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**BUDGET, FINANCE & AUDIT COMMITTEE**  
DALLAS CITY COUNCIL COMMITTEE AGENDA

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CITY SECRETARY  
DALLAS, TEXAS

TUESDAY, FEBRUARY 16, 2016  
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 the minutes from the February 1, 2016 Budget, Finance and Audit Committee meeting

**BRIEFINGS**

2. General Obligation Commercial Paper Program Amendment and Extension of Credit Agreements      Corrine Steeger, Assistant Director  
*City Controller's Office*
3. Department of Aviation: Budget Overview      Mark Duebner, Director  
*Aviation*
4. Sustainable Development and Construction: Enterprise Fund Overview      David Cossum, Director  
*Sustainable Developmental and Construction*

**FYI**

5. December 2015 Financial Forecast Report

**UPCOMING AGENDA ITEMS**

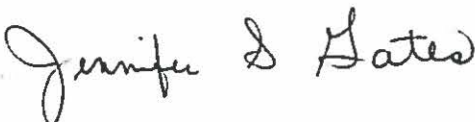
**February 24, 2016 City Council Meeting**

- A. Agenda Item #3: Authorize a three-year service contract for sewer camera maintenance, repairs and parts - CLS Sewer Equipment Co., Inc. in the amount of \$492,400, Green Equipment Company in the amount of \$400,000 and Atlas Inspection Technologies, LLC in the amount of \$241,500, lowest responsible bidders of three - Total not to exceed \$1,133,900 - Financing: Current Funds (\$6,000), Water Utilities Current Funds (\$565,500), Stormwater Drainage Management Current Funds (\$492,400) and Aviation Current Funds (\$70,000) (subject to annual appropriations)

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

- B. Agenda Item #4: Authorize a five-year service contract for event set-up at the Kay Bailey Hutchison Convention Center Dallas – Member’s Building Maintenance, LLC, most advantageous proposer of three - Not to exceed \$3,644,805 - Financing: Convention and Event Services Current Funds (subject to annual appropriations)
- C. Agenda Item #5: Authorize a three-year master agreement for the purchase of granulated and liquid fertilizers for use throughout the City – Greensmiths, Inc. in the amount of \$194,052, BWI Dallas/Ft. Worth in the amount of \$201,527, Harrell’s, LLC in the amount of \$110,707, Helena Chemical Company in the amount of \$98,068, Turfgrass Solutions, Inc. in the amount of \$79,190, Turf Care of Texas, LLC in the amount of \$77,935, N-Gulf, LLC dba Ameriturf in the amount of \$69,930, Winfield Solutions LLC in the amount of \$91,545, LCS Lawn Care Supply, Inc. in the amount of \$17,332 and SiteOne Landscape Supply, LLC in the amount of \$10,043, lowest responsible bidders of ten - Total not to exceed \$950,329 - Financing: Current Funds
- D. Agenda Item #6: Authorize a three-year master agreement for mobile concrete - Custom-Crete Redi-Mix, LLC, lowest responsible bidder of three - Not to exceed \$17,363,139 - Financing: Current Funds (\$10,847,603), Water Utilities Current Funds (\$5,796,457), Stormwater Drainage Management Current Funds (\$588,670) and Aviation Current Funds (\$130,409)
- E. Agenda Item #7: Authorize an increase to the master agreement with Pollock Investments dba Pollock Paper Distributors in the amount of \$314,154, from \$1,570,770 to \$1,884,924, Eagle Brush & Chemical, Inc. in the amount of \$307,985, from \$1,539,925 to \$1,847,910, MANS Distributors, Inc. in the amount of \$86,420, from \$432,100 to \$518,520 and San Benito Textile, Inc. in the amount of \$12,610, from \$63,050 to \$75,660 for janitorial supplies - Total not to exceed \$721,169, from \$3,605,845 to \$4,327,014 - Financing: Current Funds (\$285,583), Aviation Current Funds (\$354,887), Water Utilities Current Funds (\$67,790), Convention and Event Services Current Funds (\$7,356) and Stormwater Drainage Management Current Funds (\$5,553)
- F. Draft Agenda Item #44: Authorize a two-year master agreement for clamps, couplings, sleeves and adapters - Fortiline, Inc. in the amount of \$326,372 or \$331,372 (Tie bid - line 140), Ferguson Enterprises in the amount of \$120,677 or \$125,677 (Tie bid - line 140), Powerseal Pipeline Products Corp. in the amount of \$90,991 and HD Supply Waterworks, LTD in the amount of \$68,878, lowest responsible bidders of four - Total not to exceed \$611,918 - Financing: Water Utilities Current Funds
- G. Draft Addendum Item: Authorize a five-year service contract for the workers' compensation Certified Network and Medical Cost Containment Services

