

RECEIVED

BUDGET, FINANCE & AUDIT COMMITTEE
DALLAS CITY COUNCIL COMMITTEE AGENDA

2015 AUG 14 AM 10: 54

CITY SECRETARY
DALLAS, TEXAS

MONDAY, AUGUST 17, 2015
CITY HALL
COUNCIL BRIEFING ROOM, 6ES
1500 MARILLA
DALLAS, TEXAS 75201
1:00 P.M. – 2:30 P.M.

Chair, Councilmember Jennifer S. Gates
Vice-Chair, Councilmember Philip T. Kingston
Deputy Mayor Pro Tem Erik Wilson
Councilmember Rickey D. Callahan
Councilmember Scott Griggs
Councilmember Lee M. Kleinman

Call to Order

1. Consideration of Minutes from the August 3, 2015 Budget, Finance and Audit Committee meeting

BRIEFINGS

- | | | |
|----|--|---|
| 2. | Office of the City Auditor Fiscal Year 2015
Fourth Quarter Update | Craig D. Kinton
<i>City Auditor</i> |
| 3. | Office of the City Auditor's Fiscal Year 2016 Audit Plan | Craig D. Kinton
<i>City Auditor</i> |
| 4. | FY2015-16 Budget: General Fund Reserve
Levels and Proposed Amendment to the Financial
Management Performance Criteria (FMPC) | Jack Ireland
<i>Director, Office of Financial Services</i> |
| 5. | FY2014-15 Operating and Capital Budgets:
Appropriation Adjustments | Jack Ireland
<i>Director, Office of Financial Services</i> |

UPCOMING AGENDA ITEMS

August 26, 2015 City Council Meeting

- A. Agenda Item: Authorize a one-year service contract for airfield marking, striping and painting services for Aviation – Hi-Lite Airfield Services, LLC through an Interlocal Purchasing Agreement with Dallas/Fort Worth International Airport – Not to exceed \$1,000,003 - Financing: Aviation Current Funds (subject to appropriations)
- B. Agenda Item: Authorize a two-year service contract for airport runway concrete crack and joint repair services at Dallas Executive Airport – MRK Industrial Flooring, Inc., lowest responsible bidder of three - Not to exceed \$207,000 - Financing: Aviation Current Funds (subject to annual appropriations)

A quorum of the City Council may attend this Council Committee meeting

- C. Agenda Item: Authorize a five-year service contract, with two one-year renewal options, for voice and data cable installation services to connect computers and phones at City facilities - AAA Data Communications, Inc., most advantageous proposer of two - Not to exceed \$2,453,513 - Financing: Current Funds (subject to annual appropriations)
- D. Agenda Item: Authorize a five-year service contract, with two three-year renewals, for maintenance, support and parts for the existing audible paging system at Love Field facilities - Ford Audio-Video Systems, LLC, most advantageous proposer of two - Not to exceed \$198,100 - Financing: Aviation Current Funds (subject to annual appropriations)
- E. Agenda Item: Authorize a six-year service contract, for preventive maintenance and repair services for the City's outdoor warning siren system - West Shore Services, Inc., only bidder - Not to exceed \$109,272 - Financing: Current Funds (subject to annual appropriations)
- F. Agenda Item: Authorize (1) an acquisition contract for the purchase and implementation of an aircraft identification and billing solution for Aviation in the amount of \$137,581; and (2) a three-year service contract, with two one-year renewal options, for maintenance and support for an aircraft identification and billing solution in the amount of \$173,574 - Vector Airport Systems, LLC, only proposer - Total not to exceed \$311,155 - Financing: Aviation Current Funds (subject to annual appropriations)
- G. Agenda Item: Authorize a five-year master municipal lease agreement for the financing of personal property purchases - Banc of America Public Capital Corp., most advantageous proposer of three - Not to exceed \$160,000 (\$60,000 upfront legal costs plus annual legal fees of \$20,000) - Financing: Current Funds (subject to annual appropriations)
- H. Agenda Item: Authorize a two-year master agreement for asphalt emulsion to be utilized by Street Services – Heartland Asphalt Materials, Inc., lowest responsible bidder of three - Not to exceed \$904,612 - Financing: Current Funds
- I. Agenda Item: Authorize a three-year master agreement for emergency road flares - Standard Fusee Corp. dba Orion, lowest responsible bidder of two - Not to exceed \$480,690 - Financing: Current Funds (\$478,650) and Water Utilities Current Funds (\$2,040)
- J. Agenda Item: Authorize (1) a five-year master agreement for fire emergency vehicle pump parts for Fire-Rescue - Fire Pump Specialty in the amount of \$200,000; and (2) a five-year service contract for fire vehicle repair services with parts for Fire-Rescue - Metro Fire Apparatus Specialist, Inc. in the amount of \$168,375, lowest responsible bidders of two - Total not to exceed \$368,375 - Financing: Current Funds (subject to annual appropriations)
- K. Addendum Item: Merchant Services Contract
- L. Addendum Item: Bond Counsel Services

September 9, 2015 City Council Meeting

M. Agenda Item: Report Repository Software

Adjourn



Jennifer S. Gates, Chair
Budget, Finance & Audit Committee

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.
6. Deliberations regarding economic development negotiations. Section 551.087 of the Texas Open Meetings Act.

Budget, Finance & Audit Committee

Meeting Record- DRAFT

Meeting Date: August 3, 2015 **Convened:** 1:02 pm **Adjourned:** 2:03 pm

Committee Members Present:

Jennifer S. Gates, Chair	Deputy Mayor Pro Tem Erik Wilson	Scott Griggs
Philip T. Kingston, Vice-Chair	Rickey D. Callahan	Lee Kleinman

Committee Members Absent:

N/A

Other Council Members Present:

N/A

Staff Present:

Jeanne Chipperfield	Mike Frosch	Kris Sweckard	Robert Sims	Don Knight
Craig Kinton	Jing Xiao	Daisy Fast	Eileen Youens	Scott Goldstein
Edward Scott	Zarin Gracey	Nick Fehrenbach	Filicia Hernandez	Erick Thompson
Richard Wagner	Richard Ngugi	Renee Hayden	Dawna Brown	Janette Weedon
Rick Galceran	Fernando Gray, Sr.	Dennis Ware	Jack Ireland	William Finch
Trent Leopold	Roger Reach	Ted Padgett, Jr.	Norman Seals	Aurobindo Majumdar

Others Present:

Mark Carpenter, MGT of America

AGENDA:

1. Consideration of the June 15, 2015 Minutes

Presenter(s):

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to approve the June 15, 2015 minutes. Motion passed unanimously.

Motion made by: Philip T. Kingston

Motion seconded by: Rickey D. Callahan

2. Opening Comments

Presenter(s): Councilmember Jennifer S. Gates, Chair, Budget, Finance and Audit Committee

Information Only: X

Action Taken/Committee Recommendation(s):

N/A

3. Fiscal Year 2015-16 Proposed Fee Adjustments

Presenter(s): Jack Ireland, Director, Office of Financial Services

Information Only: X

Action Taken/Committee Recommendation(s):

Committee members requested additional information on the number of permits issued in the last year and employees staffed for permits.

Budget, Finance & Audit Committee

Meeting Record- DRAFT

4. **Street Cuts, Standards, Policies and Practices**
Presenter(s): Rick Galceran, Director, Public Works
Information Only: X

Action Taken/Committee Recommendation(s):

Committee members requested additional information on contractors, ordinance enforcement and warranties.

UPCOMING AGENDA ITEMS:

5. **Acquisition contract for the purchase and implementation of an airfield electronic monitoring and logging system for aviation and a five-year service contract, with two three-year renewal options, for maintenance and support**
Presenter(s):
Information Only: _
Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

6. **Authorize rescinding the four-year service contract with SKW Services, LLC, dba Clean Air Remediation Environmental and RNDI Companies, Inc., and authorize a four-year service contract for asbestos abatement and demolition services for city and non-city owned structures**
Presenter(s):
Information Only: _
Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

7. **Authorize the purchase of immersible thermal gas mass flow meters and LCD digital displays**
Presenter(s):
Information Only: _
Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

Budget, Finance & Audit Committee

Meeting Record- DRAFT

8. **Authorize the purchase of three heavy duty sewer inspection and maintenance vehicles, gooseneck trailer, forklift, and three compact sedans**

Presenter(s):

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

9. **Authorize a two-year master agreement for general and sewer hoses, repair clamps, parts and accessories**

Presenter(s):

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

10. **Authorize a three-year master agreement for cast iron fittings**

Presenter(s):

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

11. **Authorize a three-year master agreement for plumbing pipe, pipe fittings, fixtures, parts and trim**

Presenter(s):

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

12. **Authorize a three-year master agreement for original equipment manufacturers parts and accessories for water treatment equipment**

Presenter(s):

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

Budget, Finance & Audit Committee

Meeting Record- DRAFT

13. **Authorize a three-year service contract for street sweeping services**

Presenter(s):

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

14. **Authorize a three-year master agreement for vehicle detection equipment for traffic signals**

Presenter(s):

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

15. **Authorize a five-year master agreement for airport identification badging materials**

Presenter(s):

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

16. **Authorize supplemental agreement no. 1 to increase the service contract for maintenance and support for the computer aided design software for capital improvement projects and contract extension**

Presenter(s):

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

17. **Authorize the rejection of the only bid received for liquid ferrous iron salt and the re-advertisement for new bids**

Presenter(s):

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

Budget, Finance & Audit Committee

Meeting Record- DRAFT

18. **Authorize the receipt and deposit of 179D Tax Deduction funds from Pepco Energy Services, Inc. and supplemental agreement no. 3 to the original contract with Pepco Energy Services for additional repair and maintenance services for energy conservation measures implemented at several city facilities**

Presenter(s):

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council for consideration on Wednesday, August 12, 2015. Motion passed unanimously.

Motion made by: Rickey D. Callahan

Motion seconded by: DMPT Erik Wilson

Jennifer S. Gates, Chair
Budget, Finance & Audit Committee

Memorandum



DATE: August 13, 2015

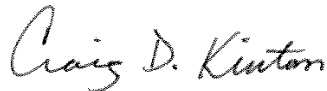
TO: Honorable Members of the Budget, Finance & Audit Committee –
Jennifer S. Gates (Chair); Philip T. Kingston (Vice Chair);
Deputy Mayor Pro-Tem Erik Wilson; Rickey D. Callahan; Scott Griggs; Lee M. Kleinman

SUBJECT: Presentation to the Budget, Finance & Audit Committee:
Office of the City Auditor Fiscal Year 2015 – Fourth Quarter Update

I will provide a briefing to the members of the Budget, Finance & Audit Committee on Monday, August 17, 2015 regarding:

- Office of the City Auditor Fiscal Year 2015 – Fourth Quarter Update

Sincerely,



Craig D. Kinton
City Auditor

Budget, Finance and Audit Committee

Office of the City Auditor Fiscal Year 2015 – Fourth Quarter Update



**City of Dallas
Office of the City Auditor
August 17, 2015**





Office of the City Auditor

- The Office of the City Auditor is established by the City of Dallas Charter, Chapter IX as an independent audit function with the primary responsibility of serving at the direction of the City Council.



Office of the City Auditor – Mission and Purpose

Mission

Promote public trust and advance accountability through independent, objective, and useful professional services

Purpose

To assist the Council with oversight responsibilities and management with operational responsibilities

Objective assessments provide information regarding:

- ❑ Accountability of City resources
- ❑ Adequacy of internal controls
- ❑ Accuracy of information
- ❑ Efficiency and effectiveness of City programs, projects, and departments
- ❑ Compliance with rules and regulations

Internal Controls Are Common Sense

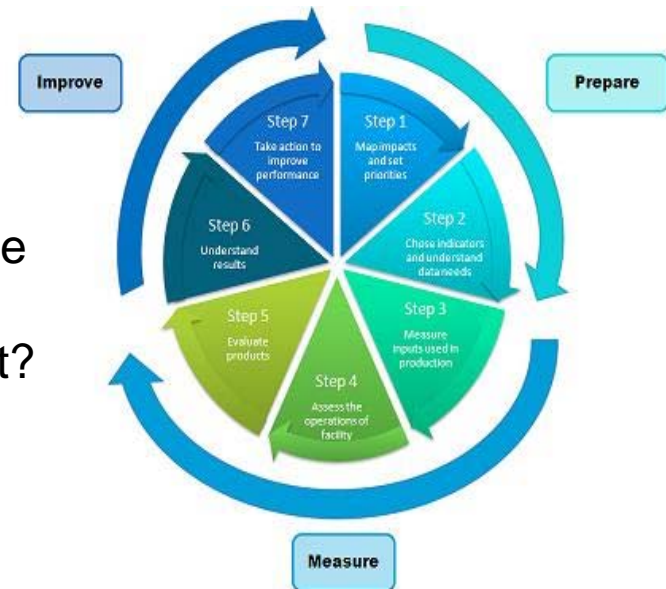


What do you worry about going wrong?

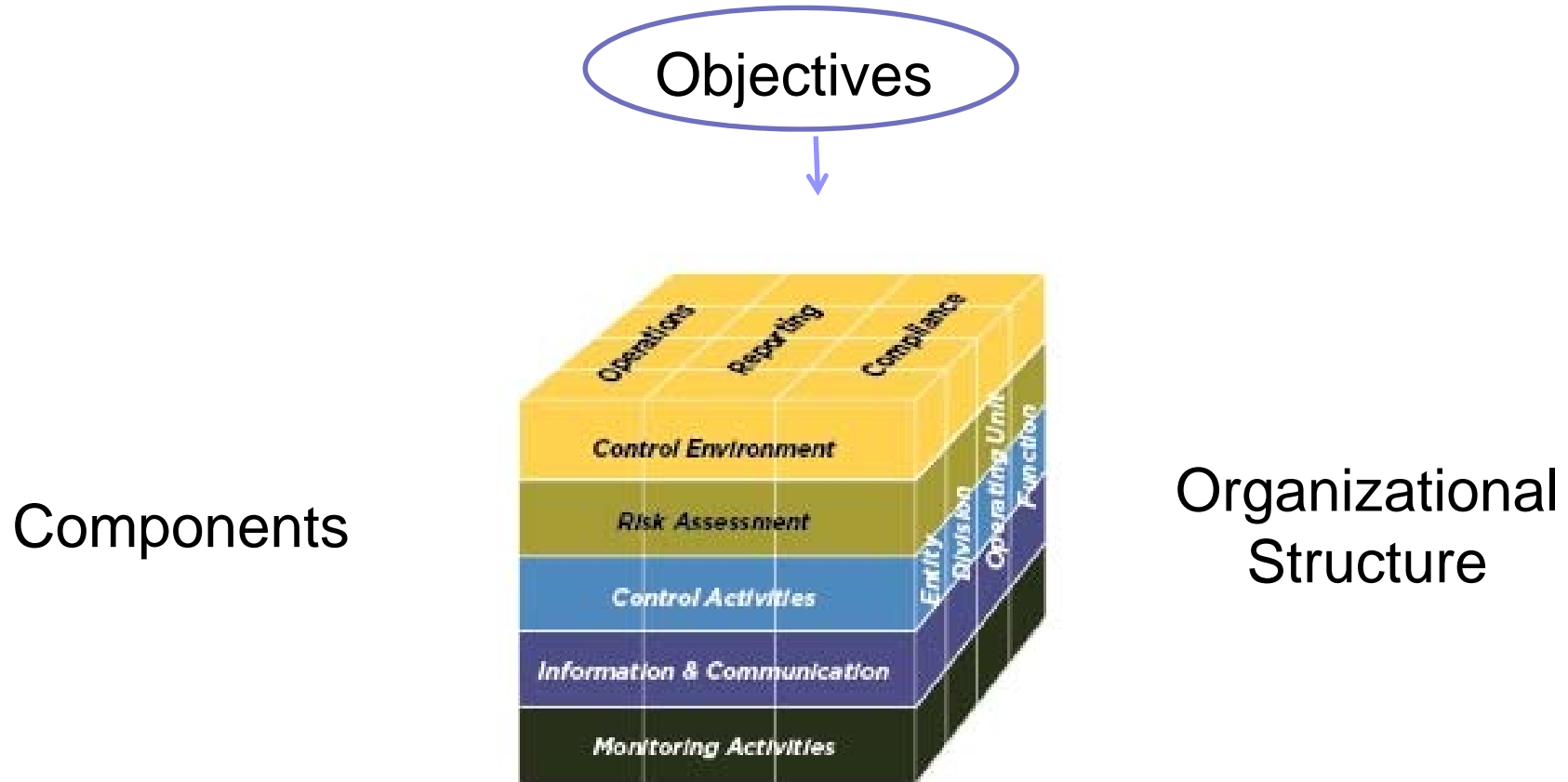
What steps have been taken to assure it doesn't?



