued to pay project costs as invoices are received. Notes are typically sold at lower interest rates than longer-term bonds. The notes are periodically refinanced with longer-term bonds.

Commercial paper issuance is supported by lines of credit from highly rated banks. The current program is supported by a \$200 million credit agreement from JPMorgan Chase Bank, N.A. and a \$150 million credit agreement from Wells Fargo Bank. These lines of credit assure investors that the commercial paper notes will be paid in the event that a note cannot be sold to another investor at maturity. The rating agencies rate commercial paper programs based on the rating of the banks providing the credit lines, although the credit rating and outlook of the commercial paper issuer affects the marketability of the notes as well as the rating of the credit bank.

BACKGROUND (continued)

JPMorgan Chase Bank, N.A., has offered to continue providing the credit line supporting the City's \$200 million GO CP notes and, in addition, to assume the \$150 million credit line previously offered by Wells Fargo Bank. The offer includes an amendment to the current fee structure, which will decrease the annual fee from 0.65 percent to 0.45 percent for three years. An additional feature of this offer permits JPMorgan Chase Bank, N.A. to directly purchase notes at a fixed margin above an adjusted index. Guaranteed note placement provides stability to the Commercial Paper Program and to the financing of the Capital Improvement Program in a market that has not been consistently stable. The ability to access the note program requires the participant to maintain a minimum amount of outstanding notes at 1 percent of the total credit line. This minimum amount is available for contract authorization and is not subject to the annual fee.

ESTIMATED SCHEDULE OF PROJECT

Council Approves Ordinance	October 2017
Effective Date of Amended Agreements	November 2017

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 10, 2010, City Council authorized an ordinance authorizing the issuance of City of Dallas, Texas General Obligation Commercial Paper Notes Series 2010A, Series 2010B, and Series 2010C short term obligations in an aggregate principal amount not to exceed \$350,000,000; authorizing such short term obligations to be issued, sold, and delivered in the form of commercial paper notes; making certain covenants and agreements in connection therewith; establish the tenor of the program to be for the issuance of the remaining 2006 Bond Program and the 1998 Bond Program, which is estimated to be within a three-year period; resolving other matters related to the issuance, sale, security and delivery of such short term obligations, including: a thirty-six-month Credit Agreement with J.P. Morgan Chase Bank, N.A., U.S. Bank National Association, and Wells Fargo Bank, N.A.; the appointment of U.S. Bank National Association as the Issuing and Paying Agent and authorizing the execution of the Issuing and Paying Agent Agreement, and the appointment of Jefferies & Company, Inc. as the dealer and authorizing the execution of a Dealer Agreement; approving the payment of issuance costs in connection with the issuance of the short term obligations; approving the use of an Offering Memorandum in connection with the sale of the short term obligations; and providing an effective date, by File No. 10-2863 ; Ordinance No. 28060.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)

On June 12, 2013, City Council authorized amendments to Ordinance No. 28060 to: extend the City of Dallas, Texas General Obligation Commercial Paper Notes Series 2010A, and Series 2010C short term obligations in an aggregate principal amount; authorize such short term obligations to be issued, sold, and delivered in the form of commercial paper notes; making certain covenants and agreements in connection therewith; establish the tenor of the program for the issuance of the remaining 2012 Bond Program, 2006 Bond Program and 1998 Bond Program, which is estimated to be within a three year period; resolving other matters related to the issuance, sale, security and delivery of such short term obligations, including; authorizing a thirty-six-month Credit Agreement with J.P. Morgan Chase Bank, N.A., and Wells Fargo Bank, N.A.; the continued use of U.S. Bank National Association as the Issuing and Paying Agent under existing agreements; the continued use of Jefferies LLC as the dealer under existing Dealer Agreement; and approving the payment of issuance costs in connection with the issuance of the short term obligations; approving the use of an Offering Memorandum in connection with the sale of the short term obligations; and providing an effective date, by File No. 13-0941; Ordinance No. 29022.

The Budget, Finance, and Audit Committee was briefed on February 16, 2016.

The Government Performance and Financial Management Committee will be briefed on October 16, 2017.

FISCAL INFORMATION

Current Funds - \$5,506,305 (subject to annual appropriations)

See Schedule I - Total costs for the \$350,000,000 general obligation commercial paper program are not to exceed \$5,506,305 (\$576,000 upfront closing costs plus an annual fee of \$1,643,435 for three years).

AGENDA ITEM # 12

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: October 25, 2017

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Human Resources

CMO: T.C. Broadnax, 670-3297

MAPSCO: N/A

SUBJECT

Authorize a contract with Dallas Area Rapid Transit for the purchase of 277 annual passes in support of the City's clean air initiative - Not to exceed \$181,800 - Financing: Current Funds (to be partially reimbursed by participating employees)

BACKGROUND

The Dallas Area Rapid Transit (DART) Annual Pass Program is designed to increase DART ridership through a reduced fare to program participants. Passes allow unlimited transportation for a full calendar year (7 days per week) on DART bus, rail and commuter rail routes. It is expected to increase the use of public transportation by City employees, thereby decreasing automobile emissions.