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.

**"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."**

***"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."***

**"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."**

***"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."***

# **Budget, Finance & Audit Committee**

## **Meeting Record- DRAFT**

**Meeting Date:** February 1, 2016

**Convened:** 1:05 pm

**Adjourned:** 2:36 pm

### **Committee Members Present:**

Jennifer S. Gates, Chair  
Philip T. Kingston, Vice-Chair

Erik Wilson  
Rickey D. Callahan

Lee M. Kleinman  
Scott Griggs

### **Committee Members Absent:**

N/A

### **Other Council Members Present:**

N/A

### **Staff Present:**

Jeanne Chipperfield  
Craig D. Kinton  
Lance Sehorn  
Randall Hanks  
Tony Aguilar  
Mamatha Sparks  
Mark Duebner

Mike Frosch  
Stephanie Cooper  
Carol Smith  
Ron King  
Rowena Zhang  
Daniel Genz  
Sean McGrew

Zarin Gracey  
Juanita Ortiz  
Corrine Steeger  
J.D. Travis  
Robert Valles  
Robert Sims  
Clifton Gillespie

William Finch  
Jody Puckett  
Ryan Rogers  
Sam Wilson  
Amy Messer  
Zeronda Smith

Filicia Hernandez  
Robert Rubel  
Lee Chiang  
John Johnson  
Edward Scott  
Jack Ireland

### **Others Present:**

N/A

### **AGENDA:**

#### **Call to Order**

#### **1. Consideration of the January 19, 2016 Minutes**

Presenter(s):

Information Only:   

Action Taken/Committee Recommendation(s):

A motion was made to approve the January 19, 2016 minutes. Motion passed unanimously.

Motion made by: Philip T. Kingston

Motion seconded by: Erik Wilson

#### **3. Office of the City Auditor: Fiscal Year 2016 Second Quarter Update**

Presenter(s): Craig D. Kinton, City Auditor

Information Only: X

Action Taken/Committee Recommendation(s):

Councilmember Kleinman requested information regarding mechanic training policies and agreed with Councilmember Callahan in supporting cross-training mechanics for city-wide use. Committee members supported drafting a policy prohibiting the purchase of City-owned items by councilmembers.

# **Budget, Finance & Audit Committee**

## **Meeting Record- DRAFT**

### **2. Convention and Event Services: Enterprise Fund Overview**

Presenter(s): Ron King, Director, Convention and Event Services

Information Only:

Action Taken/Committee Recommendation(s):

Councilmember Callahan requested historical Debt Service information on the Kay Bailey Hutchison Convention Center and Councilmember Kingston requested information on the incentives offered through the Convention and Visitor's Bureau for city-wide events.