How do you know things are under control?

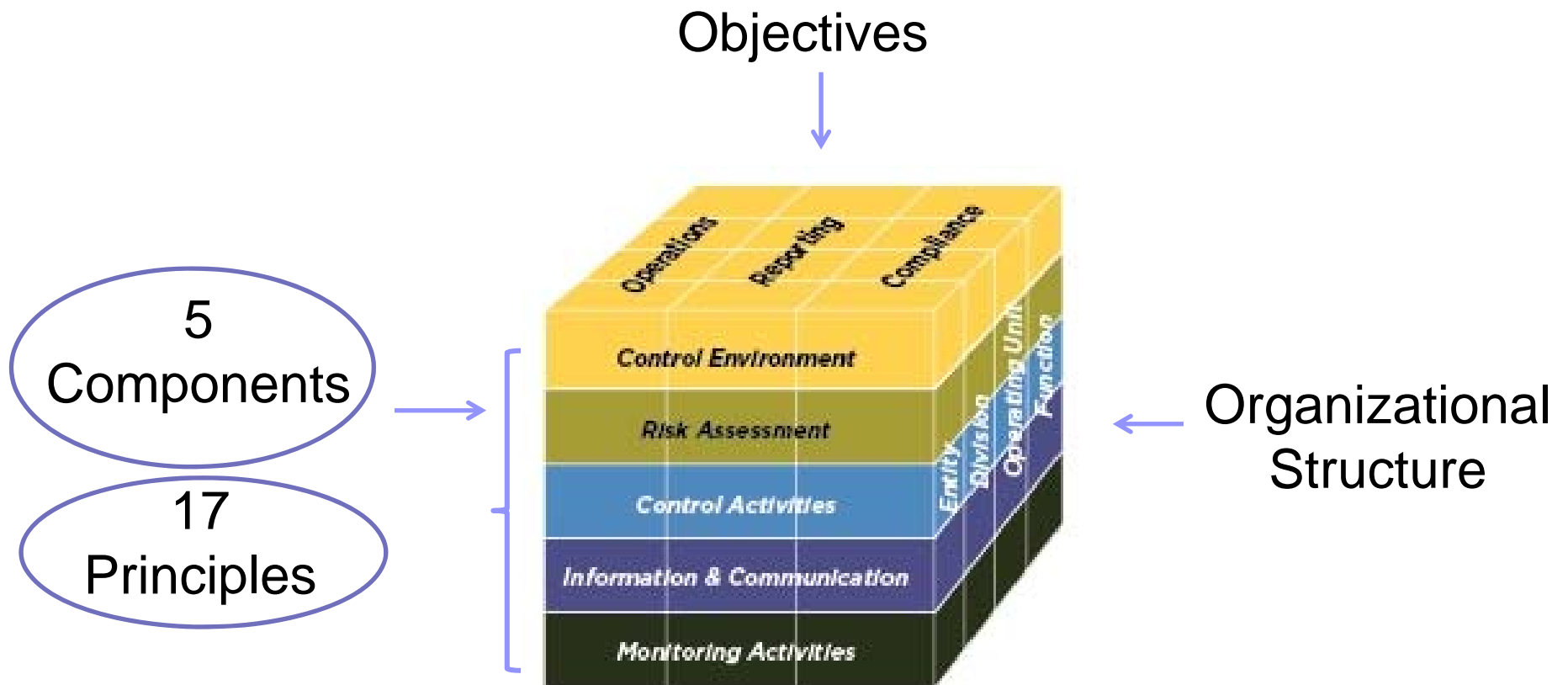


Internal Control Model



Internal Control Model

Relationship of Objectives and Components





Audit and Attestation Services Reports Issued

Fiscal Year 2015 Third Quarter through August 7, 2015

■ Performance Audits

- ❑ Controls over Weapons and Other High Risk Inventory for DPD's Quartermaster Unit
- ❑ Paving and Maintenance Program / Capital Program Streets and Thoroughfares
- ❑ Design of Controls over the Department of Dallas Water Utilities' Meter-to-Billing Process
- ❑ Performance Measurement Process for Dallas Fire-Rescue



Audit and Attestation Services Reports Issued

Fiscal Year 2015 Third Quarter through August 7, 2015

- Independent Auditor's Reports on Applying Agreed-Upon Procedures
 - Single Bid, \$9,861,990 –
 - Outfall Closure Devices Controls System (Large Scale Hazardous Containment System) Maintenance and Support, \$1.35M
 - Liquid Polymer for Wastewater Facilities, \$6.4M
 - CBD Signage and Wayfinding Phase III, \$184K
 - Outdoor Warning Signs Preventative Maintenance, \$109K
 - Aircraft Identification and Fee Billing/Collection System, \$432K
 - Center for Performance Excellence Business Survey, \$59K
 - Hold Sign Relocation Project at Dallas Love Field, \$1.3M



Investigative Services Reports Issued

Fiscal Year 2015 Third Quarter through August 7, 2015

- Theft by Employee – Department of Code Compliance



Audit and Attestation Services Anticipated Report Releases

**Fourth Quarter, Fiscal Year 2015
(August 8, 2015 to September 30, 2015)**

- Civilian Timekeeping Internal Controls and Processes
- Business Development and Procurement Services' Internal Controls for Request for Proposal Procurements
- Budget Revenue Estimates – Fiscal Year 2016
- Single Bid / Sole Source Procurements (5 total)



Audit and Attestation Services Projects In-Progress

Fourth Quarter, Fiscal Year 2015

- Building Permits – Customer Service / Satisfaction
- Contract Monitoring – Public Works and Transportation
- Courts Information System – Access Controls
- Courts Information System – Cash Management / Collections Processes
- Customer Service / 311 Non-Emergency Services
- Fleet Maintenance
- Maintenance of Infrastructure – Department of Dallas Water Utilities
- Performance Measurement Process – Dallas Police Department
- Special Audit of the Accounts of Former City Council Members



Audit and Attestation Services

Projects In-Progress *(continued)*

Fourth Quarter, Fiscal Year 2015

- Contract Monitoring – Dallas Convention and Visitors Bureau
- Contract Monitoring – Housing
- Leasing, Concessions, and Other Activities – Aviation
- Neighborhood Code Enforcement Services
- Police Personnel and Training Services
- Prior Audit Recommendations Follow-Up
- Regulatory, Safety, and Maintenance – Park and Recreation
- Franchise Fees Review through MuniServices *(Ongoing)*
- Sales/Use Tax Compliance Review through MuniServices *(Ongoing)*



Audit and Attestation Services

Anticipated Project Starts

Fourth Quarter, Fiscal Year 2015

- Agreed-Upon Procedures for Single Bid and Sole Source Engagements (as requested)

QUESTIONS?



**City of Dallas
Office of the City Auditor
August 17, 2015**



Memorandum



CITY OF DALLAS

DATE: August 13, 2015

TO: Honorable Members of the Budget, Finance & Audit Committee –
Jennifer S. Gates (Chair); Philip T. Kingston (Vice Chair);
Deputy Mayor Pro-Tem Erik Wilson; Rickey D. Callahan; Scott Griggs; Lee M. Kleinman

SUBJECT: Presentation to the Budget, Finance & Audit Committee:
Office of the City Auditor's Fiscal Year 2016 Audit Plan

On August 17, 2015, the Office of the City Auditor will present the proposed Fiscal Year 2016 Audit Plan to the Budget, Finance & Audit Committee for consideration of recommendation for approval by the full City Council. If approved by the Committee, the Council Agenda for Tuesday, September 22, 2015 will include an item to authorize the adoption of the Office of the City Auditor's Fiscal Year 2016 Audit Plan.

The Office of the City Auditor performs work for and under the direction of the Dallas City Council. The Fiscal Year 2016 Audit Plan is designed to satisfy responsibilities established by the Dallas City Charter, meet the needs of the City Council, and outline the services that the Office of the City Auditor plans to initiate and/or complete during Fiscal Year 2016.

The Office of the City Auditor's mission is to promote public trust and advance accountability by providing independent, objective, and useful professional services for the City of Dallas. The plan demonstrates the variety of services the Office of the City Auditor provides to address its mission and reflects the following Dallas City Council priorities:

- Public Safety Improvements and Crime Reduction
- Economic Vibrancy
- Clean, Healthy Environment
- Culture, Arts, Recreation and Education
- E-Gov

We respectfully present the Fiscal Year 2016 Audit Plan and request your support for a recommendation to the full City Council for approval of the plan.

Sincerely,

A handwritten signature in black ink that reads "Craig D. Kinton".

Craig D. Kinton
City Auditor

Attachment



CITY OF DALLAS

OFFICE OF THE CITY AUDITOR

**AUDIT PLAN
FISCAL YEAR 2016**

**CRAIG D. KINTON
CITY AUDITOR**



AUDIT PLAN FOR FISCAL YEAR 2016

The City of Dallas (City) Office of the City Auditor (Office) performs work for and under the direction of the Dallas City Council. The Fiscal Year 2016 Audit Plan (Audit Plan) is designed to satisfy responsibilities established by the Dallas City Charter, meet the needs of the City Council, and outline the professional services that the Office plans to initiate and / or complete during Fiscal Year 2016.

The Office's mission is to promote public trust and advance accountability by providing independent, objective, and useful professional services for the City of Dallas. The Audit Plan demonstrates the variety of services the Office provides to address its mission and reflects the following Dallas City Council priorities:

- Public Safety
- Economic Vibrancy
- Clean, Healthy Environment
- Culture, Arts, Recreation and Education
- E-Gov

This Audit Plan is a working document in that the City Auditor is authorized, when deemed necessary in his professional judgment, to amend the Audit Plan. The Dallas City Council will be notified in writing concerning additions to, deletions from, or other changes to this Audit Plan. The Audit Plan includes audits, attestation engagements, and other professional services.

AUDIT AND ATTESTATION SERVICES

The Office complies with generally accepted government auditing standards when performing audits and attestation engagements. These standards provide a framework for conducting high quality audits and attestation engagements with competence, integrity, objectivity, and independence. The types of audits and attestation engagements performed under these standards include:

- **Performance Audits**

Conducted to provide objective analysis to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability. Performance audit objectives vary widely and can include assessments of program effectiveness, economy, and efficiency; internal control; compliance; and, prospective analyses.

- **Financial Audits**

Conducted to provide an independent assessment of whether an entity's reported financial information (e.g., financial condition, results, and use of resources) are presented fairly and in accordance with recognized criteria. Financial audits provide users with statements concerning the reliability of information, and provide information about internal control over financial reporting, and compliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements.

- **Attestation Engagements**

Conducted to address a broad range of financial or non-financial objectives. An attestation engagement results in an examination, a review, or an agreed-upon procedures report on a subject matter or an assertion about a subject matter that is the responsibility of another party.

OTHER PROFESSIONAL SERVICES

The Office provides other professional services which may or may not be performed in accordance with generally accepted government auditing standards. These other professional services include:

- **Investigative Services**

The Office provides investigative services to evaluate and investigate allegations of fraud, waste and abuse and maintains a Hotline as a tool for the confidential reporting of allegations. Investigations are conducted in accordance with Quality Standards for Inspection and Evaluation issued by the Council of the Inspectors General on Integrity and Efficiency. Criminal allegations are referred to appropriate law enforcement authorities. Significant findings of fraud are reported to the Mayor, the Chair of the Budget, Finance & Audit Committee, the City Attorney, and City management as required by Council Resolutions and Administrative Directive.

- **City Council Support**

The Office is authorized to conduct audits, attestation engagements, or other professional services for individual City Council Members, provided the request will not impact the completion of the Audit Plan. If, in the judgment of the City Auditor, a request will impact completion of the Audit Plan, the City Auditor is to request that the Council Member submit the request in writing for consideration and approval by the Budget, Finance & Audit Committee and the City Council as an amendment to the Audit Plan. All work products will be produced at the direction of the City Auditor.

- **Management Assistance**

The Office is authorized to perform audits and attestation services and other professional services at the request of management to assist in carrying out management's responsibilities. These services may include, but are not limited to, providing technical advice, such as participating on committees, task forces, panels, and focus groups. The Office may provide management assistance based on consideration of the impact on auditor independence and audit plan completion.

- **Litigation Support**

The Office is authorized to perform audits and attestation services and other professional services at the request of the City Attorney. The services provided by the Office depend on the needs of the City Attorney. These services may include, but are not limited to, research, analysis, and computer forensics.

INDEPENDENCE DISCLOSURES

Section 40-A.2. (c)(C) of the Dallas City Code designates the City Auditor as a voting member of the Employees' Retirement Fund (ERF) Board of Trustees. Generally accepted government auditing standards require the Office to disclose impairments to independence. The Office lacks independence in relation to any audit work that might be conducted at the ERF. To the extent that audits and attestation engagements are performed in this area, the Office is not independent. The effects of this independence concern on audit work will be clearly identified in any final reports, if applicable.