Increasing City employees' use of mass transportation is part of the City's clean air strategies. The 2018 program will be effective January 1, 2018 through December 31, 2018.

The DART Pass Program is open to permanent civilian and uniformed Fire employees. Uniformed Police employees already ride free of charge on DART transportation routes. The City will purchase 277 annual bus passes which will be partially reimbursed by participating employees through payroll deductions beginning January 5, 2018 through December 23, 2018.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 23, 2013, City Council authorized a contract with Dallas Area Rapid Transit for the purchase of 339 annual passes in support of the City's 2014 clean air initiative by Resolution No. 13-1831.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)

On November 12, 2014, City Council authorized a contract with Dallas Area Rapid Transit for the purchase of 312 annual passes in support of the City's 2015 clean air initiative by Resolution No. 14-1975.

On November 10, 2015, City Council authorized a contract with Dallas Area Rapid Transit for the purchase of 253 annual passes in support of the City's 2016 clean air initiative by Resolution No. 15-2017.

On November 9, 2016, City Council authorized a contract with Dallas Area Rapid Transit for the purchase of 265 annual passes in support of the City's 2017 clean air initiative by Resolution No. 16-1803.

Information about this item will be provided to the Quality of Life, Arts & Culture Committee on October 23, 2017.

FISCAL INFORMATION

Current Funds - \$181,800 (to be partially reimbursed by participating employees)

OWNER

Dallas Area Rapid Transit

Gary C. Thomas, President and Executive Director

AGENDA ITEM # 13

STRATEGIC PRIORITY:

Government Performance and Financial Management

AGENDA DATE:

October 25, 2017

COUNCIL DISTRICT(S):

N/A

DEPARTMENT:

Office of Budget

CMO:

Elizabeth Reich, 670-7804

MAPSCO:

N/A

SUBJECT

Authorize the following revisions to the Financial Management Performance Criteria to: **(1)** eliminate the 30-day operating reserve requirement for Internal Service Funds; **(2)** designate a specific amount of unassigned fund balance to the Emergency Reserve; **(3)** increase the minimum unassigned fund balance of the General Fund from 30 to 40 days; **(4)** allow use of the general liability fund for affirmative litigation; **(5)** add language regarding subsidy of user fees or charges; **(6)** identify the source for the per capita general obligation debt calculation; **(7)** increase the reinvestment zone cap from 10 to 15 percent; **(8)** establish accounting practices that conform to generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB); **(9)** add language regarding the annual audit; **(10)** extend the revenue and expenditure forecast requirement from three to five years; **(11)** establish a two-year biennial budget requirement; **(12)** establish a cash reserve requirement for the Employee Benefits Fund; **(13)** establish a criteria to review and compare the property tax exemptions to the consumer price index; **(14)** establish a reserve in the General Obligation Debt Service Fund; **(15)** delete certain criteria regarding certificate of obligation, accounting systems, and the City's investment policy; and **(16)** make certain conforming, semantic, grammatical and structural changes - Financing: No cost consideration to the City

BACKGROUND

On March 15, 1978, City Council originally adopted the Financial Management Performance Criteria (FMPC) to provide standards and guidelines for the City's financial and managerial decision making and to provide for a periodic review of the criteria to maintain standards and guidelines consistent with current economic conditions by Resolution No. 78-2737. Specific FMPC for the Water Utilities Department were adopted by the City Council on July 8, 1981. The status of each criterion is updated annually and presented with the annual budget, at year-end, and with each bond sale.

BACKGROUND (continued)

The FMPC contains 52 criteria in six categories: (1) operating programs; (2) capital and debt management; (3) accounting, auditing, and financial planning; (4) budget; (5) cash management; and (6) grants and trust. Proposed revisions include changes to language, new criteria, and the elimination of obsolete criteria. The proposed revisions are based on Government Finance Officers Association (GFOA) best practices, recommendations from PFM Financial Advisors and feedback from departments.

FMPC #6 currently states, “each Enterprise and Internal Service Fund should maintain at least 30 days of budgeted operations and maintenance expense in net working capital, and avoid cash deficits”. It is recommended that Internal Service Funds be removed from this criterion. Internal Service Funds provide services to other funds/departments within the city on a cost-reimbursement basis therefore a reserve is not required.

FMPC #7 currently states, “the Emergency Reserve is a component of unassigned fund balance”. The criteria does not specify a specific amount. It is recommended that the city shall designate up to 20 percent of the General Fund’s projected unassigned fund balance but not less than \$25 million to the Emergency Reserve. Additionally, the use of Emergency Reserve shall require a super-majority of City Council.