**FYI**

### **3. November 2015 Financial Forecast Report**

Presenter(s):

Information Only:

Action Taken/Committee Recommendation(s):

N/A

### **4. Quarterly Investment Report as of December 31, 2015**

Presenter(s):

Information Only:

Action Taken/Committee Recommendation(s):

N/A

## **UPCOMING AGENDA ITEMS:**

### **February 10, 2016 City Council Meeting**

- A. Agenda Item #3: Authorize (1) an Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool; and (2) a one-year agreement for Excess Workers' Compensation Insurance through, and subject to, approval by the executive board of Texas Municipal League Intergovernmental Risk Pool - Not to exceed \$525,000 - Financing: Current Funds (subject to appropriations)**

A motion was made to forward to the City Council on Wednesday, February 10, 2016. Motion passed on a divided vote, with Councilmembers Kingston and Griggs voting in opposition.

Motion made by: Erik Wilson

Motion seconded by: Lee M. Kleinman

- B. Agenda Item #4: Authorize a three-year service contract for parts, support and upgrades for the Supervisory Control and Data Acquisition System for monitoring and control of flood incidents - HSQ Technology, A Corporation, only proposer - Not to exceed \$293,850 - Financing: Stormwater Drainage Management Current Funds (subject to annual appropriations)**

A motion was made to forward to the City Council on Wednesday, February 10, 2016. Motion passed on a divided vote, with Councilmembers Kingston and Griggs voting in opposition.

Motion made by: Erik Wilson

Motion seconded by: Lee M. Kleinman

# **Budget, Finance & Audit Committee**

## **Meeting Record- DRAFT**

- C. Agenda Item #5: Authorize a three-year professional services contract, with two one-year renewal options, for sales tax compliance review and recovery services - TexasCityServices, LLC, most advantageous proposer of four - Estimated Net Annual Revenue: \$558,600**

A motion was made to forward to the City Council on Wednesday, February 10, 2016. Motion passed on a divided vote, with Councilmembers Kingston and Griggs voting in opposition.

Motion made by: Erik Wilson

Motion seconded by: Lee M. Kleinman

- D. Agenda Item #6: Authorize the purchase of one airfield passenger bus for Love Field – Cobus Industries, LP, most advantageous proposer of two – Not to exceed \$398,500 - Financing: Aviation Current Funds**

A motion was made to forward to the City Council on Wednesday, February 10, 2016. Motion passed on a divided vote, with Councilmembers Kingston and Griggs voting in opposition.

Motion made by: Erik Wilson

Motion seconded by: Lee M. Kleinman

- E. Agenda Item #7: Authorize a three-year master agreement for waste collection roll carts – Toter, LLC through the Houston–Galveston Area Council of Governments - Not to exceed \$6,038,800 - Financing: Sanitation Current Funds**

A motion was made to forward to the City Council on Wednesday, February 10, 2016. Motion passed on a divided vote, with Councilmembers Kingston and Griggs voting in opposition.

Motion made by: Erik Wilson

Motion seconded by: Lee M. Kleinman

- F. Agenda Item #8: Authorize a three-year master agreement for electrical supplies – Crawford Electric Supply Co., lowest responsible bidder of six - Not to exceed \$7,618,837 - Financing: Current Funds (\$3,396,203), Water Utilities Current Funds (\$3,833,547), Aviation Current Funds (\$198,839) and Stormwater Drainage Management Current Funds (\$190,248)**

A motion was made to forward to the City Council on Wednesday, February 10, 2016. Motion passed on a divided vote, with Councilmembers Kingston and Griggs voting in opposition.

Motion made by: Erik Wilson

Motion seconded by: Lee M. Kleinman

- G. Agenda Item #9: Authorize supplemental agreement no. 5 to exercise the second one-year renewal option of the service contract with Austin Ribbon & Computer Supplies, Inc. for the lease or purchase of desktop computers, computer related equipment, accessories and various managed services - Not to exceed \$3,406,977, from \$34,798,253 to \$38,205,230 – Financing: Current Funds (subject to appropriations)**

A motion was made to forward to the City Council on Wednesday, February 10, 2016. Motion passed on a divided vote, with Councilmembers Kingston and Griggs voting in opposition.