#	Department	Key Focus Area**	Description	Objectives
1	ATT	E-Gov	Litigation Support	Provide audit, attestation, and other professional services, as requested by the City Attorney
2	BDPS	Economic Vibrancy / E-Gov	Sole Source / Single Bid Procurements	Determine the adequacy of controls for sole source / single bid procurements
3	CCS	Clean, Healthy Environment	Animal Services Operations	Evaluate Animal Services operations which may include (1) animal kennel care; (2) call response times; and, (3) drug inventory management compared to best practices and determine whether they comply with applicable laws, regulations, and policies
4	CIS	E-Gov / Public Safety	Information Technology Processes	Determine the effectiveness of selected CIS' processes which may include: (1) back-up and recovery; (2) governance process; and, (3) vendor contract monitoring
5	OFS	E-Gov	Revenue Estimates – Budgeted Revenues for Fiscal Year 2016-2017	Determine whether the City has effective processes to ensure reasonable revenue estimates are included in the City Manager's proposed operating budget
6	OFS	Economic Vibrancy / E-Gov	Verification of Third Party Receipts Collections for Sales / Use Tax and Franchise Fees	Verify that: (1) sales/use tax receipts identified by the third party consultant are accurate and properly supported; and, (2) Franchise fees (which may include utilities, cable, and telephone) identified by the third party consultant(s) are received by the City
7	PBW	Economic Vibrancy	Street Cut Repair and Inspection Processes	Determine whether the City's street cut program is operating efficiently
8	PKR	Culture, Arts, Recreation and Education	Regulatory, Safety and Maintenance	Determine whether the Department of Park and Recreation has effective internal controls to identify and ensure compliance with regulatory, safety and maintenance requirements for land parks
9	TWM	Economic Vibrancy / Clean, Healthy Environment	Trinity Watershed Management	Evaluate management controls related to Trinity Watershed Management

#	Department	Key Focus Area**	Description	Objectives
10	Multiple	E-Gov	Compliance with Administrative Directive (AD) 4-9 <i>Internal Control</i>	Determine if individual department's internal controls are established in accordance with the Standards established by the Comptroller General of the United States pursuant to the " <i>Federal Manager's Financial Integrity Act</i> ", (i.e., the Green Book) as required by AD 4-9
11	Multiple	Economic Vibrancy / E-Gov	Construction Related Procurements	Determine the effectiveness of internal controls for construction related procurements
12	Multiple	Clean, Healthy Environment / E-Gov	Environmental Compliance	Determine whether the City is in compliance with Environmental Protection Agency regulations which may include the Clean Water Act, and / or other Federal / State environmental requirements regarding handling / disposing of hazardous waste
13	Multiple	Multiple	Business Partner Oversight	Evaluate controls related to oversight / monitoring of entities operating City-owned facilities
14	Multiple	Multiple	Performance Measurement Process	Conduct audits of selected departments to evaluate whether performance data are meaningful, accurate, supportable, reliable, and valid
15	Multiple	Multiple	Special Audits	Conduct audits, in accordance with Chapter IX, Section 4 of the City Charter, of officers who vacate their offices due to death, resignation, removal, or expiration of term
16	Multiple	Multiple	Council Assistance	Provide audit and attestation services and other professional services, as requested by individual City Council members
17	Multiple	Multiple	Fraud, Waste and Abuse Investigations	Evaluate allegations of fraud, waste and abuse, conduct investigations, and educate employees
18	Multiple	Multiple	Management Assistance	Provide audit and attestation services and other professional services as requested by Management

#	Department	Key Focus Area **	Description	Objectives
19	Multiple	Multiple	Prior Audit Recommendations Follow-Up	Evaluate Management's implementation of prior audit recommendations

** The Fiscal Year 2016 Audit Plan (Audit Plan) is based on a risk assessment updated for City services approved in the Fiscal Year 2015 City of Dallas Adopted Annual Budget.

DRAFT

Memorandum



CITY OF DALLAS

DATE August 14, 2015

TO Members of the Budget, Finance & Audit Committee: Jennifer S. Gates (Chair), Philip T. Kingston (Vice Chair), Erik Wilson, Rickey D. Callahan, Scott Griggs, Lee M. Kleinman

SUBJECT FY2015-16 Budget: General Fund Reserve Levels and Proposed Amendment to the Financial Management Performance Criteria (FMPC)

On August 17, 2015 the Budget, Finance and Audit Committee will be briefed on the FY2015-16 Budget: General Fund Reserve Levels and Proposed Amendment to the Financial Management Performance Criteria (FMPC). The briefing will be presented by Jack Ireland, Director of the Office of Financial Services. The briefing is attached for your review.

Please let me know if you need additional information.

A handwritten signature in blue ink that reads "Jeanne Chipperfield".

Jeanne Chipperfield
Chief Financial Officer

Attachment

c: Honorable Mayor and Members of City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Mark McDaniel, Assistant City Manager
Eric D. Campbell, Assistant City Manager
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager

FY 2015-16 Budget: General Fund Reserve Levels and Proposed Amendment to the Financial Management Performance Criteria (FMPC)

Budget, Finance & Audit Committee
August 17, 2015



Purpose

- Provide overview of the city's Financial Management Performance Criteria (FMPC), including current status and proposed amendment
- Provide information on the General Fund's fund balance and reserves
- Recommend amendment to the FMPC as proposed in the FY 2015-16 budget

FMPC – Background

- The City's Financial Management Performance Criteria (FMPC) was initially adopted by the City Council in 1978 to set financial policies and standards and to guide decision making
- The FMPC contains 52 criteria in 6 categories
 1. Operating Programs
 2. Capital and Debt Management
 3. Accounting, Auditing and Financial Planning
 4. Budget
 5. Cash Management
 6. Grants and Trusts
- Dallas Water Utilities has its own set of 13 criteria

FMPC – Background

- The FMPC is evaluated for compliance during budget preparation, at year end, and for each debt issuance
- Council periodically reviews and updates the criteria
 - Last update was approved by Council in September 2014
 - A revision to FMPC #9 is proposed along with the adoption of the FY 2015-16 budget
 - Additional review by staff, with potential revisions, will occur through the Fall 2015

FMPC – Compliance

- With the exception of the following, all criteria within the FMPC are “in compliance”
- #6 – Each enterprise and internal service fund should maintain at least 30 days of net working capital
 - Equipment Services is forecast to have 28 days of net working capital; approximately \$273,000 less than required by the FMPC
- #14 – An annual assessment and 5 year projection for all equipment and maintenance needs should be performed, and a maintenance and replacement schedule developed based on the projection
 - Current criteria is not aligned with current processes
- #42 – CAFR will be completed within 120 days
 - FY 2013-14 CAFR was completed on May 28, 2015 (240 days); 180 days is more reasonable standard

Fund Balance – Background

- Fund Balance represents the difference between a fund's assets and liabilities and it serves as a measure of available resources in a fund
 - Reported annually in the City's Comprehensive Annual Financial Report (CAFR)
 - Adjusted each year by the difference between revenues and expenditures

Fund Balance – Background

➤ Fund Balance has 5 categories:

1. Nonspendable – amounts that are not in a spendable form (inventories) or are required to be maintained intact (the corpus of an endowment fund)
2. Restricted – amounts subject to constraints which are externally imposed by creditors, grantors, contributors, laws or regulations (Debt Service funds)
3. Committed – amounts subject to self-imposed constraints through formal action of the City Council (Risk Reserve)
4. Assigned – amounts constrained by the City's intent to be used for specific purposes (encumbrances)
5. Unassigned – remaining fund balance available for any use after other categories are deducted from the total fund balance (includes Emergency and Contingency Reserves)

Purpose of Reserves

- Mitigate current and future risks such as revenue shortfalls and unanticipated expenditures
- Enable a governmental entity to respond to unanticipated events or an emergency during a fiscal year
- Avoid borrowing for cash flow due to timing of revenue and expenditures
- Measure of credit worthiness – higher credit ratings associated with greater levels of reserves will allow for lower cost of borrowing

FMPC Reserve Requirements

- Emergency Reserve (FMPC #7)
 - Funds may be used to provide for temporary financing of unanticipated or unforeseen extraordinary needs for an emergency nature
 - Use of Emergency Reserve would require authorization by Council resolution
 - Any use must be replenished in the next fiscal year
 - FY 2015-16 proposed Emergency Reserve of \$17,563,082 is funded from the FY 2014-15 projected Emergency Reserve ending balance

FMPC Reserve Requirements

- Contingency Reserve (FMPC #8)
 - Funds may be used to provide for unanticipated needs that arise during fiscal year
 - Use of Contingency Reserve would require authorization by Council resolution
 - During FY 2014-15 (to date), Council has approved use of \$3,678,101 from Contingency Reserve for Bridge Steps, Council elections, technology projects, and police marked squad cars

FMPC Reserve Requirements

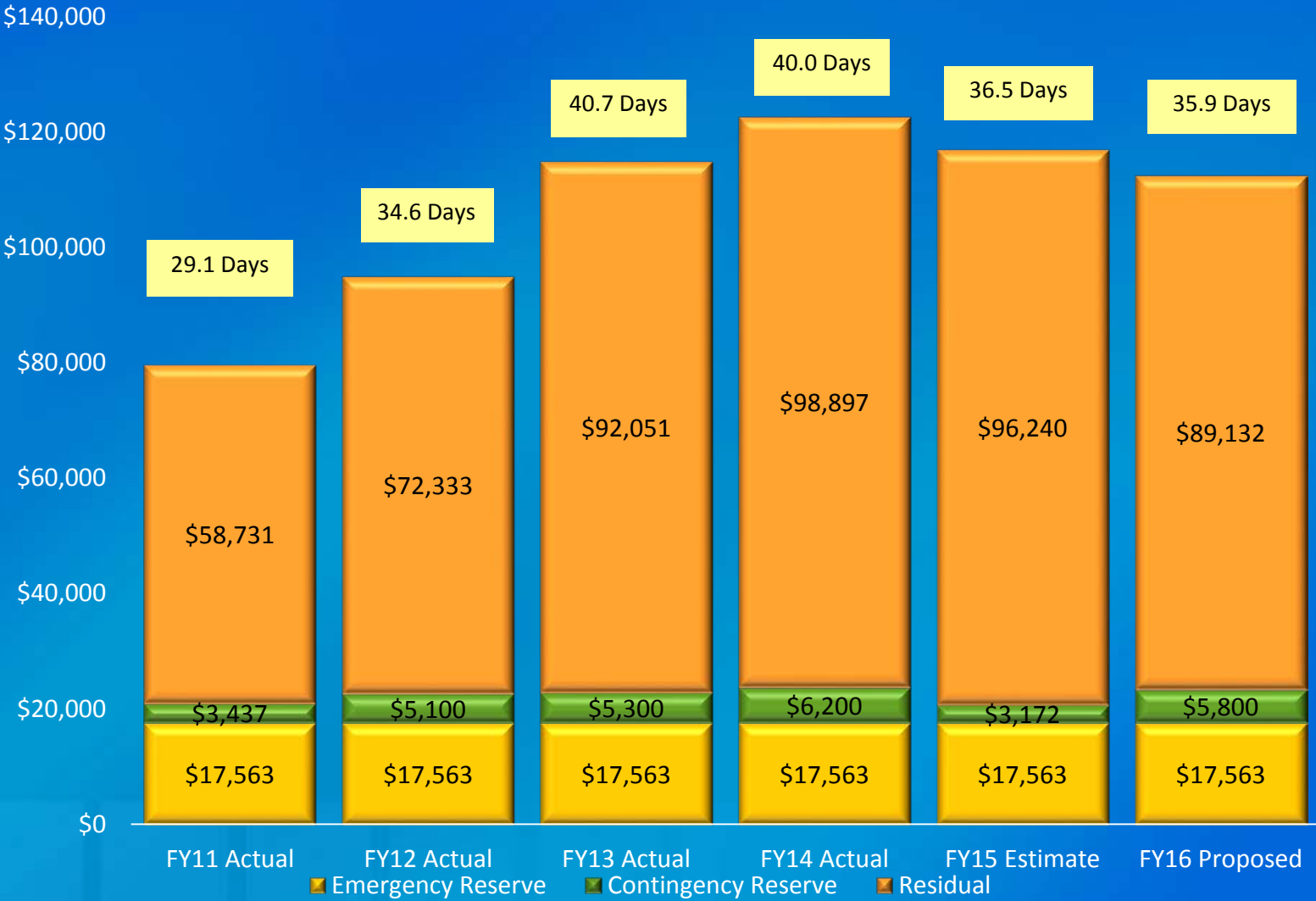
- Contingency Reserve (FMPC #8)
 - FY 2015-16 proposed Contingency Reserve is \$5,800,000, or .51% of proposed General Fund budget expenditures, including:
 - FY 2014-15 projected Contingency Reserve ending balance is \$3,171,899
 - FY 2015-16 proposed budget adds \$2,628,101 to Contingency Reserve to bring the total proposed balance to \$5,800,000 or .51%

FMPC Reserve Requirements

- Combined Reserve Level (FMPC #9)
 - FMPC #9 requires the unassigned fund balance, which includes the Emergency and Contingency Reserves, to be no less than 30 days of General Fund operating expenditures

	FY 2016 Proposed
Unassigned Fund Balance (9/30/16 projected)	\$112.5m
FY 2015-16 Proposed General Fund Expenditure	\$1,144.8m
30 days of GF Operating expenditures - minimum requirement	\$94.1m
Over/(Under) Minimum Requirement	\$18.4m
% of General Fund Expense	9.83%
Days of Reserve	35.9

FMPC Reserve Requirements



*Reduction from FY 2014-15 estimate to FY 2015-16 proposed is due to transfer of \$7m of balance to establish 30-day reserve within new Sanitation Enterprise Fund.

FMPC Reserve Requirements

- Risk Reserve (FMPC #10)
 - Required to be maintained at a level, which together with purchased insurance policies, adequately protects the City's assets against loss
 - FY 2015-16 proposed reserve funded at \$1,250,000 using FY 2014-15 projected ending balance

FMPC – Proposed Amendment

- FMPC #9 currently reads:
 - The unassigned fund balance of the General Fund, which includes the Emergency and Contingency Reserves, shall be maintained at a level not less than 30 days of the General Fund operating expenditures less debt service. (The Risk Reserve is not included in this calculation.)

FMPC – Proposed Amendment

- FMPC #9a proposed addition:
 - During the development of the upcoming budget, the City Manager shall provide an analysis of the change in the General Fund's unassigned fund balance at the close of the most recent fiscal year. In the event of an increase in fund balance of at least 5% over the prior year and continued compliance with FMPC #9 (30 day minimum), the City Manager may recommend that the City Council appropriate up to \$3 million for the one-time use for capital investment in transportation and/or City facility improvements in the upcoming budget

Recommendation and Next Step

- Request BFA Committee and Council support of addition to FMPC allowing use of up to \$3 million for the one-time use for investment in transportation and/or City facility improvements in the upcoming budget
- In Fall 2015, additional review by staff and amendments to FMPC will be brought to BFA Committee for consideration

Memorandum



CITY OF DALLAS

DATE August 14, 2015

TO Members of the Budget, Finance & Audit Committee: Jennifer S. Gates (Chair), Philip T. Kingston (Vice Chair), Erik Wilson, Rickey D. Callahan, Scott Griggs, Lee M. Kleinman

SUBJECT FY2014-15 Operating and Capital Budgets: Appropriation Adjustments

On August 17, 2015 the Budget, Finance and Audit Committee will be briefed on FY2014-15 Operating and Capital Budgets: Appropriation Adjustments. The briefing will be presented by Jack Ireland, Director of the Office of Financial Services. The briefing is attached for your review.

Please let me know if you need additional information.

A handwritten signature in blue ink, reading "Jeanne Chipperfield".