FMPC #9 currently states, “the unassigned fund balance of the General Fund shall be maintained at a level not less than 30 days of the general fund operating expenditures less debt service”. It is recommended that this minimum requirement be changed from 30 days to 40 days.

FMPC #11 currently states, “a general fund liability fund shall be budgeted annually to provide for outstanding and anticipated claims expense and resulting liabilities during the budget year”. It is recommended that the liability fund include language and funding that allows for use of the liability fund for affirmative litigation.

FMPC #15 currently states, “an annual review of selected fees and charges will be conducted to determine the extent to which the full cost of associated services is being recovered by revenues”. It is recommended to expand the language to state, “the city may subsidize the services funded by fees or charges based on other City objectives”.

FMPC #22 currently states, “per capita general obligation debt including Certificates of Obligation, Equipment Acquisition Notes and General Obligation Bonds will be managed to not exceed 10% of the latest authoritative computation of Dallas’ per capita annual personal income. It is recommended that the criteria identify the source (US Department of Commerce Bureau of Economic Analysis) used in the calculation.

FMPC #27 currently states, “Certificates of Obligation will be limited to projects consistent with Financial Management Criteria for debt issuance”. This criteria is redundant to criteria #25 and it is recommended for deletion.

BACKGROUND (continued)

FMPC #33 currently states, “no Reinvestment Zone (RZ) can be created if the total property tax base of certain TIF RZs plus the total real property and business personal property tax base (if there is business personal property tax being abated) of TA RZs exceeds 10% of the total tax base of the City”. It is recommended to increase the total tax base cap from 10 percent to 15 percent.

FMPC #41 currently states, “accounting practices will conform to generally accepted accounting principles (GAAP) as set forth by the authoritative standard setting body for units of local government”. It is recommended that the criteria identify the Governmental Accounting Standards Board (GASB) as the authoritative standard setting body.

FMPC #42 currently states, “an annual audit will be performed by an independent public accounting firm, with the subsequent issue of an official Comprehensive Annual Financial Report (CAFR) within 120 days of the City’s fiscal year end”. It is recommended that management will issue an official Comprehensive Annual Financial Report (CAFR) in conformity with GAAP.

FMPC #44 currently states, “revenues and expenditures will be projected annually for at least three years beyond the current budget projections”. It is recommended to extend the forecast period from three to five years and to expand the criteria to apply to each Enterprise Fund of the city.

FMPC #48 currently states, “Investments will be made in conformance with the City’s investment policy, with the primary objectives of preservation of capital, maintenance of sufficient liquidity, and maximization of return on portfolio”. It is recommended to delete this criteria. As required by State law, the City invests all funds under its control according to a City Council approved Investment Policy, which must be reviewed and reapproved annually by City Council.

FMPC #49 currently states, “the accounting system and cash forecasting system will provide regular information concerning cash position and investment”. It is recommended to delete this criteria. Obtaining information concerning cash position and investment is included in departmental procedures.

It is recommended to add the following new criteria to FMPC:

Biennial Budget, “each year, the City Manager shall develop and present to the City Council a two-year balanced budget. City Council will adopt a one-year budget and set the property tax rate in accordance with State law annually. Expenditures shall be budgeted and controlled so as not to exceed current revenue in each year or City Council approved use of fund balance”.

BACKGROUND (continued)

Employee Benefits Fund, “the Employee Benefits Fund will maintain a cash reserve of at least the anticipated end-of-year claims incurred but not paid, and other current liabilities”. This does not include incurred but not reported (IBNR) claims. The Employee Benefits Fund will maintain a positive cash balance. This criteria will be effective beginning in FY 2018-19.

Property Tax Exemption – Disabled and over 65, “the City will compare the current disabled and over 65 exemption to the most recent annual Consumer Price Index (CPI) every two years, and provide the analysis to the City Council for consideration prior to June 30 for possible modification (increase) of this property tax exemption”. Changes to property tax exemptions must be provided to the appraisal districts no later than June 30th”.

Debt Service Fund Reserve, “the City shall maintain a reserve in the General Obligation Debt Service Fund equal to 5% of the following year’s annual principal and interest debt service expense. The debt service fund tax rate and/or future debt will be structured to maintain this debt service reserve”.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 8, 2014, City Council authorized changes to FMPC #9 by Resolution No. 14-1679.

Briefed to Government Performance and Financial Management Committee on September 5, 2017 and October 16, 2017.

FISCAL INFORMATION

No cost consideration to the City.