Motion made by: Erik Wilson

Motion seconded by: Lee M. Kleinman

# **Budget, Finance & Audit Committee**

Meeting Record- **DRAFT**

Adjourn

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



# Memorandum



CITY OF DALLAS

DATE February 12, 2016

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 General Obligation Commercial Paper Program - Amendment and Extension of Credit Agreements

The City Council agenda for February 24, 2016 includes a resolution for your consideration amending the ordinance authorizing the City of Dallas General Obligation Commercial Paper Notes, Series 2010A and Series 2010C. These amendments include the extension of \$350 million in lines of credit supporting the commercial paper program for one year to December, 2017. The existing lines of credit will expire on December 2, 2016.

Also included is an amendment to the fee structure of the credit lines, which will increase the annual fee from 45 basis points (0.45%) to 50 basis points (0.50%). Unless amended, the existing credit line agreements allow a fee increase of 15 basis points to be imposed if the City's general obligation bond rating is reduced by any of the agencies rating the City's long term debt. The City's general obligation bond rating declined to Aa2 from Aa1 by Moody's and to AA from AA+ by Standard and Poor's in the fall of 2015. The credit line banks, JP Morgan and Wells Fargo, offered to reduce the amount of the fee by 5 basis points in conjunction with the one-year extension of the credit lines after a lengthy period of discussion with the City and its Co-Financial Advisors.

The current 45 basis point annual fee (0.45%) under the existing credit line agreements has remained in place while the amendment discussions were ongoing. As a result of the credit banks' written offer provided to the City in early February, the options under consideration are:

1. Accept the full amount of the fee increase to 60 basis points (0.60%) as allowed under the existing credit lines and solicit new agreements later this year to replace the current agreements which expire in December, 2016. Acceptance of the full fee increase does not require City Council action.
2. Approve the proposed amendments, including the one-year extension of the agreements to December, 2017 and the 50 basis point fee (0.50%) as offered by the current credit line banks.

A cost comparison of the two fee structures from the effective dates of each fee increase to December, 2016 is attached. Also attached is a schedule of the estimated costs associated with the extension of the credit lines under Option 2.



## General Obligation Commercial Paper Program - Background

In 2010, City Council approved an ordinance establishing a \$350 million general obligation commercial paper program as interim financing for the City's capital improvements. Commercial paper issuance is supported by lines of credit from highly rated banks. These lines of credit assure investors that the notes will be paid in the unlikely event that a note cannot be sold to another investor at maturity. This program is currently supported by lines of credit from JPMorgan Chase (\$200 million for Series 2010A Notes) and Wells Fargo Bank (\$150 million for Series 2010C Notes). U.S. Bank originally provided a line of \$100 million for Series 2010B Notes but declined to renew its line upon expiration in 2013. The existing credit line agreements were approved by the City Council in June, 2013. In addition to the credit line banks, U.S. Bank is the issuing and paying agent for the program, and Jefferies L.L.C. is the program's commercial paper dealer. The program authorization expires on December 1, 2030.

Commercial paper provides interim financing for the City's capital projects. The use of commercial paper permits more cost efficient use of capital as short-term debt is issued to closely match the amount and timing of the award of capital project contracts. Commercial paper notes are normally sold at interest rates that are lower than rates available at the same time on long-term debt. Outstanding commercial paper is periodically reduced by refinancing with long-term debt.

Please contact me if you need additional information.