Jeanne Chipperfield
Chief Financial Officer

Attachment

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Elsa Cantu, Assistant to the City Manager

FY 2014-15
Operating and Capital Budgets:
Appropriation Adjustments

Budget, Finance & Audit Committee
August 17, 2015



Purpose

- Background
- Review process to determine necessary amendments
- Provide overview of amendments to FY 2014-15 budget ordinances
- Next Steps

Background

- City's Charter does not allow for the expenditure of City funds without sufficient appropriation (City Charter Chapter XI, Sec. 6)
- Upon the written recommendation of the city manager, the city council may at any time transfer an unencumbered appropriation from one department to any other department (City Charter Chapter XI Sec. 4)
- Operating Budget Ordinance Section 3 authorizes the city manager, upon written notice to the city controller, to transfer appropriations budgeted for one account classification or activity to another within any individual department or activity (Sec.3.(2))
- Capital Budget Ordinance Section 4 authorizes the city manager, upon written notice to the city controller, to transfer amounts from one project appropriation to another within the same fund (Sec.4.(1))

Background

- Common causes for appropriation amendments include:
 - Unanticipated event
 - New initiative or need identified during a fiscal year
 - Additional revenue offset by additional related expenditure
- Any increase in expenditure is supported by:
 - Reduction of other budgets
 - Use of excess/available revenue
- FY 2014-15 operating and capital budget ordinances were approved by City Council on September 17, 2014
 - Amendments are requested to ensure compliance with Charter and to ensure adequate departmental appropriations are available through September 30, 2015

Process

- Management closely monitors revenues and expenditures throughout the fiscal year
- Financial position is communicated to Council in monthly Financial Forecast Reports and included on BFA agenda each month
 - Potential departmental over-runs and under-runs are identified each month

Budget Ordinance Amendments

- General Fund appropriation redistribution is requested from 11 departments with forecast under-runs to 8 departments with forecast or potential over-runs based on end of June Financial Forecast Report
- In accordance with Section 3(4) of budget ordinance, salary and benefit appropriations are allocated for unplanned personnel costs, mainly for termination payments
- General Fund appropriation increases are also requested due to increases from Contingency Reserve previously approved by Council: Bridge contract, 2015 election, marked squad cars, and archiving software

Budget Ordinance Amendments

- Redistribution of appropriations is requested from following:
 - City Attorney's Office
 - City Auditor's Office
 - Code Compliance
 - City Controller's Office
 - Court & Detention Services
 - Housing
 - Non-Departmental
 - Office of Financial Services
 - Salary/Benefit Reserve
 - Sustainable Development and Construction
 - Trinity Watershed Management

Budget Ordinance Amendments

- General Fund departments with forecast or potential over-runs include:
 - Civil Service – office reconfiguration
 - Fire – is projected at budget; reallocate \$50,000 as contingency
 - Mayor and Council – staffing costs
 - Office of Management Services – overtime and temp help in 311 due to increased calls caused by severe weather
 - Park & Recreation – additional security at park facilities and unanticipated HVAC repair at Fair Park
 - Planning and Neighborhood Vitality – expenditures not eligible for grant reimbursement as anticipated at budget development
 - Police – increased overtime for uniformed employees
 - Street Services – weather related activities

Budget Ordinance Amendments

- Enterprise and other funds' appropriation adjustments are supported by increased revenues or available fund balances
- Request adjustments for following 4 funds:
 - Aviation – higher than anticipated parking and terminal concession revenues, and increased capital transfer for long term airport improvements
 - Convention and Event Services – higher than budget revenue and expenditures due to more events than anticipated, and increased transfer for capital improvements
 - Express Business Center – increased auctioneer cost due to higher volume of vehicle auction
 - 911 System Operations – increase for NextGen 911 consultant service cost

Budget Ordinance Amendment

- Grant, Trust and Other funds' appropriation adjustments are supported by additional revenues that have become available during the fiscal year or available fund balances
 - Housing – increase in community service trusts
 - Park and Recreation – increase in PKR Program Funds
 - Police – increase in Confiscated Monies-Federal and Law Enforcement Officer Standard Education

Budget Ordinance Amendments

- Capital budget appropriation adjustments are necessary to:
 - Appropriate additional operating transfer within Aviation
 - Increase for Kalita Humphrey Theater project previously authorized by Council

Budget Ordinance Amendments

- Transfer funds:
 - Authorize \$3m transfer from General Fund unassigned fund balance to new Street and Alley Improvement Fund for street and alley improvement projects included in FY 2015-16 proposed budget

Next Step

- Seek Council approval of attached ordinances amending FY 2014-15 Operating and Capital budgets on August 26th City Council addendum

Appendix

- Budget ordinances approved by Council on September 17, 2014 with requested adjustments indicated with underlines and strikethroughs

8/14/2015

ORDINANCE NO. _____

An ordinance amending Ordinance No. 29474 (2014-2015 FY Operating Budget Appropriation Ordinance) to make certain adjustments to fund appropriations for fiscal year 2014-15 for the maintenance and operation of various departments and activities and to authorize the city manager to implement those adjustments; providing a saving clause; and providing an effective date.

WHEREAS, on September 17, 2014, the city council passed Ordinance No. 29474, which adopted the operating budget appropriation ordinance for fiscal year 2014-2015; and

WHEREAS, shortages and excesses in various department and activity appropriations have created a need to adjust those appropriations; and

WHEREAS, the city council is authorized in accordance with Chapter XI, Section 4, of the Dallas City Charter to transfer an unencumbered balance of an appropriation made for the use of one department, division, or purpose to any other department, division, or purpose, upon the written recommendation of the city manager; and

WHEREAS, the city council is authorized in accordance with Chapter XI, Section 5, of the Dallas City Charter to appropriate, from time to time, excess revenues of the city to such uses as will not conflict with any uses for which such revenues specifically accrued; Now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Section 1 of Ordinance No. 29474 (2014-2015 FY Operating Budget Appropriation Ordinance), passed by the city council on September 17, 2014, is amended by

making adjustments to fund appropriations for fiscal year 2014-15 for maintenance and operation of various departments and activities, to read as follows:

“SECTION 1. That for the purpose of providing the funds to be expended in the budget for the fiscal year beginning October 1, 2014 and ending September 30, 2015, the available revenues of the city of Dallas are hereby appropriated for the maintenance and operation of the various city departments and activities as follows:

<u>DEPARTMENTS AND ACTIVITIES</u>	<u>PROPOSED 2014-15</u>
Building Services	23,895,817
Business Development and Procurement Services	2,854,562
City Attorney’s Office	<u>14,996,796</u> [15,146,796]
City Auditor’s Office	<u>2,784,107</u> [2,844,107]
City Manager’s Office	1,829,414
City Secretary’s Office	<u>*4,086,213</u> [3,027,548]
Civil Service	<u>2,364,515</u> [2,344,515]
Code Compliance	<u>35,192,605</u> [35,382,605]
City Controller’s Office	<u>5,253,154</u> [5,603,154]
Court and Detention Services	<u>20,009,916</u> [20,184,916]
Fire	<u>228,058,576</u> [228,008,576]
Housing/Community Services	<u>**11,507,973</u> [11,498,828]
Human Resources	4,638,421
Judiciary	3,695,256
Library	26,143,630
Mayor and Council	<u>4,154,178</u> [3,923,178]
Non-Departmental	<u>49,191,874</u> [49,341,874]
Office of Cultural Affairs	17,287,656
Office of Economic Development	1,576,600
Office of Financial Services	<u>3,467,501</u> [3,642,501]
Office of Management Services	<u>***6,111,941</u> [5,649,565]
Park and Recreation	<u>82,476,638</u> [81,876,638]
Planning and Neighborhood Vitality	<u>2,877,060</u> [2,527,060]
Police	<u>****440,537,844</u> [438,059,929]

***An increase to \$3,614,213 was previously approved by Resolution No. 15-0555; an increase to \$4,086,213 was previously approved by Resolution No. 15-0907.**

****An increase to \$11,627,973 was previously approved by Resolution No. 14-2194.**

***** An increase to \$5,711,941 was previously approved by Resolution No. 15-1153.**

******An increase to \$440,487,844 was previously approved by Resolution No. 15-1231.**

Public Works	6,861,155
Sanitation Services	<u>75,994,350</u> [75,693,850]
Street Lighting	17,922,510
Street Services	<u>66,514,081</u> [65,914,081]
Sustainable Development and Construction	<u>1,439,699</u> [1,539,699]
Trinity Watershed Management	<u>1,200,771</u> [1,350,771]
Contingency Reserve	450,000
Salary and Benefits Reserve	<u>818,500</u> [1,800,000]
Liability/Claims Fund	4,169,788
GENERAL FUND TOTAL	*****\$1,170,363,101 [1,166,685,000]

<u>GRANT FUNDS</u>	<u>PROPOSED 2014-15</u>
<u>Court and Detention Services</u>	
State Law Enforcement Grant (S104)	4,134
<u>Housing/Community Services</u>	
Neighborhood Stabilization Program (NS10)	132,891
GRANT FUNDS TOTAL	\$137,025

<u>TRUST FUNDS</u>	<u>PROPOSED 2014-15</u>
<u>Communication and Information Services</u>	
Information Technology Equipment (0897)	500,000
Employee Morale Fund (0909)	658
<u>Convention and Event Services</u>	
Convention Center Hotel Tax Rebate Fund (0756)	9,739,400
<u>Court and Detention Services</u>	
Employee Morale Fund (0902)	207
Security Fund (0G88)	305,737
Technology Fund (0401)	814,347
<u>Equipment and Building Services</u>	
Fitness Center Fund (0323)	126,701

*******All prior increases raise the total of the General Fund to \$1,170,363,101.**

<u>Housing/Community Services</u>	
Alvin E. Moore Trust (0309)	18,942 [13,000]
Dallas Tomorrow Fund (0476)	4,996
Energy Emergency Assist Fund (0312)	260,000
West Dallas Multipurpose Trust (0T17)	4,334 [3,270]
<u>Judiciary</u>	
Juvenile Case Manager Fund (0396)	416,947 [223,521]
<u>Library</u>	
Kahn Fund (0208)	268,998
Meadows Foundation Fund (0734)	10,587
Parrill Estate Trust (0716)	6,489
<u>Office of Cultural Affairs</u>	
Gifts & Donations (0388)	13,084
<u>Office of Economic Development</u>	
City of Dallas Regional Center (0067)	813,594
Dallas Housing Finance Corporation (0068)	153,003
New Market Tax Credit (0065)	216,068
South Dallas/Fair Park Trust Fund (0351)	266,030
<u>Park and Recreation</u>	
Athletic Field Maintenance (0349)	451,830
Elm Fork Athletic Complex (0447)	100,000
Fair Park Improvement Fund (0448)	495,115
Fair Park Special Maintenance (0329)	185,081
Golf Improvement Trust (0332)	2,435,946
Grauwylers Memorial E. Trust (0331)	765
Junior Golf Program (0359)	3,081
Meadows-Fair Park Security Fund (0643)	64
Momentum Park Improvement (0T80)	144,228
Outdoor Programs (0469)	142,758
Park & Rec Beautification (0641)	813,793
Recreation Program (0341)	869,378
Southern Skates (0327)	236,531
PKR Program Fund Tracking (0395)	3,225,044 [1,801,965]
Vietnam Veterans Memorial Fund (0T82)	34,997
White Rock Endowment Fund (0354)	121,101
W.W. Samuell Park Trust (0330)	1,107,331
<u>Police</u>	
Confiscated Monies - Federal (0412)	3,062,743 [147,219]
Confiscated Monies - State (0411)	1,045,314
Law Enforcement Officer Standard Education (0S1N)	217,728 [103,610]
Various Police Task Forces (0T69)	626,618

<u>Street Services</u>	
Freeway Traffic Signals (0670)	325,000
TRUST FUNDS TOTAL	<u>\$29,584,568</u> [24,931,415]
GRANT AND TRUST FUNDS GRAND TOTAL	<u>\$29,721,593</u> [25,068,440]

<u>ENTERPRISE/INTERNAL SERVICE/OTHER FUNDS</u>	<u>PROPOSED</u> <u>2014-15</u>
Aviation	<u>90,944,784</u> [86,544,784]
Communication and Information Services:	
Information Technology	64,400,756
Radio Services	6,044,819
Convention and Event Services	<u>82,045,050</u> [77,345,050]
Employee Benefits	1,370,147
Equipment Services	54,431,524
Express Business Center	<u>4,856,661</u> [4,811,661]
Risk Management	2,525,243
Storm Water Drainage Management	53,598,761
Sustainable Development and Construction	26,838,534
Water Utilities	614,521,177
WRR - Municipal Radio	2,061,761
911 System Operations	<u>17,439,255</u> [17,239,255]
ENTERPRISE/INTERNAL SERVICE/ OTHER FUNDS TOTAL	<u>\$1,021,078,472</u> [1,011,733,472]

SECTION 2. That Section 3 of Ordinance No. 29474 (2014-2015 FY Operating Budget Appropriation Ordinance), passed by the city council on September 17, 2014, is amended by making adjustments to fund appropriations for fiscal year 2014-15 for maintenance and operation of various departments and activities, to read as follows:

“SECTION 3. That the city manager is hereby authorized, upon written notice to the city controller, to make the following adjustments:

(1) Reduce the allowed expenditures of departments or activities if, in the judgment of the city manager, actual or probable receipts are less than the amount estimated and appropriated for expenditures.

(2) Transfer appropriations budgeted for one account classification or activity to another within any individual department or activity listed in Section 1.

(3) Transfer internal service fund equity from unanticipated excesses to contributing funds.

(4) Transfer appropriations from the Salary and Benefit Reserve to any individual department or activity listed in Section 1, to be used for salaries and benefits.

(5) Transfer funds, not to exceed \$20,868,820, from the Convention Center Operating Fund 0080, Department CCT, Unit 7840, Object 3870 to the 2009 Convention Center Debt Service Fund 0980, Department CCT, Unit P505, Revenue Source 9219 for the payment of debt service on Series 2009 Revenue Refunding and Improvement Bonds for improvements to the Dallas Civic Center Convention Complex.

(6) Transfer funds, not to exceed \$4,169,788, from the General Fund 0001, Department BMS, Unit 1996, Object 3621 to the Liability Reserve Fund 0192, Department ORM, Unit 3890, Revenue Source 8525 for payment of small and large claims against the city.

(7) Transfer funds, not to exceed \$6,800,000, to the General Fund 0001, Department BMS, Unit 1995, Revenue Source 9201 from the Sports Arena Lease Fund 0A71, Department CCT, Unit 8851, Object 3690 to support general fund operations.

(8) Transfer funds, not to exceed \$21,725,000, from the Water Utilities Operating Fund 0100, Department DWU, Unit 7015, Object 3690 in the amounts not to exceed \$10,600,000 to the Public/Private Partnership Fund 0352, Department ECO, Unit P151, Revenue Source 8219 and \$11,125,000 to the General Fund 0001, Department BMS, Unit 1991, Revenue Source 9201, as payment in lieu of taxes by the water utilities department to support economic initiatives of the city.

(9) Transfer funds, not to exceed \$1,000,000, from the General Fund 0001, Department SAN, Unit 3581, Object 3690 to the Sanitation Capital Improvement Fund 0593, Department SAN, Unit P309, Revenue Source 9201 for capital improvements for the McCommas Bluff Landfill.

(10) Transfer funds, not to exceed \$500,000, from the Information Technology Operating Fund 0198, Department DSV, Unit 1667, Object 3690 to the Information Technology Equipment Fund 0897, Department DSV, Unit 3717, Revenue Source 9201 for information technology servers, storage, and related software and hardware.

(11) Transfer funds, not to exceed \$1,000,000, from the Express Business Center Fund 0199, Department POM, Unit 1232, Object 3690 to the General Fund 0001, Department BMS, Unit 1991, Revenue Source 9201 to rebate the General Fund.

(12) Transfer and administer gifts and bequests to the city in accordance with the terms and conditions accompanying the gifts or bequests and, for this purpose, the appropriation of donated amounts is hereby made.”

SECTION 3. That Ordinance No. 29474 (2014-2015 FY Operating Budget Appropriation Ordinance), passed by the city council on September 17, 2014, is amended by adding a new Section 3A, to read as follows:

“SECTION 3A. That the city manager is authorized to transfer funds in an amount not to exceed \$3,000,000 from the General Fund unassigned fund balance, to the Street and Alley Improvement Fund 0715, Department STS, Revenue Source 9201 for street and alley improvements.”

SECTION 4. That the city manager is hereby authorized, upon written notice to the city controller, to transfer funds to make the adjustments to appropriations set forth in this ordinance.

SECTION 5. That it is the intent of the city council, by passage of this ordinance, to appropriate the funds for the city departments and activities. No office or position is created by the appropriation.

SECTION 6. That Ordinance No. 29474 will remain in full force and effect, save and except as amended by this ordinance.