AGENDA ITEM # 18

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: October 25, 2017

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Communication and Information Services
Public Affairs and Outreach

CMO: Elizabeth Reich, 670-7804
Jody Puckett, 670-3390
Kimberly Bizer Tolbert, 670-3302

MAPSCO: N/A

SUBJECT

Authorize a two-year service contract for application hosting services, integration support, training, and ongoing technical support of a public electronic information notification system - Carahsoft Technology Corp., through the Department of Information Resources - Not to exceed \$98,327 - Financing: Current Funds (subject to annual appropriations)

BACKGROUND

This service contract will allow for application hosting services, integration support, training, and ongoing technical support of a public electronic information notification system. The public electronic information notification system is an email subscription management system that provides subscribers access to information by proactively delivering new information such as: Green Dallas e-Alerts, council meetings, neighborhood town hall meetings, animal adoption events, water restrictions and recycling through email and wireless alerts.

Once a new user establishes an account and provides their email address, they simply check those items that they are interested in receiving.

The Department of Information Resources is 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.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will receive this item for consideration on October 16, 2017.

FISCAL INFORMATION

Current Funds - \$98,326.54 (subject to annual appropriations)

OWNER

Carahsoft Technology Corp.

Craig Abod, President

Robert Moore, Vice President

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: October 25, 2017

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Department of Transportation

CMO: Elizabeth Reich, 670-7804
Majed Al-Ghafry, 670-3302

MAPSCO: N/A

SUBJECT

Authorize a three-year service contract for repair of traffic signal control components - Donald E. Prentiss, Sr., sole proprietor dba D and J Electronics, only proposer - Not to exceed \$227,270 - Financing: Current Funds (subject to annual appropriations)

BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract will provide for the repair of traffic signal control components, service for cabinet power supplies and controllers, repair of signal level meters, and repair to line amplifiers and power supplies citywide. A signalized intersection is controlled and operated by a traffic signal controller cabinet that contains various electronic components and microprocessors. Some of these components occasionally malfunction and need to be replaced or repaired.

A five member committee from the following departments reviewed and evaluated the qualifications:

- Department of Transportation (1)
- Park and Recreation (1)
- Convention and Event Services (1)
- Office of Business Diversity (1)*
- Office of Procurement Services (1)*

*The Office of Procurement Services only evaluated cost and the Office of Business Diversity only evaluated the Business Inclusion and Development Plan.

BACKGROUND (continued)

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Experience/qualifications 40%
- Cost 30%
- Staffing/methodology 15%
- Business Inclusion and Development Plan 15%

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 444 email bid notifications to vendors registered under respective commodities. 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 by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity's ResourceLINK Team sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

On November 10, 2015, City Council authorized the wage floor rate of \$10.37, by Resolution No. 15-2141; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 23, 2013, City Council authorized a three-year service contract for repair of traffic signal control components by Resolution No. 13-1814.

The Government Performance & Financial Management Committee will receive this item for consideration on October 16, 2017.

FISCAL INFORMATION

Current Funds - \$227,270 (subject to annual appropriations)

M/WBE INFORMATION

- 41 - Vendors contacted
- 41 - No response
 - 0 - Response (Bid)
 - 0 - Response (No bid)
 - 0 - Successful

The awardees have fulfilled the good faith effort requirements set forth in the Business Inclusion and Development (BID) Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended.

PROPOSAL INFORMATION

The Office of Procurement Services received the following proposals from solicitation number BQZ1610. We opened them on December 2, 2016. We recommend the City Council award this service contract in its entirety to the only proposer.

*Denotes only proposer

<u>Proposer</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*Donald E. Prentiss, Sr., sole proprietor dba D and J Electronics	11440 Kleberg Rd. Dallas, TX 75253	80.00%	\$227,270

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

OWNER

Donald E. Prentiss, Sr., sole proprietor dba D and J Electronics

Donald E. Prentiss, Owner
Maria A. Prentiss, Secretary

AGENDA ITEM # 20

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: October 25, 2017

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Office of Budget

CMO: Elizabeth Reich, 670-7804

MAPSCO: N/A

SUBJECT

Authorize a three-year service contract, with two one-year renewal options, to provide expert consulting services and testimony in matters related to Atmos Energy Corporation's (Atmos) Dallas Annual Rate Review filing and/or Atmos' Statement of Intent to Change Rates - Garrett Group Regulatory Consulting LLC, most advantageous proposer of two - Not to exceed \$615,600 - Financing: Current Funds (subject to annual appropriations)

BACKGROUND

This service contract is for consultant services that will be utilized to assist staff to provide expert consulting services and testimony in matters related to Atmos' Dallas Annual Rate Review (DARR) filing and/or Atmos' Statement of Intent to Change Rates. Atmos provides natural gas utility services in Dallas in accordance with City Franchise Ordinance No. 27793, as amended, and the Texas Gas Utilities Regulatory Act. Atmos files requests with the City annually to increase rates under the DARR tariff and may file full rate cases under their own volition or in response to a Show Cause Order issued by the City. These filings are voluminous, highly technical and the City requires the assistance of qualified consultants to assist in reviewing the filings within the required statutory deadlines. Further, since each of the DARR filings are based on the prior full rate case, it is essential that there be continuity in the consultants from year-to-year. The recommended vendor has expertise in gas regulatory issues and assisted the City for the previous Atmos Pipeline rate case. The recommended vendor also assisted in reviewing the 2017 DARR filing and is currently assisting the City with the appeal of that case before the Railroad Commission of Texas.