  
Jeanne Chipperfield  
Chief Financial Officer

### Attachments

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

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

**Schedule I**  
**General Obligation Commercial Paper Program**  
**Liquidity Fee Options**

	<u>Option 1</u>	<u>Option 2</u>	<u>Variance</u>
<u>FY 2015-16</u>	<u>0.60%</u>	<u>0.50%</u>	
1st FY Qtr (10/01/15-12/31/15)	432,274 <sup>(1)</sup>	432,274 <sup>(1)</sup>	-
2nd FY Qtr (01/01/16-03/31/16)	563,836	475,084	88,752
3rd FY Qtr (04/01/16-06/30/16)	570,100	480,304	89,796
4th FY Qtr (07/01/16-09/30/16)	576,365	480,304	96,061
Total	<u>2,142,575</u>	<u>1,867,967</u>	<u>274,609</u>
<u>FY 2016-17</u>	<u>0.60%</u> <sup>(2)</sup>	<u>0.50%</u> <sup>(2)</sup>	<u>Variance</u>
1st FY Qtr (10/01/16-12/02/16)	394,685	328,904	65,781
Total	<u>2,537,260</u>	<u>2,196,871</u>	<u>340,390</u>

(1) LOC fee calculated using 0.45% (annual fee under existing agreement)

(2) Current LOC agreement expires December 2, 2016.

**Schedule II**  
**General Obligation Commercial Paper Program**  
**Series 2010A and Series 2010C**

<u>ESTIMATED CLOSING COSTS (OPTION 2)</u>	<u>Council Action</u>
	<u>2016</u>
<b>Co-Bond Counsel</b>	
Bracewell & Giuliani L.L.P. (Vendor # VS0000056820)	\$7,500
<b>Co-Financial Advisors</b>	
First Southwest Company (Vendor #193056)	24,000
Estrada Hinojosa (Vendor #259910)	16,000
<b>Liquidity Facility Syndicate Legal Counsel</b>	7,500
<b>Printing Fees</b>	2,500
<b>Rating Fees</b>	
Fitch Ratings (Vendor #14720)	25,000
Standard & Poor's (Vendor #954974)	5,000
Moody's Investors Service (Vendor #951236)	<u>5,000</u>
<b>Total Estimated Upfront Closing Costs</b>	<u>\$92,500</u>
<b>Total MWBE Participation as % of Total Issuance Costs:</b>	17.3%

# Memorandum



CITY OF DALLAS

DATE February 12, 2016

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 Department of Aviation: Budget Overview

On February 16, 2016 the Budget, Finance and Audit Committee will be briefed on the Department of Aviation: Budget Overview. The briefing is attached for your review.

Please let me know if you need additional information.

A handwritten signature in blue ink, appearing to read 'Ryan S. Evans'.

Ryan S. Evans  
First Assistant City Manager

## Attachment

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

Joey Zapata, Assistant City Manager  
Eric D. Campbell, Assistant City Manager  
Mark McDaniel, Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer  
Sana Syed, Public Information Officer  
Elsa Cantu, Assistant to the City Manager





# Department of Aviation Budget Overview

Budget, Finance & Audit Committee Briefing

February 16, 2016



**LOVE** | **EVOLUTION**

# Purpose

- Give Overview of Adopted FY16 Aviation Fund Budget
- Provide background Department of Aviation budget rate setting methodology
- Highlight impacts of Wright Amendment Repeal
- Review budgetary trends
- Provide a update on concessions performance
- Discuss future challenges

# Overview of FY 2016 Budget



# Overview of Aviation FY16 Adopted Operating Budget

## FY16 OVERALL

### OPERATING BUDGET

### Adopted

FY16 Adopted Expenditure Budget	\$	93,875,967
FY16 Adopted Revenue Budget	\$	93,875,967
Excess/(Shortfall) (Any variance will be adjusted by Capital Transfer)	\$	-

### FY16 OPERATING BUDGET SERVICES

A). Love Field	\$	61,495,791
B). Capital Construction & Debt Services	\$	27,321,891
C). General Aviation Facilities	\$	5,058,285
	\$	93,875,967

- \$12.8M Debt Service Payment to Southwest Airlines
- \$12.3M Capital Construction Transfer
- Revenues Increased from \$86.5M to \$93.88M, or 8.5%, primarily due to an increase in Parking and Terminal Concessions, which is a direct result of the increase in Passenger Traffic