SECTION 6. That this ordinance will take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

WARREN M. S. ERNST, City Attorney

By _____
Assistant City Attorney

Passed _____

ORDINANCE NO. _____

An ordinance amending Ordinance No. 29475 (2014-2015 FY Capital Budget Appropriation Ordinance) to make certain adjustments to fund appropriations for fiscal year 2014-15 for public improvements to be financed from bond funds and other revenues of the City of Dallas and to authorize the city manager to implement those adjustments; providing a saving clause; and providing an effective date.

WHEREAS, on September 17, 2014, the city council passed Ordinance No. 29475, which adopted the capital budget appropriation ordinance for fiscal year 2014-2015; and

WHEREAS, shortages and excesses in various project appropriations have created a need to adjust those appropriations and to establish new appropriations; and

WHEREAS, the city council is authorized in accordance with Chapter XI, Section 4, of the Dallas City Charter to transfer an unencumbered balance of an appropriation made for the use of one department, division, or purpose to any other department, division, or purpose, upon the written recommendation of the city manager; and

WHEREAS, the city council is authorized in accordance with Chapter XI, Section 5, of the Dallas City Charter to appropriate, from time to time, excess revenues of the city to such uses as will not conflict with any uses for which such revenues specifically accrued; Now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Section 2 of Ordinance No. 29475 (2014-2015 FY Capital Budget Appropriation Ordinance), passed by the city council on September 17, 2014, is amended by making adjustments to fund appropriations for fiscal year 2014-15 for public improvements to be financed from bond funds and other revenues of the City of Dallas, to read as follows:

“SECTION 2. (a) That the following amounts are hereby appropriated from the funds indicated for the projects listed in the FY 2014-15 Capital Budget:

CAPITAL FUNDS

From the City Animal Control Facilities Fund (1P46)	114,829
From the City Animal Control Facilities Fund (0P46)	7,562
From the Animal Control Facilities Improvement Fund (3R46)	33,900
From the Aviation Capital Construction Fund (0131)	<u>18,597,427</u> [13,597,427]
From the Capital Construction Fund (0671)	5,400,000
From the Capital Gifts and Donations Fund (0530)	1,305,545
From the Cedars Tax Increment Financing District Fund (0033)	508,181
From the City Center Tax Increment Financing District Fund (0035)	3,164,722
From the City Hall, City Service and Maintenance Facilities Fund (3T60)	1,559,333
From the Convention Center Capital Construction Fund (0082)	3,150,000

<u>From the Cultural Arts Facilities Fund (BT49)</u>	<u>30,000*</u>
<u>From the Cultural Arts Facilities Fund (5R49)</u>	<u>60,766*</u>
<u>From the Cultural Arts Facilities Fund (6R49)</u>	<u>35,244*</u>
<u>From the Cultural Arts Facilities Fund (9P49)</u>	<u>33,990*</u>
From the Cypress Waters Tax Increment Financing District Fund (0066)	600,876
From the Davis Garden Tax Increment Financing District Fund (0060)	438,126
From the Deep Ellum Tax Increment Financing District Fund (0056)	519,610
From the Design District Tax Increment Financing District Fund (0050)	2,221,631
From the Downtown Connection Tax Increment Financing District Fund (0044)	15,198,483
From the Economic Development and Housing Development Programs Fund (3U52)	12,000,000
From the Economic Development and Housing Development Programs Fund (3U53)	3,500,000
From the 2003 Equipment Acquisition Note Fund (0569)	1,355
From the 2004 Equipment Acquisition Note Fund (0587)	351,423
From the 2005 Equipment Acquisition Note Fund (0588)	38,598
From the 2006 Equipment Acquisition Note Fund (0595)	39,019

****An increase of \$160,000 was previously approved with Resolution No. 15-1247.***

From the 2007 Equipment Acquisition Note Fund (0598)	110,788
From the 2010 Equipment Acquisition Certificates of Obligation Fund (0613)	58,388
From the 2010 Equipment Acquisition Note Fund (0629)	241,600
From the Farmers Market Tax Increment Financing District Fund (0036)	995,025
From the Flood Protection and Storm Drainage Facilities Improvement Fund (3T23)	15,098,697
From the Flood Protection and Storm Drainage Facilities Improvement Fund (3U23)	1,886,800
From the Fort Worth Avenue Tax Increment Financing District Fund (0058)	324,936
From the General Capital Reserve Fund (0625)	5,400,000
From the Grand Park South Tax Increment Financing District Fund (0054)	30,931
From the Land Acquisition under the Land Bank Program for the Development of Low and Moderate Single Family Homes Fund (3T10)	150,000
From the Maple/Mockingbird Tax Increment Financing District Fund (0064)	1,096,737
From the Oak Cliff Gateway Tax Increment Financing District Fund (0034)	1,115,811
From the Park and Recreation Facilities Fund (3T00)	10,964,540
From the Public/Private Partnership Fund (0352)	10,600,000
From the Skillman Corridor Tax Increment Financing District Fund (0052)	1,791,846
From the Southwestern Medical Tax Increment Financing District Fund (0046)	713,358

From the Sports Arena Tax Increment Financing District Fund (0038)	3,730,828
From the Storm Water Drainage Management Capital Construction Fund (0063)	1,072,751
From the Street and Transportation Improvement Fund (3T22)	3,028,838
From the Street and Transportation Improvement Fund (3U22)	61,568,030
From the State-Thomas Tax Increment Financing District Fund (0032)	92,481
From the Transit Oriented Development Tax Increment Financing District Fund (0062)	1,199,543
From the Trinity River Corridor Project Fund (<u>A</u> [3]P14)	10,967,587
From the Vickery Meadow Tax Increment Financing District Fund (0048)	1,619,664
From the Wastewater Capital Construction Fund (0103)	24,809,000
From the Wastewater Capital Improvement Fund (2116)	13,351,000
From the Wastewater Capital Improvement Fund (3116)	84,984,000
From the Water and Wastewater Public Art Fund (0121)	233,000
From the Water Capital Construction Fund (0102)	31,322,000
From the Water Capital Improvement Fund (2115)	156,715,000
From the Water Capital Improvement Fund (3115)	15,350,000

From the 2015 Master Lease - Equipment Fund (ML15)	25,000,000
<u>From the 1998 General Obligation Bond Arbitrage Rebate Fund (8P99)</u>	<u>313</u>
<u>From the 2010 General Obligation Pension Bond Refunding Fund (0630)</u>	<u>31</u>
<u>From the 2010 General Obligation Bond Refunding Fund (0631)</u>	<u>293</u>
<u>From the 2013 General Obligation Bond Refunding Fund (0674)</u>	<u>245</u>
CAPITAL FUNDS TOTAL	<u>\$554,534,681</u> [549,373,799]

(b) That the following amounts are hereby appropriated from the funds indicated for payment of the FY 2014-15 Debt Service Budget:

DEBT SERVICE FUNDS

From the General Obligation Debt Service Fund (0981)	229,908,362
DEBT SERVICE FUNDS TOTAL	\$229,908,362

(c) That these appropriations and all previous appropriated funds for these projects remain in force until each project is completed or terminated.

(d) That the appropriations listed in Subsections (a) and (b) may be increased by city council resolution upon the recommendation of the city manager.”

SECTION 2. That Section 4 of Ordinance No. 29475 (2014-2015 FY Capital Budget Appropriation Ordinance), passed by the city council on September 17, 2014, is amended by making adjustments to fund appropriations for fiscal year 2014-15 for public improvements to be financed from bond funds and other revenues of the City of Dallas, to read as follows:

“SECTION 4. That the city manager is authorized upon written notice to the city controller to make the following adjustments:

(1) Transfer amounts from one project appropriation to another within the same fund, provided that the total appropriation for each fund is not exceeded by this action.

(2) Decrease appropriation of any fund described in Section 2 to reduce expenditures within the fund when, in the judgment of the city manager, actual or probable receipts are less than the amount estimated and appropriated for expenditures.

(3) Transfer funds, not to exceed \$1,485,000, to the General Fund 0001, in the amounts of \$25,000 from the Cityplace Tax Increment Financing District Fund 0030; \$10,000 from State-Thomas Tax Increment Financing District Fund 0032; \$75,000 from the Cedars Tax Increment Financing District Fund 0033; \$60,000 from the Oak Cliff Gateway Tax Increment Financing District Fund 0034; \$140,000 from the City Center Tax Increment Financing District Fund 0035; \$100,000 from the Farmers Market Tax Increment Financing District Fund 0036; \$120,000 from the Sports Arena Tax Increment Financing District Fund 0038; \$225,000 from the Downtown Connection Tax Increment Financing District Fund 0044; \$50,000 from the Southwestern Medical Tax Increment Financing District Fund 0046; \$75,000 from the Vickery Meadow Tax Increment Financing District Fund 0048; \$75,000 from the Design District Tax Increment Financing District Fund 0050; \$75,000 from the Skillman Corridor Tax Increment Financing District Fund 0052; \$30,000 from the Grand Park South Tax Increment Financing District

Fund 0054; \$50,000 from the Deep Ellum Tax Increment Financing District Fund 0056; \$75,000 from the Fort Worth Avenue Tax Increment Financing District Fund 0058; \$100,000 from the Davis Garden Tax Increment Financing District Fund 0060; \$80,000 from the Transit-Oriented Development Tax Increment Financing District Fund 0062; \$50,000 from the Maple/Mockingbird Tax Increment Financing District Fund 0064; and \$70,000 from the Cypress Waters Tax Increment Financing District Fund 0066, for reimbursement of tax increment financing administration costs.

(4) Transfer funds, not to exceed, \$584,457 to the General Fund 0001, from the Trinity River Corridor Project Fund 6P14, for reimbursement as needed for engineering, project coordination, inspection, survey, and other activities associated with the implementation of the 1998 bond program.

(5) Transfer funds, not to exceed \$39,364,000 from the Water Utilities Operating Fund 0100, in the amounts of \$22,822,000 to the Water Capital Construction Fund 0102; \$16,309,000 to the Wastewater Capital Construction Fund 0103; and \$233,000 to the Water and Wastewater Public Art Fund 0121, for projects listed in the FY 2014-15 Capital Budget.

(6) Transfer funds, not to exceed \$765,469, to the General Obligation Debt Service Fund 0981 from the Storm Water Drainage Management Operating Fund 0061 for payment of the 2004 and 2005 Certificates of Obligation for compliance with the municipal separate sewer system (MS4) permit, and the 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2007A, 2008,

2010, and 2012 General Obligation Bonds for flood protection and storm drainage facilities.

(7) Transfer funds, not to exceed \$5,000,000, from the Storm Water Drainage Management Operating Fund 0061 to the Storm Water Drainage Management Capital Construction Fund 0063, for projects listed in the FY 2014-15 Capital Budget.

(8) Transfer funds, not to exceed \$2,494,850, to the General Obligation Debt Service Fund 0981 from the General Fund 0001 for payment of the 2010 Equipment Acquisition Notes and for payment of the 2003 General Obligation Bonds for flood protection and storm drainage facilities for the McCommas Bluff Landfill.

(9) Transfer funds, not to exceed \$5,400,000, to the Capital Construction Fund 0671 from the General Capital Reserve Fund 0625 for the purpose of partial reconstruction of major thoroughfares and for capital improvements, maintenance, and repair of city facilities.

(10) Transfer funds, not to exceed \$18,597,427 [~~13,597,427~~], from the Aviation Operating Fund 0130 to the Aviation Capital Construction fund 0131 for projects listed in the FY 2014-15 Capital Budget.

(11) Transfer funds, not to exceed \$1,493,276, to the General Obligation Debt Service Fund 0981 from the Convention Center Operating Fund 0080 for payment of 2008 Certificates of Obligation for the acquisition of land for the Convention Center Hotel Development Project.

(12) Transfer funds, not to exceed, \$219,110 to the General Obligation Debt Service Fund 0981 from the unspent balances of Arbitrage Rebate Funds 9P99, and 0N99.

(13) Transfer funds, not to exceed \$32,477,655.10, to the General Obligation Debt Service Fund 0981 from any general government, internal service, or enterprise fund incurring civilian payroll costs based on the pro-rata allocation of the actual civilian payroll costs incurred during fiscal year 2014-15 for payment of debt service on the Pension Obligation Bonds Series 600, 601, and 632.”

SECTION 3. That the city manager is hereby authorized, upon written notice to the city controller, to transfer funds to make the adjustments to appropriations set forth in this ordinance.

SECTION 4. That Ordinance No. 29475 will remain in full force and effect, save and except as amended by this ordinance.

SECTION 5. That this ordinance will take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

WARREN M. S. ERNST, City Attorney

By _____
Assistant City Attorney

Passed _____

KEY FOCUS AREA: Public Safety

AGENDA DATE: August 26, 2015

COUNCIL DISTRICT(S): 2

DEPARTMENT: Business Development & Procurement Services
Aviation

CMO: Jeanne Chipperfield, 670-7804
Ryan S. Evans, 671-9837

MAPSCO: 34 K

SUBJECT

Authorize a one-year service contract for airfield marking, striping and painting services for Aviation – Hi-Lite Airfield Services, LLC through an Interlocal Purchasing Agreement with Dallas/Fort Worth International Airport – Not to exceed \$1,000,003 - Financing: Aviation Current Funds (subject to 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 airfield marking, striping and painting services. Historically, all surface painting and marking requirements for the runways, taxiways and non-leased apron areas of Dallas Love Field have been adequately performed by Aviation's airfield maintenance staff. The Federal Aviation Administration's (FAA) increased requirements for airfield markings has made it extremely difficult to maintain the quality of the airfield markings. Aviation does not have the staffing or proper equipment to complete these services. This will allow Aviation to efficiently complete work without lengthy delays. Dallas Love Field is in need of immediate services, while Executive Airport underwent renovations and does not need services at this time. However, Aviation intends on including both airports on the next contract.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Budget, Finance and Audit Committee on August 17, 2015.

FISCAL INFORMATION

\$1,000,003.03 - Aviation Current Funds (subject to appropriations)

ETHNIC COMPOSITION

Hi-Lite Airfield Services, LLC

White Male	94	White Female	13
Black Male	5	Black Female	0
Hispanic Male	5	Hispanic Female	0
Other Male	1	Other Female	0

OWNER

Hi-Lite Airfield Services, LLC

John S. McNeely, President
Richard C. McNeely III, Vice President
Kelly J. Spinner, Secretary
Theodore Misiewicz, Treasurer

August 26, 2015

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute a service contract with Hi-Lite Airfield Services, LLC (VS88417) for airfield marking, striping and painting services for Aviation for a term of one year in an amount not to exceed \$1,000,003.03, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Hi-Lite Airfield Services, LLC shall be based only on the amount of the services directed to be performed by the City and properly performed by Hi-Lite Airfield Services, LLC under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed 1,000,003.03 (subject to appropriations).

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Public Safety

AGENDA DATE: August 26, 2015

COUNCIL DISTRICT(S): 3

DEPARTMENT: Business Development & Procurement Services
Aviation

CMO: Jeanne Chipperfield, 670-7804
Ryan S. Evans, 671-9837

MAPSCO: 63L

SUBJECT

Authorize a two-year service contract for airport runway concrete crack and joint repair services at Dallas Executive Airport – MRK Industrial Flooring, Inc., lowest responsible bidder of three - Not to exceed \$207,000 - 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 provide runway concrete crack and joint repair services at Dallas Executive Airport. This contract will provide annual maintenance under the Dallas Executive Airport’s Routine Airport Maintenance Program (RAMP) that was approved by City Council on May 13, 2015 by Resolution No. 15-0834 which provides 50 percent reimbursement to the City from Texas Department of Transportation.