BACKGROUND (continued)

On June 14, 2017, City Council authorized a resolution ordering Atmos Energy Corp., Mid-Tex Division to show cause demonstrating the reasonableness of its existing Natural Gas Distribution rates within the City of Dallas. In response to that Resolution, on August 18, 2017, Atmos filed with the City a Statement of Intent to Change Rates to increase residential, commercial, industrial, and transportation rates for natural gas service within the City of Dallas. Atmos is requesting an increase in annual revenue of \$16.2 million from the City.

A four member committee from the following departments reviewed and evaluated the qualifications:

- Office of Budget (1)
- Equipment and Building Services (1)
- Communication and Information Services (1)
- Office of Procurement Services (1)*

*The Office of Procurement Services only evaluated cost.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Cost 30 points
- Capability and expertise 40 points
- Overall approach and methodology 30 points

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 992 email bid notifications to vendors registered under respective commodities. 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 by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity's ResourceLINK Team sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

On November 10, 2015, City Council authorized the wage floor rate of \$10.37 by Resolution No. 15-2141; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 15, 2017, the DARR rate filing and the negotiated settlement were briefed to Budget, Finance, and Audit Committee.

On May 24, 2017, City Council authorized an ordinance denying rates as requested by Atmos Energy Corp., Mid-Tex Division (Atmos), and authorizing different rates to be charged by Atmos based on an analysis of the data provided pursuant to its January 13, 2017 Dallas Annual Rate Review filing, by Resolution No. 17-0849; Ordinance No. 30466.

On June 14, 2017, City Council authorized a resolution ordering Atmos Energy Corp., Mid-Tex Division to show cause demonstrating the reasonableness of its existing Natural Gas Distribution rates within the City of Dallas by Resolution No. 17-0933.

The Government Performance and Financial Management Committee was briefed by memorandum regarding this matter on September 5, 2017.

On September 13, 2017, City Council authorized a resolution extending the City Council's decision deadline for Atmos Energy Corporation's proposed new gas rate schedules for 90 days from the effective date of the filing from September 22, 2017 to December 21, 2017, by Resolution No. 17-1430.

The Government Performance & Financial Management Committee will receive this item for consideration on October 16, 2017.

FISCAL INFORMATION

Current Funds - \$615,600 (subject to annual appropriations)

M/WBE INFORMATION

188 - Vendors contacted
188 - No response
 0 - Response (Bid)
 0 - Response (No bid)
 0 - Successful

The awardee has fulfilled the good faith effort requirements set forth in the Business Inclusion and Development (BID) Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended.

PROPOSAL INFORMATION

The Office of Procurement Services received the following proposals from solicitation number BKZ1709. We opened them on August 11, 2017. We recommend the City Council award this service contract for consultant services to the most advantageous proposer.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*Garrett Group Regulatory Consulting LLC	1900 NW Expressway Suite 410 Oklahoma City, OK 73118	88.60%	\$615,600
GDS Associates, Inc.	919 Congress Avenue Suite 1110 Austin, TX 78701	77.00%	\$450,000

OWNER

Garrett Group Regulatory Consulting LLC

Mark E. Garrett, Managing Member

STRATEGIC PRIORITY: Public Safety

AGENDA DATE: October 25, 2017

COUNCIL DISTRICT(S): 2

DEPARTMENT: Office of Procurement Services
Aviation

CMO: Elizabeth Reich, 670-7804
Jody Puckett, 670-3390

MAPSCO: 34E

SUBJECT

Authorize a five-year service contract for airfield maintenance services, including airfield markings, runway rubber removal, paint removal, surface cleaning, and asphalt rejuvenation for Aviation with Hi-Lite Airfield Services, LLC through the National Joint Powers Alliance - Not to exceed \$7,500,000 - Financing: Aviation Current Funds (subject to annual appropriations)

BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract will allow for airfield maintenance services, including airfield markings, runway rubber removal, paint removal, surface cleaning, and asphalt rejuvenation for Aviation. This performance based service procurement will provide a long term airfield maintenance services contract for the management of airfield markings to meet ongoing safety and compliance requirements throughout the Dallas Airport System (DAS) which includes Dallas Love Field (DAL), Dallas Executive Airport, and the Downtown Vertiport.