# Capital Construction and Debt Service Major Budget Items and Variance

- **FY16 Adopted**      **\$27,321,891**
  - **\$27.09M Services:** Includes \$12.8M Debt Service Reimbursement to Southwest Airlines, \$12.3M Capital Construction Transfer, and \$1.6M Administrative Overhead
- **FY15 Budget**      **\$28,887,818**
- **FY16 Adopted**      **\$27,321,891**
- **Variance**      **(\$1,565,927) \***

\*The variance is primarily attributable to a reduction in Capital Construction Transfers in the amount of \$1,263,504

# AVI FY16 Adopted Revenue Breakdown

Revenue Categories	FY 2014-15 Budget	FY 2015-16 Adopted	Variance	%	Explanation
<b>Parking</b>	\$24,283,448	\$26,861,524	\$2,578,076	11%	11% increase due to 15% increased passengers
<b>Terminal Concessions</b>	\$18,542,718	\$23,004,419	\$4,461,701	24%	24% increase due to 15% increased passengers
<b>Landing Fees</b>	\$17,784,135	\$17,784,135	\$0	0%	Rolled over pending FY16 Rates and Charges
<b>Rental on Airport - Terminal</b>	\$13,831,063	\$13,831,063	\$0	0%	Rolled over pending FY16 Rates and Charges
<b>Rental on Airport - Field</b>	\$8,864,148	\$9,067,220	\$203,072	2%	2% increase per Lease Schedule
<b>Fuel Flow Fees</b>	\$1,235,631	\$1,225,397	(\$10,234)	-1%	1% decrease per anticipated declining GA at Love Field
<b>All Other Revenues</b>	\$2,003,641	\$2,102,210	\$98,569	5%	5% increase primarily Customs Building Use Fees
<b>Total</b>	<b>\$86,544,784</b>	<b>\$93,875,967</b>	<b>\$7,331,184</b>	<b>8%</b>	