Proper maintenance ensures the pavement remains in good condition and safe for use. In addition, this action calls for the use of joint sealing materials that meet the requirements of the American Society for Testing and Materials (ASTM) which ensure a sealant that can withstand horizontal/vertical movement, have good weatherability and a long service life.

The City does not have the staffing or proper equipment to complete these services. This will allow Aviation to efficiently complete work without lengthy delays. This service is strictly for Executive Airport due to the RAMP guidelines.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 341 email bid notifications to vendors registered under respective commodities.

BACKGROUND (Continued)

To further increase competition, BDPS 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, notifications were sent by the Business Development and Procurement Services’ ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women’s Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 13, 2015, City Council authorized the Aviation Department to provide initial funding for maintenance costs for the Routine Annual Maintenance Program (RAMP) by Resolution No. 15-0834.

Information about this item will be provided to the Budget, Finance and Audit Committee on August 17, 2015.

FISCAL INFORMATION

\$207,000.00 - Aviation Current Funds (subject to annual appropriations)

M/WBE INFORMATION

- 87 - Vendors contacted
- 86 - No response
- 1 - Response (Bid)
- 0 - Response (No bid)
- 1 - Successful

341 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

MRK Industrial Flooring, Inc.

White Male	1	White Female	0
Black Male	0	Black Female	0
Hispanic Male	7	Hispanic Female	2
Other Male	0	Other Female	0

BID INFORMATION

The following bids were received from solicitation number BQ1519 and were opened on June 17, 2015. This service contract is being awarded in its entirety to the lowest responsive and responsible bidder.

*Denotes successful bidder

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*MRK Industrial Flooring, Inc.	2526 Manana Drive Suite 100 Dallas, TX 75220	\$ 207,000.00
Silver Creek Construction, Inc.	7484 FM 2449 Ponder, TX 76259	\$ 543,000.00
Ferreira Holding Group, LLC	9330 LBJ Freeway Suite 900 Dallas, TX 75243	\$1,537,500.00

OWNER

MRK Industrial Flooring, Inc.

Irma L. Almaguer, President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a two-year service contract for airport runway concrete crack and joint repair services at Dallas Executive Airport – MRK Industrial Flooring, Inc., lowest responsible bidder of three - Not to exceed \$207,000 - Financing: Aviation Current Funds (subject to annual appropriations)

MRK Industrial Flooring, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$207,000.00	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	\$207,000.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
MRK Industrial Flooring, Inc.	HFMB6421N0716	\$207,000.00	100.00%
Total Minority - Local		\$207,000.00	100.00%

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$207,000.00	100.00%	\$207,000.00	100.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$207,000.00	100.00%	\$207,000.00	100.00%

August 26, 2015

WHEREAS, on May 13, 2015, City Council authorized the Aviation Department to provide initial funding for maintenance costs for the Routine Annual Maintenance Program (RAMP) by Resolution No. 15-0834;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute a service contract with MRK Industrial Flooring, Inc. (VC13757) for airport runway concrete crack and joint repair services at Dallas Executive Airport for a term of two years in an amount not to exceed \$207,000.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to MRK Industrial Flooring, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by MRK Industrial Flooring, Inc. under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$207,000.00 (subject to annual appropriations).

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 7

KEY FOCUS AREA:	Public Safety
AGENDA DATE:	August 26, 2015
COUNCIL DISTRICT(S):	All
DEPARTMENT:	Business Development & Procurement Services Communication and Information Services
CMO:	Jeanne Chipperfield, 670-7804 Mark McDaniel, 670-3256
MAPSCO:	N/A

SUBJECT

Authorize a five-year service contract, with two one-year renewal options, for voice and data cable installation services to connect computers and phones at City facilities - AAA Data Communications, Inc., most advantageous proposer of two - Not to exceed \$2,453,513 - 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 five-year service contract for voice and data cable installation services will provide for the connection of computers and phones in City facilities. Examples of projects that will utilize this contract are:

- Replacement and upgrades of fire stations
- Central Library Renovations
- Wi-Fi expansion at City facilities
- Citywide replacement of switches and routers
- Citywide office renovations
- Police headquarters video monitoring rooms

BACKGROUND (Continued)

A five member evaluation committee was selected from the following departments:

- Communication and Information Services (1)
- Water Utilities (1)
- Aviation (1)
- Business Development and Procurement Services (2)*

*Business Development and Procurement Services only evaluated the Business Inclusion and Development Plan and cost.

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

- Cost 30%
- Qualifications 20%
- Capabilities 20%
- Business Inclusion and Development Plan 15%
- Technical Match 15%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services used its procurement system to send out 631 email notifications to vendors registered under respective commodities. To further increase competition, Business Development and 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 proposals, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL BOARDS, COMMISSIONS)

On April 25, 2012, City Council authorized a three-year service contract for voice and data cable installation services to connect computers and phones at new and existing City facilities by Resolution No. 12-1172.

Information about this item will be provided to the Budget, Finance and Audit Committee on August 17, 2015.

FISCAL INFORMATION

\$2,453,512.50 - Current Funds (subject to annual appropriations)

M/WBE INFORMATION

134 - Vendors contacted
133 - No response
 1 - Response (Bid)
 0 - Response (No bid)
 1 - Successful

631 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

AAA Data Communications, Inc.

White Male	4	White Female	0
Black Male	8	Black Female	1
Hispanic Male	6	Hispanic Female	1
Other Male	0	Other Female	0

PROPOSAL INFORMATION

The following bids were received from solicitation number BHZ1513 and were opened on June 4, 2015. This service contract is being awarded in its entirety to the most advantageous proposer.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*AAA Data Communications, Inc.	3107 W. Camp Wisdom Rd. Suite #190 Dallas, TX 75237	97.3%	\$2,453,512.50
Network Cabling Services, Inc.	12626 Fuqua St. Houston, TX 77034	70.6%	\$3,111,425.00

OWNER

AAA Data Communications, Inc.

Jacob Johnson, President
Joe De Leon, Vice President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a five-year service contract, with two one-year renewal options, for voice and data cable installation services to connect computers and phones at City facilities - AAA Data Communications, Inc., most advantageous proposer of two - Not to exceed \$2,453,513 - Financing: Current Funds (subject to annual appropriations)

AAA Data Communications, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$2,453,512.50	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	\$2,453,512.50	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
AAA Data Communicatons, Inc.	BMDB57352Y0616	\$1,869,576.60	76.20%
Solaris Technologies	WFWBC211951015	\$583,935.90	23.80%
Total Minority - Local		\$2,453,512.50	100.00%

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$1,869,576.60	76.20%	\$1,869,576.60	76.20%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$583,935.90	23.80%	\$583,935.90	23.80%
Total	\$2,453,512.50	100.00%	\$2,453,512.50	100.00%

August 26, 2015

WHEREAS, on April 25, 2012, City Council authorized a three-year service contract for voice and data cable installation services to connect computers and phones at new and existing City facilities by Resolution No. 12-1172; and,

WHEREAS, on April 25, 2015, Administrative Action No. 15-5896 authorized Supplemental Agreement No. 1 for an extension of the contract through August 31, 2015;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute a service contract with AAA Data Communications, Inc. (500286) for voice and data cable installation services to connect computers and phones at City facilities for a term of five years, with two one-year renewal options, in an amount not to exceed \$2,453,512.50, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to AAA Data Communications, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by AAA Data Communications, Inc. under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$2,453,512.50 (subject to annual appropriations).

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 8

KEY FOCUS AREA: Public Safety

AGENDA DATE: August 26, 2015

COUNCIL DISTRICT(S): 2

DEPARTMENT: Business Development & Procurement Services
Aviation

CMO: Jeanne Chipperfield, 670-7804
Ryan S. Evans, 671-9837

MAPSCO: 34-E

SUBJECT

Authorize a five-year service contract, with two three-year renewals, for maintenance, support and parts for the existing audible paging system at Love Field facilities - Ford Audio-Video Systems, LLC, most advantageous proposer of two - Not to exceed \$198,100 - 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 provide maintenance, support and parts for the existing audible paging system at Love Field facilities. The system provides audible paging capabilities and background music to airport customers and staff in the daily operations of the airport.

In addition to an initial site inspection, maintenance includes annual inspection of all existing audible paging system hardware and software components. This also includes test and re-benchmarking of system settings, and preventive maintenance (i.e., cleaning, lubrication and any other recommended manufacturer's regularly scheduled maintenance) of all audible paging system equipment. This service contract also provides upgrades to current releases of software and assistance with the installation of recommended updates; assisting City personnel with problem resolution and use of existing and new hardware and software; and training of City personnel in the use of current and future audible paging system hardware and software.

BACKGROUND (Continued)

A five member evaluation committee was selected from the following departments:

- Aviation (1)
- Public Works (1)
- Communication and Information Services (1)
- Business Development and Procurement Services (2)*

*Business Development and Procurement Services only evaluated the Business Inclusion and Development Plan and cost.

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

- Cost 40%
- Qualifications 45%
- Business Inclusion and Development Plan 15%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services used its procurement system to send out 52 email bid notifications to vendors registered under respective commodities. To further increase competition, Business Development and 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, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Budget, Finance and Audit Committee on August 17, 2015.

FISCAL INFORMATION

\$198,100.00 - Aviation Current Funds (subject to annual appropriations)

M/WBE INFORMATION

- 4 - Vendors contacted
- 3 - No response
- 1 - Response (Bid)
- 0 - Response (No Bid)
- 1 - Successful

M/WBE INFORMATION (Continued)

52 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Ford Audio-Video Systems, LLC

White Male	228	White Female	9
Black Male	9	Black Female	0
Hispanic Male	11	Hispanic Female	0
Other Male	6	Other Female	0

PROPOSAL INFORMATION

The following proposals were received from solicitation number BHZ1501 and were opened on November 13, 2014. This service contract is being awarded in its entirety to the most advantageous proposer.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*Ford Audio-Video Systems, LLC	4901 Statesman Drive Irving, TX 75063	92%	\$198,100.00
Texas Fire and Sound dba MasterSound	10451 Brockwood Road Dallas, TX 75238	61%	\$206,300.00

OWNER

Ford Audio-Video Systems, LLC

Jim Ford, President
Bryan Burdick, Vice President
David Allen, Vice President
Claire Ford, Secretary

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a five-year service contract, with two three-year renewals, for maintenance, support and parts for the existing audible paging system at Love Field facilities - Ford Audio-Video Systems, LLC, most advantageous proposer of two - Not to exceed \$198,100 - Financing: Aviation Current Funds (subject to annual appropriations)

Ford Audio-Video Systems, LLC is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and propose to use their own workforces.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$198,100.00	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	<u>\$198,100.00</u>	<u>100.00%</u>

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Ford Audio Video Systems, LLC	WFWBC92911115	\$198,100.00	100.00%
Total Minority - Local		<u>\$198,100.00</u>	<u>100.00%</u>

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$198,100.00	100.00%	\$198,100.00	100.00%
Total	<u>\$198,100.00</u>	<u>100.00%</u>	<u>\$198,100.00</u>	<u>100.00%</u>

August 26, 2015

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute a service contract with Ford Audio-Video Systems, LLC (501392) for maintenance, support and parts for the existing audible paging system at Love Field facilities for a term of five years, with two three-year renewals, in an amount not to exceed \$198,100.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Ford Audio-Video Systems, LLC shall be based only on the amount of the services directed to be performed by the City and properly performed by Ford Audio-Video Systems, LLC under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$198,100.00 (subject to annual appropriations).

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 9

KEY FOCUS AREA: Public Safety

AGENDA DATE: August 26, 2015

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Office of Emergency Management

CMO: Jeanne Chipperfield, 670-7804
Eric Campbell, 670-3255

MAPSCO: N/A

SUBJECT

Authorize a six-year service contract, for preventive maintenance and repair services for the City's outdoor warning siren system - West Shore Services, Inc., only bidder - Not to exceed \$109,272 - 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 preventive maintenance and repair services for the City's outdoor warning system (OWS) that currently consists of 156 sirens strategically located throughout the City. The system alerts residents of approaching or existing hazardous conditions throughout the City to ensure the widest possible coverage. Typically the outdoor warning system is used as a warning tool in the event of a tornado or other dangerous weather conditions, it is one of the primary means of emergency warnings for Dallas residents and visitors for all types of hazards. Preventive maintenance is done on each siren every three years.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 336 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS 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, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL BOARDS, COMMISSIONS)

Information about this item will be provided to the Budget, Finance and Audit Committee on August 17, 2015.

FISCAL INFORMATION

\$109,272.00- Current Funds (subject to annual appropriations)

M/WBE INFORMATION

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

336 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

West Shore Services, Inc.

White Male	21	White Female	4
Black Male	0	Black Female	0
Hispanic Male	1	Hispanic Female	0
Other Male	1	Other Female	0

BID INFORMATION

The following proposals were received from solicitation number BH1511 and were opened on April 9, 2015. This service contract is being awarded in its entirety to the only proposer.

*Denotes successful proposer

<u>Bidder</u>	<u>Address</u>	<u>Amount</u>
*West Shore Services, Inc.	6620 Lake Michigan Dr. Allendale, MI 49401	\$109,272.00

BID INFORMATION (Continued)

Note: Pursuant to Business Development and Procurement Services' (BDPS) request, the Auditor's office has reviewed the single bid item and submitted related documentation and has determined BDPS followed Administrative Directive 4-05 provisions for processing this single bid item and made reasonable efforts to increase bid participation. This proposed procurement meets the requirements for a single bid.

OWNER

West Shore Services, Inc.

Jefferey J. DuPilka, President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a six-year service contract, for preventive maintenance and repair services for the City's outdoor warning siren system - West Shore Services, Inc., only bidder - Not to exceed \$109,272 - Financing: Current Funds (subject to annual appropriations)

West Shore Services, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforces.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$0.00	0.00%
Total non-local contracts	\$109,272.00	100.00%
TOTAL CONTRACT	\$109,272.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%

August 26, 2015

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute a service contract with West Shore Services, Inc. (VS0000052434) for preventive maintenance and repair services for the city's outdoor warning siren system for a term of six years in an amount not to exceed \$109,272.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to West Shore Services, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by West Shore Services, Inc. under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$109,272.00 (subject to annual appropriations).

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: E-Gov

AGENDA DATE: August 26, 2015

COUNCIL DISTRICT(S): 2

DEPARTMENT: Business Development & Procurement Services
Aviation

CMO: Jeanne Chipperfield, 670-7804
Ryan S. Evans, 671-9837

MAPSCO: 34E

SUBJECT

Authorize **(1)** an acquisition contract for the purchase and implementation of an aircraft identification and billing solution for Aviation in the amount of \$137,581; and **(2)** a three-year service contract, with two one-year renewal options, for maintenance and support for an aircraft identification and billing solution in the amount of \$173,574 - Vector Airport Systems, LLC, only proposer - Total not to exceed \$311,155 - Financing: Aviation Current Funds (subject to annual appropriations)

BACKGROUND

These contracts will provide for purchase and implementation of an aircraft identification and billing solution for the collection and remittance of fees for Aviation. The aircraft identification system will enhance the ability of Dallas Love Field to identify aircraft compliance with the Preferential Runway Program component of the airport's Voluntary Noise Control Program. This agreement will also provide five years of maintenance and support of the aircraft identification and billing solution. Maintenance includes patches, updates, compliance with any new state or federal requirements, technical and customer service support.

The aircraft fee billing systems will provide a full-service billing solution for the collection and remittance of international arrival/user fees from aircraft owners/operators that use U.S. Customs and Border Protection services at Dallas Love Field.