Since the Wright Amendment was lifted in 2014, DAL has, to date, experienced unprecedented passenger growth (89 percent). This upsurge has elevated DAL to being the largest medium sized hub airport in the country when measuring enplanements. This growth, combined with numerous other factors, has also produced ever increasing maintenance demands which have forced DAL Airfield Maintenance (AFM) to significantly adjust its daily operations to meet the increase in responsibilities. One of the more adversely effected services provided by AFM is properly maintaining airfield markings at DAL.

BACKGROUND (continued)

The increased tempo of air carrier operations has significantly limited the length of time that runways and taxiways can be closed for routine maintenance. To avoid interruptions in published air carrier flight schedules, it is essential that tasks, such as the maintenance of airfield markings, be performed as efficiently as possible, within the limited time available while ensuring the highest quality achievable. Current staffing levels and equipment availability are not sufficient to ensure to this level of performance on a consistent basis.

The benefits produced by this procurement will ensure that DAS is in continual compliance with Federal Aviation Administration requirements for airfield markings. This will be accomplished by implementing a proactive maintenance approach combined with advanced technology for reading the reflectivity of the markings, layout measurements, and precision in paint application throughout the DAS in a manner that is more efficient and cost effective.

The National Joint Powers Alliance is 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.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 26, 2015, City Council authorized a one-year service contract for airfield marking, striping and painting services for Aviation by Resolution No. 15-1517.

On March 22, 2017, City Council authorized a one-year service contract for airfield paint removal, striping, and painting services at Dallas Love Field by Resolution No. 17-0476.

The Government Performance & Financial Management Committee will receive this item for consideration on October 16, 2017.

FISCAL INFORMATION

Aviation Current Funds - \$7,500,000 (subject to annual appropriations)

OWNER

Hi-Lite Airfield Services, LLC

John S. McNeely, President
Richard McNeely, IV, Vice President
Kelly Spinner, Secretary
Theodore Misiewicz, Treasurer

AGENDA ITEM # 23

**STRATEGIC
PRIORITY:**

Government Performance and Financial Management

AGENDA DATE:

October 25, 2017

COUNCIL DISTRICT(S):

All

DEPARTMENT:

Office of Procurement Services
Aviation

CMO:

Jody Puckett, 670-3390
Elizabeth Reich, 670-7804

MAPSCO:

N/A

SUBJECT

Authorize **(1)** an acquisition contract for the development and implementation of a vendor hosted website and digital content strategy for Aviation in the amount of \$79,700; and **(2)** a five-year service contract for maintenance and support of the vendor hosted website and digital content strategy in the amount of \$43,101 - Vision Technology Solutions, LLC dba Vision, most advantageous proposer of nine - Total not to exceed \$122,801 - Financing: Aviation Current Funds (subject to annual appropriations)

BACKGROUND

These contracts will allow for the development, implementation, maintenance, and support of a vendor hosted replacement website and digital content strategy for Aviation (AVI). The vendor will also recommend and implement changes to AVI's external communications program for interactions with social media sites such as Facebook, Twitter and LinkedIn.

AVI's website is the primary gateway for businesses, airlines, vendors, concessionaires, entrepreneurs, and citizens as they seek information on Love Field resource. The new site will continue to provide information on, parking at Love Field, Transportation Security Administration, links to airlines to book flights, flight status, the Good Neighbor Program, contact information for key staff AVI, and information on the Love Field Art Program. However, the new site will include a modern redesign with user-friendly navigation, improved search engine visibility, and integration with social media. The recommended vendor will also provide a digital content strategy and plan that provides improved structure and format based on best practices. This strategy will permit Dallas Love Field to deliver content to customers efficiently that is easy to use regardless of whether the device is desktop, tablet or mobile. Capabilities built into the website will ensure content automatically resizes to fit various mobile devices.

BACKGROUND (continued)

The site will allow AVI staff to make frequent site updates page translations, allow AVI staff to include cost for third-party software and provided the capacity to create associated microsities.

Additionally, the site will link to the City of Dallas website, Dallas Executive Airport, Dallas Heliport, Transportation Security Administration and Dallas Area Rapid Transit (DART). As well as provide detailed information on the AVI's incentive programs, partners, and services.

A six member committee from the following departments reviewed and evaluated the qualifications:

- Park and Recreation (1)
- Communication and Information Services (1)
- Department of Aviation (2)
- Office of Business Diversity (1)*
- Office of Procurement Services (1)*

*The Office of Procurement Services only evaluated cost and the Office of Business Diversity only evaluated the Business Inclusion and Development Plan.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Cost 30%
- Strategic approach 20%
- Capability, expertise and experience 15%
- Functional match and technical match 15%
- Training 5%
- Business Inclusion and Development Plan 15%

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 1,339 email bid notifications to vendors registered under respective commodities. 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 by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity's ResourceLINK Team sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council - Southwest, to ensure maximum vendor outreach.

On November 10, 2015, City Council authorized the wage floor rate of \$10.37, by Resolution No. 15-2141; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance and Financial Management Committee will be briefed by memorandum regarding this matter on October 16, 2017.

FISCAL INFORMATION

Current Funds - \$122,801.00 (subject to annual appropriations)

M/WBE INFORMATION

- 205 - Vendors contacted
- 205 - No response
 - 0 - Response (Bid)
 - 0 - Response (No bid)
 - 0 - Successful

The awardee has fulfilled the good faith effort requirements set forth in the Business Inclusion and Development (BID) Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended.

PROPOSAL INFORMATION

The Office of Procurement Services received the following proposals from solicitation number BUZ1709. We opened them on April 28, 2017. We recommend the City Council award this service contract in its entirety to the most advantageous proposer.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*Vision Technology Solutions, LLC dba Vision	222 N. Sepulveda Blvd. Suite 1500 El Segundo, CA 90245	82.46%	\$122,801.00
WaterMark Digital, LLC	2207 Commerce St. Dallas, TX 75201	68.65%	\$428,820.00
Impiger Technologies, Inc.	2425 N. Central Expwy. Suite 410 Richardson, TX 75080	66.76%	\$297,080.00
VoidRay, Inc.	801 E. Campbell Rd. Suite 245G Richardson, TX 75081	65.27%	\$377,100.00

PROPOSAL INFORMATION (continued)

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
CJB Designs	3200 W. Pleasant Run Rd. Suite 230 Lancaster, TX 75146	61.00%	\$116,489.98
Vantage IO LLC	800 Silks Run Suite 2360 Hallandale, FL 33009	55.56 %	\$532,600.00
Svitla Systems, Inc.	1501 Howard St. San Francisco, CA 94103	44.71%	\$501,991.13
Unity Data Systems, LLC	748 E. Cheyenne St. Gardner, KS 66030	41.63%	\$508,125.00
DevCare Solutions	131 N. High St. Suite 640 Columbus, OH 43215	35.29%	\$770,280.00

OWNER

Vision Technology Solutions, LLC dba Vision

David Nachman, President
Michael H. Truex, Vice President

STRATEGIC PRIORITY: Public Safety

AGENDA DATE: October 25, 2017

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Communication and Information Services

CMO: Elizabeth Reich, 670-7804
Jody Puckett, 670-3390

MAPSCO: N/A

SUBJECT

Authorize **(1)** an acquisition contract for the purchase of software and hardware to upgrade the 911 telephone system infrastructure in the amount of \$2,907,946; and **(2)** a five-year service contract, with three one-year renewal options, for maintenance of the 911 telephone system infrastructure in the amount of \$11,238,148 - SBC Global Services, Inc. dba AT&T Global Services, only proposer - Total not exceed \$14,146,094 - Financing: Current Funds (subject to annual appropriations)

BACKGROUND

This acquisition contract will allow for the purchase of software and hardware necessary to upgrade the 911 telephone system infrastructure and the service contract will provide continuous maintenance and support.

The 911 call center receives more than 2.1 million calls per year. The 911 telephone system ensures the appropriate public safety services are dispatched during emergency situations. The upgrade of the 911 software and hardware will continue to ensure the safety of citizens.

Some key benefits to upgrading the system include but are not limited to:

- Improved employee scheduling based on peak and non-peak call volumes
- Establishment of a hosted backup 911 site in the event the City's primary 911 site experiences technical issues or outage
- Text to 911 capability
- Enhanced reporting to provide analytical and statistical reporting on call taker performance and call statistics

BACKGROUND (continued)

The service contract includes network monitoring, software patches and upgrades, and 24/7 system support. Also, included in the service contract are two on-site technicians, to provide technical support and conduct preventative maintenance on the 911 telephone system infrastructure.

A five member committee from the following departments reviewed and evaluated the qualifications:

- Communications and Information Services (2)
- Police (1)
- Office of Business Diversity (1)*
- Office of Procurement Services (1)*

*The Office of Procurement Services only evaluated cost and the Office of Business Diversity only evaluated the Business Inclusion and Development Plan.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Cost 30%
- Functional Match 20%
- Technical Match 20%
- Capability and Experience 15%
- Business Inclusion and Development Plan 15%

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 907 email bid notifications to vendors registered under respective commodities. 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 by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity's ResourceLINK Team sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

On November 10, 2015, City Council authorized the wage floor rate of \$10.37, by Resolution No. 15-2141; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item was provided to the Budget, Finance and Audit Committee on August 1, 2016.