The data delivered will enable the airport staff to positively identify all aircraft operating at Dallas Love Field regardless of time of day or weather conditions. Incoming data will include an image of the aircraft that shows its tail number for quick and easy identification, utilizing the U.S. Customs and Border Protection facility at Dallas Love Field to invoice and collect fees from aircraft operators. The system is powered by solar technology and is therefore portable and sustainable.

BACKGROUND (Continued)

A seven member committee from the following departments reviewed and evaluated the proposals:

- Business Development & Procurement Services (2)*
- Aviation (2)
- Communication and Information Services (1)
- Equipment & Building Services (1)
- Water Utilities (1)

*Business Development and Procurement Services only evaluated the Business Inclusion and Development Plan and cost.

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

- Cost 30%
- Experience 25%
- Technical Match 25%
- Business Inclusion and Development Plan 15%
- Implementation 5%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 1,284 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS 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, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL BOARDS, COMMISSIONS)

Information about this item will be provided to the Budget, Finance and Audit Committee on August 17, 2015.

FISCAL INFORMATION

\$311,154.85 - Aviation Current Funds (subject to annual appropriations)

M/WBE INFORMATION

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

M/WBE INFORMATION (Continued)

1,284 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Vector Airport Systems, LLC

White Male	6	White Female	5
Black Male	0	Black Female	0
Hispanic Male	2	Hispanic Female	0
Other Male	0	Other Female	0

PROPOSAL INFORMATION

The following proposals were received from solicitation number BUZ1436 and were opened on October 30, 2014. This contract is being awarded in its entirety to the only proposer.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*Vector Airport Systems, LLC	280 Sunset Park Dr. Herndon, VA 20170	94%	\$311,154.85

Note: Pursuant to Business Development and Procurement Services' request, the Auditor's office has reviewed the single bid item and submitted related documentation. The following exceptions were noted as a result of applying the Agreed-Upon Procedures:

- The Department of Business Development and Procurement Services (BDPS) did not respond to a potential bidder's inquiry timely to encourage competition; price reasonableness could not be determined from BDPS' analysis and BDPS did not comply with Administrative Directive (AD) 4-5, Section 5.8.2 to ensure that bid specifications were appropriately reviewed by the Department of Communication and Information Services (CIS)

After the Auditor's report was released, management reviewed additional information not made available to the City Auditor's office during their review and feel confident all questions were addressed with the vending community and CIS was involved in the review of the specifications. During the procurement process the specifications were revised and the solicitation was extended a number of weeks in an attempt to encourage additional competition.

OWNER

Vector Airport Systems, LLC

Peter Coletton, President

Thomas Breen, Vice President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize (1) an acquisition contract for the purchase and implementation of an aircraft identification and billing solution for Aviation in the amount of \$137,581; and (2) a three-year service contract, with two one-year renewal options, for maintenance and support for an aircraft identification and billing solution in the amount of \$173,574 - Vector Airport Systems, LLC, only proposer - Total not to exceed \$311,155 - Financing: Aviation Current Funds (subject to annual appropriations)

Vector Airport Systems, LLC is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$50,095.93	16.10%
Total non-local contracts	\$261,058.92	83.90%
TOTAL CONTRACT	\$311,154.85	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Qnet Information Services	BMMB62942Y0816	\$50,095.93	100.00%
Total Minority - Local		\$50,095.93	100.00%

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$50,095.93	100.00%	\$50,095.93	16.10%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$50,095.93	100.00%	\$50,095.93	16.10%

August 26, 2015

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute (1) an acquisition contract for the purchase and implementation of an aircraft identification and billing solution for Aviation in the amount of \$137,581.00; and (2) a three-year service contract, with two one-year renewal options, for maintenance and support for an aircraft identification and billing solution in the amount of \$173,573.85, with Vector Airport Systems, LLC (VS85745) in a total amount not to exceed \$311,154.85, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Vector Airport Systems, LLC shall be based only on the amount of the services directed to be performed by the City and properly performed by Vector Airport Systems, LLC under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds from the following appropriations in an amount not to exceed \$311,154.85 (subject to annual appropriations):

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>OBJ</u>	<u>AMOUNT</u>	<u>FY</u>	<u>ENCUMBRANCE</u>
0130	AVI	7710	4890	\$137,581.00	2015	CTAVIVAS7710FY15
0130	AVI	7710	3438	\$ 56,778.75	2015	CTAVIVAS7710FY15
0130	AVI	7710	3438	\$ 57,847.32	2016	CTAVIVAS7710FY16
0130	AVI	7710	3438	\$ 58,947.78	2017	CTAVIVAS7710FY17

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: E-Gov

AGENDA DATE: August 26, 2015

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
City Controller

CMO: Jeanne Chipperfield, 670-7804

MAPSCO: N/A

SUBJECT

Authorize a five-year master municipal lease agreement for the financing of personal property purchases - Banc of America Public Capital Corp., most advantageous proposer of three - Not to exceed \$160,000 (\$60,000 upfront legal costs plus annual legal fees of \$20,000) - Financing: Current Funds (subject to annual appropriations)

BACKGROUND

This agreement will authorize a master municipal lease agreement program to provide financing for equipment purchases. The use of a tax-exempt master lease line of credit permits more cost efficient use of financing as funds are borrowed to closely match the amount and timing of the payment for equipment. Interest rates are comparable to tax-exempt short-term note issuance. The initial and annual costs of the program are less than other types of debt issuance, such as tax-exempt commercial paper. There are no fees for financial advisory, rating agency, paying agent, or liquidity facility services since the master lease is considered a private placement. The only expense associated with the program is for legal services, such as reviewing the master lease agreement and issuing an opinion that the lease is a tax-exempt obligation.

The proposed FY 2015-2016 budget includes purchases of the following items (including but not limited to), which are to be financed using the master lease line program:

- Sanitation collection and landfill vehicles
- Fire apparatus
- General purpose fleet
- Technology

BACKGROUND (Continued)

Legal services associated with the establishment of the master municipal lease agreement program to provide financing for personal property purchases will be provided by the City's contracted bond counsel. The legal fees associated with the establishment of the master municipal lease agreement program include an initial payment of \$60,000 and \$5,000 per quarter if the draw exceeds \$5,000,000.

A seven member evaluation committee was selected from the following departments:

- City Controller (1)
- Office of Financial Services (1)
- Sanitation Services (1)
- Fire-Rescue (1)
- Equipment and Building Services (1)
- Business Development and Procurement Services (2)*

*Business Development and Procurement Services evaluated the cost and the Business Inclusion and Development Plan.

The proposer's responses were evaluated based on the following criteria:

- Fees 30%
- Proposed Methodology 20%
- Qualifications 20%
- Experience 15%
- Business Inclusion and Development Plan 15%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 927 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS 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, notifications were sent by the BDPS' Resource LINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL BOARDS, COMMISSIONS)

On December 14, 2011, City Council authorized a three-year master municipal lease agreement for the financing of personal property purchases by Resolution No. 11-3344.

Information about this item will be provided to the Budget, Finance and Audit Committee on August 17, 2015.

FISCAL INFORMATION

\$160,000 - Current Funds (\$60,000 upfront legal costs plus annual legal fees of \$20,000) (subject to annual appropriations)

M/WBE INFORMATION

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

927 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Banc of America Public Capital Corp.

White Male	725	White Female	769
Black Male	203	Black Female	667
Hispanic Male	227	Hispanic Female	458
Other Male	101	Other Female	133

PROPOSAL INFORMATION

The following proposals were received from solicitation number BKZ1528 and were opened on June 18, 2015. This contract is being awarded in its entirety to the most advantageous proposer.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>
*Banc of America Public Capital Corp.	14648 N. Scottsdale Rd. Suite 250 Scottsdale, AZ 85254	83.80
Pinnacle Public Finance, Inc.	8377 East Hartford Dr. Suite 115 Scottsdale, AZ 85255	77.20

PROPOSAL INFORMATION (Continued)

<u>Proposers</u>	<u>Address</u>	<u>Score</u>
U.S. Bancorp Government Leasing & Finance, Inc.	950 17 th St. 7 th floor Denver, CO 80202	63.50

OWNER

Banc of America Public Capital Corp.

Christopher Giuliano, President
Brad Koster, Secretary

August 26, 2015

RESOLUTION AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A MASTER MUNICIPAL LEASE AGREEMENT AND AUTHORIZING AND APPROVING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, on December 14, 2011, City Council authorized a master municipal lease agreement for the purchase of personal property by Resolution No. 11-3344;

WHEREAS, CITY OF DALLAS ("*Lessee*") proposes to enter into a **MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT** (the "*Master Lease*") with **BANC OF AMERICA PUBLIC CAPITAL CORP.**, as lessor ("*Lessor*"), and proposes to enter into various Schedules A thereunder to enable Lessee to finance the lease/purchase acquisition of equipment for the City's authorized needs and purposes (the "*Equipment*"), with the intent that the interest portion of the Rental Payments (as defined in the Master Lease) therefore be excluded from gross income for federal income tax purposes and, as security for such Rental Payments, Lessee agrees to grant a first lien security interest in the Equipment to Lessor, and to make payments, as set forth in each Schedule A (as defined in the Master Lease) executed and delivered pursuant to the Master Lease, sufficient to pay both the principal and interest portion of the Rental Payments under the Master Lease and each Schedule A.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. The City Council agrees to enter into the Master Lease and each Schedule A pursuant to the Master Lease in order to finance the lease/purchase acquisition of the Equipment on terms to be determined in accordance with the provisions of the Master Lease and, in order to secure the Master Lease and each Schedule A delivered pursuant thereto, to grant a first lien security interest in the Equipment, in accordance with the Master Lease and each such Schedule A.

Section 2. That any one or more of the Authorized Officers of Lessee (as defined in the Master Lease), and each of them, is hereby authorized to execute, acknowledge and deliver in the name and on behalf of Lessee to Lessor the Master Lease and each Schedule A to the Master Lease including all attachments, financing statements and schedules thereto, such Master Lease and each Schedule A to be in substantially the forms attached hereto with such changes as necessary to reflect the specific Equipment to be financed and financing terms applicable to each Schedule A and such other changes as the signing officer shall determine to be advisable. Further, said Authorized Officers are authorized to execute, acknowledge and deliver in the name and on behalf of Lessee any other agreement, instrument, certificate, representation and document, and to take any other action as may be advisable, convenient or necessary to enter into such Master Lease and each Schedule A; the execution thereof by any such Authorized Officer shall be conclusive as to such determination.

August 26, 2015

Section 3. That for the lease/purchase acquisition of Equipment designated by the City Council for financing pursuant to the Master Lease, there is hereby authorized the continuing execution and delivery by the Authorized Officers or any one of them in the name of and on behalf of Lessee Schedules A and attachments in substantially the forms required by the Master Lease with such changes as the signing officer shall determine advisable, and the execution thereof shall be conclusive as to such determination.

Section 4. The Authorized Officers shall be authorized to make replacements or otherwise substitute other similar equipment for any of the items so described or incorporated in a Schedule A if necessary due to inability of the vendor to deliver an item of equipment, so long as such substitution of any item of equipment does not frustrate the purpose of Lessee for which the Equipment is being leased or result in an increase in the amount required to be paid by Lessee for the Equipment pursuant to the terms of the applicable Schedule A.

Section 5. That the City Manager is authorized to execute a master municipal lease agreement with Banc of America Public Capital Corp. (VS0000065751) for the financing of personal property purchases for a term of five years, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Banc of America Public Capital Corp. shall be based only on the amount of the services directed to be performed by the City and properly performed by Banc of America Public Capital Corp. under the contract.

Section 6. That the Chief Financial Officer is hereby authorized to disburse funds to Banc of America Public Capital Corp. for principle and interest payments for the master municipal lease agreement program for the financing of personal property purchases.

Section 7. That the Chief Financial Officer is hereby authorized to disburse funds for upfront legal costs, in an amount not to exceed \$60,000, and annual legal fees in an amount not to exceed \$20,000 (subject to annual appropriations) to the City's contracted bond counsel from Fund 0001, Department BMS, Unit 1987, Object Code 3070.

Section 8. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Public Safety

AGENDA DATE: August 26, 2015

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Street Services

CMO: Jeanne Chipperfield, 670-7804
Jill A. Jordan, P.E., 670-5299

MAPSCO: N/A

SUBJECT

Authorize a two-year master agreement for asphalt emulsion to be utilized by Street Services – Heartland Asphalt Materials, Inc., lowest responsible bidder of three - Not to exceed \$904,612 - Financing: Current Funds

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.

This master agreement will allow for the purchase of asphalt emulsion to be utilized by Street Services in the repair of streets and alleys throughout the City.

The asphalt emulsion is a binding agent used to adhere asphaltic material to a surface. Asphalt emulsion is used in the repair process of pot holes, level-ups, full-depth repairs, street rehabilitation projects and street restoration projects. Asphalt emulsion is used in the repair of approximately 30,000 potholes, 400 lane miles of asphalt streets and alleys each year.

This solicitation was structured in a manner which required bidders to submit a response using group pricing. This bid resulted in a 32.3% decrease over comparable prices for the bids awarded in 2012.

BACKGROUND (Continued)

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 36 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS 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, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 11, 2012, City Council authorized a two-year master agreement for asphalt emulsion to be used by Street Services by Resolution No. 12-1022.

Information about this item will be provided to the Budget, Finance and Audit Committee on August 17, 2015.

FISCAL INFORMATION

\$904,612.00 - Current Funds

M/WBE INFORMATION

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

36 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Heartland Asphalt Materials, Inc.

White Male	22	White Female	16
Black Male	13	Black Female	13
Hispanic Male	1	Hispanic Female	2
Other Male	0	Other Female	0

BID INFORMATION

The following bids were received from solicitation number BQ1513 and were opened on May 28, 2015. This master agreement is being awarded to the lowest responsive and responsible bidder by group. Information related to this solicitation is available upon request.

*Denotes successful bidder

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Heartland Asphalt Materials, Inc.	860 W. Airport Frwy. Suite 400 Hurst, TX 76054	Multiple Groups
Ergon Asphalt & Emulsions, Inc.	11612 RM 2244 Suite 250 Austin, TX 78738	Multiple Groups
Western Emulsions, Inc.	3900 E. Broadway Blvd. Tucson, AZ 85711	Multiple Groups**

**Western Emulsions, Inc. was deemed non-responsive for Groups 2, 4 and 6 due to not meeting the specifications.

OWNER

Heartland Asphalt Materials, Inc.

David Terchmann, President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a two-year master agreement for asphalt emulsion to be utilized by Street Services – Heartland Asphalt Materials, Inc., lowest responsible bidder of three - Not to exceed \$904,612 - Financing: Current Funds

Heartland Asphalt Materials, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforces.

PROJECT CATEGORY: Goods

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$0.00	0.00%
Total non-local contracts	\$904,612.00	100.00%
TOTAL CONTRACT	\$904,612.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	<u>\$0.00</u>	<u>0.00%</u>	<u>\$0.00</u>	<u>0.00%</u>

August 26, 2015

WHEREAS, on April 11, 2012, City Council authorized a two-year master agreement for asphalt emulsion to be used by Street Services by Resolution No. 12-1022;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That a master agreement for the purchase of asphalt emulsion to be utilized by Street Services is authorized with Heartland Asphalt Materials, Inc. (VS0000065963) for a term of two years in an amount not to exceed \$904,612.00.