The Government Performance & Financial Management Committee will receive this item for consideration on October 16, 2017.

FISCAL INFORMATION

Current Funds - \$14,146,093.16 (subject to annual appropriations)

M/WBE INFORMATION

- 178 - Vendors contacted
- 178 - No response
 - 0 - Response (Bid)
 - 0 - Response (No bid)
 - 0 - Successful

The awardee has fulfilled the good faith effort requirements set forth in the Business Inclusion and Development (BID) Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended.

PROPOSAL INFORMATION

The Office of Procurement Services received the following proposal from solicitation number BHZ1705. We opened them on May 12, 2017. We recommend the City Council award this service contract in its entirety to the only proposer.

<u>Proposer</u>	<u>Address</u>	<u>Amount</u>
*SBC Global Services, Inc. dba AT&T Global Services	311 S. Akard St., 8th Fl. Dallas, TX 75202	\$14,146,093.16

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

OWNER

SBC Global Services, Inc. dba AT&T Global Services

Ralph De La Vega, President

STRATEGIC PRIORITY: Public Safety

AGENDA DATE: October 25, 2017

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Communication and Information Services
Police
Office of Emergency Management

CMO: Elizabeth Reich, 670-7804
Jody Puckett, 670-3390
Jon Fortune, 670-1204

MAPSCO: N/A

SUBJECT

Authorize an acquisition contract for the purchase and implementation of equipment and software for the Dallas Police Department Fusion Center with Audio Visual Innovations, Inc. through The Interlocal Purchasing System for audio visual equipment and supplies - Not to exceed \$264,652 - Financing: Urban Area Security Initiative Grant Funds

BACKGROUND

This contract will allow for the purchase and implementation of equipment and software to upgrade the Dallas Police Department (DPD) Fusion Center video wall. This division of DPD is responsible for collecting and analyzing information and disseminating intelligence in support of criminal and terrorist investigations conducted by DPD and partner local, state, federal and tribal law enforcement agencies.

The existing equipment and software was installed in 2009 and is no longer supported. This upgrade will move the current operating system and hardware infrastructure from outdated systems to current and supportable technology. Upgrades to the system will allow the Fusion Center to realize many software features and operational capabilities not currently available to the Fusion Center such as:

- Improved efficiencies in operational capabilities and functions
- Improved security
- Improved ease of use for Fusion Center staff and partner agencies during combined operations
- Improved flexibility to maximize capabilities and connectivity of existing infrastructure to other systems (laptops, mobile devices, and camera systems) utilized throughout the intelligence network

BACKGROUND (continued)

The Interlocal Purchasing System is 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.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will receive this item for consideration on October 16, 2017.

FISCAL INFORMATION

Urban Area Security Initiative Grant Funds - \$264,651.54

OWNER

Audio Visual Innovations, Inc.

John Zettel, Chief Executive Officer
Steven Benjamin, Vice President

STRATEGIC PRIORITY: Public Safety

AGENDA DATE: October 25, 2017

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Fire
Office of Emergency Management

CMO: Elizabeth Reich, 670-7804
Jon Fortune, 670-1204

MAPSCO: N/A

SUBJECT

Authorize a three-year master agreement for ballistic plates and carriers for Dallas Fire-Rescue with Galls, LLC through the Texas Association of School Boards - Not to exceed \$2,049,568 - Financing: Current Funds (\$1,672,960) and U.S. Department of Homeland Security Grant Funds (\$376,608)

BACKGROUND

This master agreement will allow for the purchase of ballistic carriers and ballistic plates for Dallas Fire-Rescue’s firefighters and paramedics. The ballistic armor will provide additional protection when responding to emergencies with potential ballistic violence. The ballistic armor complies with the National Institute of Justice standards and provides protection needed when responding, but not limited to; the fire needs of the city and when responding with Police to gun violence, domestic disturbances and psychiatric instability. The ballistic armor consists of an outer carrier and a front and back stand-alone plate.

This ballistic carriers with ballistic plates offer greater protection than that of the current concealed ballistic vests. Following the unfortunate events of July 7, 2016, it is critical for the department to be equipped with high ballistic protection that is readily available in any situation.

The initial purchase is for 294 ballistic carriers and 588 ballistic plates in the amount of \$376,609. An inventory of this equipment will be housed at the Quartermaster to be issued to firefighters and paramedics for future deployment/issuance needs to manage special or unplanned events.

BACKGROUND (continued)

The Texas Association of School Boards is 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.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will receive this item for consideration on October 16, 2017.

FISCAL INFORMATION

Current Funds - \$1,672,959.88

U.S. Department of Homeland Security Grant Funds - \$376,608.12

OWNER

Galls, LLC

Michael Wessner, President
R. Michael Andrews Jr., Vice President
Charles Moyer, Secretary