Section 2. That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for asphalt emulsion to be utilized by Street Services. If a written contract is required or requested for any or all purchases of asphalt emulsion to be utilized by Street Services under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

Section 3. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$904,612.00.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Public Safety

AGENDA DATE: August 26, 2015

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Code Compliance
Fire
Police
Water Utilities

CMO: Jeanne Chipperfield, 670-7804
Joey Zapata, 670-3009
Eric Campbell, 670-3255
Mark McDaniel, 670-3256

MAPSCO: N/A

SUBJECT

Authorize a three-year master agreement for emergency road flares – Standard Fusee Corp. dba Orion, lowest responsible bidder of two - Not to exceed \$480,690 - Financing: Current Funds (\$478,650) and Water Utilities Current Funds (\$2,040)

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.

This master agreement will be used to purchase emergency road flares. Road flares are traditionally used by Police and Fire-Rescue during emergency situations when motor or pedestrian traffic is required to be diverted for public safety due to accidents or weather related incidents. Flares are used to mark restricted traffic areas to ensure accident victims, emergency personnel and general public remain safe during a situation where emergency responders are at the scene. The low profile and high visibility factor makes these devices ideal for outdoor temporary use when standard barricades are not available and an area is required to be marked. Additionally, the general public is familiar with these devices and associates the devices to “caution” or “dangerous conditions” which benefit the safety of both the public and emergency responders.

BACKGROUND (Continued)

This solicitation was structured in a manner which required bidders to submit a response using unit pricing. This bid resulted in a 27.6% increase on comparable unit prices for the bid awarded in 2012.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 38 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS 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, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 8, 2012, City Council authorized a three-year master agreement for emergency road flares by Resolution No. 12-1891.

Information about this item will be provided to the Budget, Finance and Audit Committee on August 17, 2015.

FISCAL INFORMATION

\$478,649.60 - Current Funds

\$ 2,039.70 - Water Utilities Current Funds

M/WBE INFORMATION

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

38 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Standard Fusee Corp. dba Orion

White Male	22	White Female	16
Black Male	13	Black Female	13
Hispanic Male	1	Hispanic Female	2
Other Male	0	Other Female	0

BID INFORMATION

The following bids were received from solicitation number BQ1517 and were opened on July 8, 2015. This master agreement is being awarded in its entirety to the lowest responsive and responsible bidder.

*Denotes successful bidder

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Standard Fusee Corp. dba Orion	28320 St. Michaels Rd. Easton, MD 21601	\$480,689.30
Eagle Pride Supply, LLC	13200 Pond Springs Rd. Suite F-42 Austin, TX 78729	\$560,368.20

OWNER

Standard Fusee Corp. dba Orion

C. Jay McLaughlin, President
David Stiffler, Treasurer

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year master agreement for emergency road flares – Standard Fusee Corp. dba Orion, lowest responsible bidder of two - Not to exceed \$480,690 - Financing: Current Funds (\$478,650) and Water Utilities Current Funds (\$2,040)

Standard Fusee Corp. dba Orion is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforces.

PROJECT CATEGORY: Goods

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$0.00	0.00%
Total non-local contracts	\$480,689.30	100.00%
TOTAL CONTRACT	\$480,689.30	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%

August 26, 2015

WHEREAS, on August 8, 2012, City Council authorized a three-year master agreement for emergency road flares by Resolution No. 12-1891;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That a master agreement for the purchase of emergency road flares is authorized with Standard Fusee Corp. dba Orion (255123) for a term of three years in an amount not to exceed \$480,689.30.

Section 2. That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for emergency road flares. If a written contract is required or requested for any or all purchases of emergency road flares under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

Section 3. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$480,689.30.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: E-Gov

AGENDA DATE: August 26, 2015

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Fire

CMO: Jeanne Chipperfield, 670-7804
Eric Campbell, 670-3255

MAPSCO: N/A

SUBJECT

Authorize **(1)** a five-year master agreement for fire emergency vehicle pump parts for Fire-Rescue - Fire Pump Specialty in the amount of \$200,000; and **(2)** a five-year service contract for fire vehicle repair services with parts for Fire-Rescue - Metro Fire Apparatus Specialist, Inc. in the amount of \$168,375, lowest responsible bidders of two - Total not to exceed \$368,375 - Financing: Current Funds (subject to annual appropriations)

BACKGROUND

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

This master agreement will provide fire emergency vehicle pump parts and repair services for Fire-Rescue (DFR). The primary function of the pumps is to siphon water through fire hydrants while maintaining adequate high water pressure. Repair of these pumps ensure proper function of the equipment during critical fire events.

Currently, DFR performs repairs on fire apparatus as needed. However, this service contract will provide repair services to be utilized as needed to augment DFR in order to ensure timely repairs of all equipment.

Fire-Rescue operates approximately 120 pieces of equipment outfitted with pumps such as:

- Engines
- Booster pumpers
- Fire boats
- Aircraft rescue firefighting apparatus

BACKGROUND (Continued)

This solicitation was structured in a manner which required bidders to submit a response using percentage discount from manufacturers price list. This bid resulted in a 26% average discount compared to a 29% average discount for the bid awarded in 2011.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 348 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS 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, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On September 28, 2011, City Council authorized a three-year master agreement for emergency vehicle pump parts for Dallas Fire-Rescue by Resolution No. 11-2516.

Information about this item will be provided to the Budget, Finance and Audit Committee on August 17, 2015.

FISCAL INFORMATION

\$368,375.00 - Current Funds (subject to annual appropriations)

M/WBE INFORMATION

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

348 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Fire Pump Specialty

White Male	3	White Female	2
Black Male	0	Black Female	0
Hispanic Male	0	Hispanic Female	0
Other Male	0	Other Female	0

Metro Fire Apparatus Specialist, Inc.

White Male	48	White Female	3
Black Male	3	Black Female	0
Hispanic Male	15	Hispanic Female	2
Other Male	0	Other Female	0

BID INFORMATION

The following bids were received from solicitation number BM1502 and were opened on March 26, 2015. These agreements are being awarded to the lowest responsive and responsible bidders by group.

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Fire Pump Specialty	639 S. McLennan Dr. Elm Mott, TX 76640	Group 1 - 26% discount Group 2 - No Bid
*Metro Fire Apparatus Specialist, Inc.	10940 W. Sam Houston Houston, TX 77064	Group 1 - 18% discount Group 2 - \$168,375.00

OWNERS

Fire Pump Specialty

Edwin Lednicky, President

Metro Fire Apparatus Specialist, Inc.

Craig N. Russell, President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** a five-year master agreement for fire emergency vehicle pump parts for Fire-Rescue - Fire Pump Specialty in the amount of \$200,000; and **(2)** a five-year service contract for fire vehicle repair services with parts for Fire-Rescue - Metro Fire Apparatus Specialist, Inc. in the amount of \$168,375, lowest responsible bidders of two - Total not to exceed \$368,375 - Financing: Current Funds (subject to annual appropriations)

Fire Pump Specialty and Metro Fire Apparatus Specialist, Inc. are non-local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces.

PROJECT CATEGORY: Goods

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$0.00	0.00%
Total non-local contracts	\$368,375.00	100.00%
TOTAL CONTRACT	\$368,375.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%

August 26, 2015

WHEREAS, on September 28, 2011, City Council authorized a three-year master agreement for emergency vehicle pump parts for Dallas Fire-Rescue by Resolution No. 11-2516;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That a master agreement for the purchase of fire emergency vehicle pump parts for Fire-Rescue is authorized with Fire Pump Specialty (246380) for a term of five-years in an amount not to exceed \$200,000.00.

Section 2. That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for the purchase of fire emergency vehicle pump parts for Fire-Rescue. If a written contract is required or requested for any or all purchases of fire emergency vehicle pump parts for Fire-Rescue under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

Section 3. That the City Manager is authorized to execute a service contract with Metro Fire Apparatus Specialist, Inc. (339015) for fire vehicle repair services with parts for a term of five years in an amount not to exceed \$168,375.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Metro Fire Apparatus Specialist, Inc., shall be based only on the amount of the services directed to be performed by the City and properly performed by Metro Fire Apparatus Specialist, Inc. under the contract.

Section 4. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$368,375.00 (subject to annual appropriations).

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Memorandum



CITY OF DALLAS

DATE August 14, 2015

TO Members of the Budget, Finance & Audit Committee: Jennifer S. Gates (Chair), Philip T. Kingston (Vice Chair), Erik Wilson, Rickey D. Callahan, Scott Griggs, Lee M. Kleinman

SUBJECT August 26, 2015 City Council Meeting Addendum Item: Merchant Services Contract

On November 12, 2014, the City Council approved a five (5) year contract for bank depository services with Bank of America. At the same time, Council approved an extension of the part of Bank of America's previous contract for bank depository services related to credit card processing (merchant services) through August 31, 2015. Staff requested the extension of the previous contract in order to solicit separate proposals for merchant services that would take into consideration revised higher security processing standards issued by Visa and MasterCard in 2014, including the speedy adoption of microchips into U.S. credit and debit cards.

On May 14, 2015, the Business Development and Procurement Services Department published a Request for Competitive Sealed Proposals (RFCSP) for merchant services. The RFCSP was structured to allow banks to submit applications for the various methods of accepting credit card payments used by City departments, including online, interactive voice response (IVR), and in person. A pre-proposal conference was held on May 26, 2015 and proposals were accepted on June 10, 2015. The City received five (5) proposals in response to the RFCSP. An evaluation committee comprised of staff members from the City Controller's Office, the Office of Financial Services, Water Utilities, and Communication and Information Services assessed each proposal to verify that each Proposer met the scoring criteria for merchant services. The firms were then ranked based on service fees (40%), qualifications (20%), experience (20%), and completeness of proposal (5%). Business Inclusion & Diversity (BID) Plan points (15%) were then assigned by Business Development and Procurement Services staff based on the proposals submitted.

Based on the final scoring of the proposals, the City Controller's Office recommends the award of a contract to provide credit card processing services for the City for a term of five (5) years to Bank of America Merchant Services. Each City department accepting credit card payments pays the fees associated with those payments. The fees included in this contract will be fixed for five years, but the total amount of fees paid by City departments will vary depending on the amount of credit card payments received for City services. Bank of America Merchant Services' proposal includes lower fees than are being paid under the current contract. The estimated savings from the lower fees are approximately \$140,000 annually based on current transaction volumes. As volumes increase, the City departments receiving a large number of payments by credit card, primarily Dallas Water Utilities, will realize a smaller increase in processing costs under the new contract.

Please let me know if you need additional information.


Jeanne Chipperfield
Chief Financial Officer

c: Honorable Mayor and Members of City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge

Ryan S. Evans, First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Mark McDaniel, Assistant City Manager
Eric D. Campbell, Assistant City Manager
Elsa Cantu, Assistant to the City Manager

Memorandum



CITY OF DALLAS

DATE August 14, 2015

TO Members of the Budget, Finance & Audit Committee: Jennifer S. Gates (Chair), Philip T. Kingston (Vice Chair), Erik Wilson, Rickey D. Callahan, Scott Griggs, Lee M. Kleinman

SUBJECT August 26, 2015 City Council Meeting Addendum Item: Bond Counsel Services

On August 27, 2014, the City Council approved a one (1) year extension of the existing contracts with several law firms for bond counsel services. At that time, City staff committed to coming back to City Council with recommendations of bond counsel for a five (5) year contract after the solicitation of proposals from qualified firms who have practices in public finance.

On July 9, 2015, the Business Development and Procurement Services Department published a Request for Qualifications for bond counsel services, and, additionally, solicited Texas law firms listed in the "Municipal Bond Attorneys" section of *"The Bond Buyer's Municipal Marketplace"* book ("the Red Book"). Seven law firms comprising of four teams of co-bond counsel submitted proposals to the City (one law firm was associated with two teams). A pre-proposal conference was held on July 20, 2015 and proposals were accepted until July 29, 2015. On July 30, 2015, the proposals were opened, and, on August 7, 2015, interviews with the seven firms were conducted by the City evaluation panel comprised of City staff members from the City Attorney's Office, Dallas Water Utilities and the City Controller's Office. The firms were then ranked based on experience & qualifications, firm location and availability to City staff and approach to the project. Business Inclusion & Diversity (BID) Plan points were then assigned by Business Development and Procurement Services staff based on the proposals submitted.

Traditionally, the City has employed a team approach, with two teams comprised of two firms, each team being assigned to work on specific types of bonds as co-bond counsel. For instance, Team A has been assigned to handle Water System bonds, Tax Increment Financing bonds, Airport System bonds and bond financings of conduit issuers. Team B has been assigned to handle General Obligation bonds, Combination Tax and Revenue Certificates of Obligation, Equipment Acquisition Contractual Obligations and Convention Center bonds. From time to time, both teams have been assigned other public financing work based on experience, qualifications and availability.

Based on the final scoring of the proposals, the City Attorney's Office proposes to form three bond counsel teams composed of two co-bond counsel law firms each as follows:

Team A: McCall, Parkhurst & Horton, LLP
Escamilla & Poneck, LLP

Team B: Bracewell & Guiliani, LLP
West & Associates, LLP

Team C: Norton Rose Fulbright US LLP
Mahomes Bolden PC

The assigned work for each team is to be determined at a later date by the City Attorney's Office. The contract term for each law firm will be for five (5) years. The method of compensating the recommended law firms will vary based on the nature of each public financing transaction, with some transactions (i.e., General Obligation bonds and Airport System financings) paying their costs of issuance (including attorney's fees) out of sale proceeds and other transactions (i.e., Water System public financings and the City's master lease program transactions) paying their costs of issuance out of current funds.

The City Attorney's Office is currently negotiating contracts with the recommended law firms and will present the recommendations for the consideration and approval of the City Council at its August 26, 2015 meeting.

Please let me know if you need additional information.



Warren M.S. Ernst
City Attorney

c: Honorable Mayor and Members of City Council
A.C. Gonzalez, City Manager
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Mark McDaniel, Assistant City Manager
Eric D. Campbell, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Elsa Cantu, Assistant to the City Manager

Memorandum



CITY OF DALLAS

DATE August 14, 2015

TO Members of the Budget, Finance & Audit Committee: Jennifer S. Gates (Chair),
Philip T. Kingston (Vice-Chair), Rickey D. Callahan, Scott Griggs, Lee M. Kleinman, Erik Wilson

SUBJECT **Upcoming Agenda Item: Report Repository Software**

The September 9, 2015 Council Agenda will include an item to authorize an acquisition contract for the purchase of software, professional services and a five-year maintenance agreement for a report repository application from Redwood Software, Inc., in an amount not to exceed \$336,856.

This contract will allow for the purchase of the report distribution and repository software, Report2Web, professional services to convert existing reports and maintenance and support. This software will be used to distribute and store current reports and retain historical reports from multiple computer systems, especially for the Advantage Financial and Lawson Human Resources Information Systems. The Report2Web software includes features which automate report distribution, monitor retention requirements, provide for easy navigation to retrieve and view reports, and manage user security.

The current report distribution software is on the City's mainframe computer environment. Communication and Information Services (CIS) is in the process of decommissioning the mainframe, therefore, a replacement solution is required.

The City has utilized the Control-D application on the mainframe for over 20 years. It is critical to CIS meeting the proposed FY 2015 timeline for decommissioning the City's mainframe to transition to another solution. Redwood Software has agreed to meet the requirement to complete the conversion services and application installation within a 45 business day timeframe. Any extension of the existing mainframe contract would cost the City approximately \$1,000,000.

Please contact Bill Finch at 670-1890 if you have any questions.

A handwritten signature in black ink, appearing to read 'Mark McDaniel'.

Mark McDaniel
Assistant City Manager

c: Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Eric D. Campbell, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council