# FY16 Position and Equipment Requests

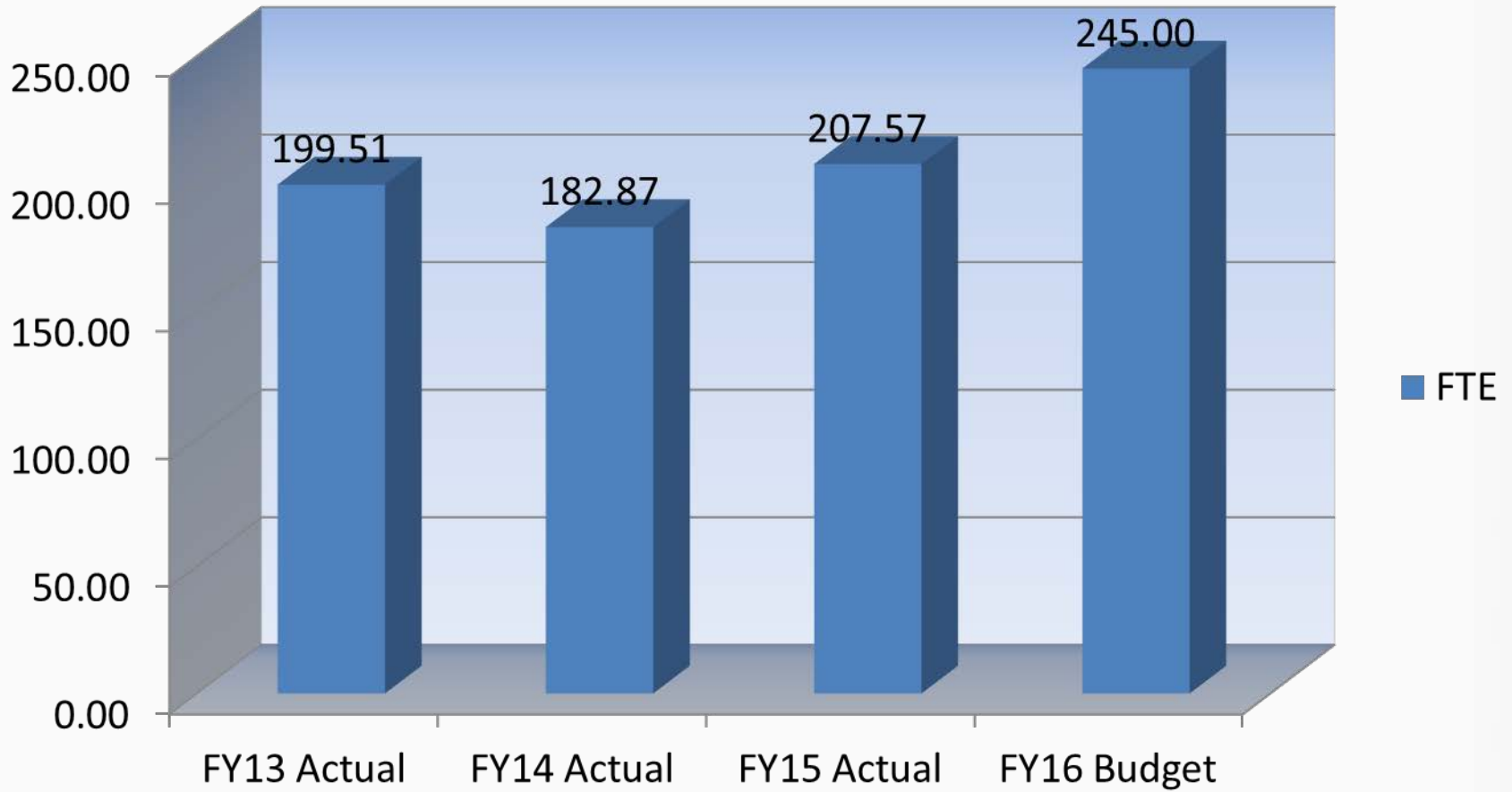
## NEW POSITION REQUESTS

Admin (Distributed)	\$	-
Love Field - Six (6) Positions		
- Coordinator II		
- Environmental Specialist III (2)		
- Coordinator IV		
- Customer Service Rep II (2)	\$	370,792
General Aviation - Zero (0) Positions	\$	-
Debt Service & Capital - Zero (0) Positions	\$	-
<b>TOTAL</b>	<b>\$</b>	<b>370,792</b>

## EQUIPMENT REQUESTS

Love Field	\$	1,847,500
General Aviation	\$	280,000
Debt Service & Capital	\$	-
<b>TOTAL</b>	<b>\$</b>	<b>2,127,500</b>

# Aviation FTEs





# Aviation Rates and Charges Methodology



# Purpose of the Rates & Charges (R&C) Model

- Airline rates and charges are set such that revenues are adequate to cover annual expenses
- Ensure Revenues can adjust with Expenses as they fluctuate
- Maintain compliance with FAA Revenue Policy & maintain Reserve Funds

# Background Info for Rates & Charges

- Under the old financial structure, the Rates & Charges collected from the airlines were not correlated to the actual cost of operating the airport.
- The Wright Amendment Repeal increased air travel from DAL, beginning 10/2014.
- DAL & SWA agreed to modernize DAL and entered into:
  - Program Development Agreement outlining the terms of the Love Field Modernization Program (LFMP)
  - Set out new Rates and Charges methodology

# Rates & Charges Methodology

- A. The R&C methodology was agreed upon for the following:
- Fund LFMP Debt Service
  - Fund Capital projects
  - Use an empirical method to meet all operating costs
- B. Provisions of the R&C methodology are governed by the Airport Use & Lease Agreement between COD & SWA signed on June 25, 2008.

# Rates & Charges Methodology

## Contemporary R&C Methodologies:

### 1. Compensatory

- Airlines pay for their share of the portion of the facilities they use in the terminal (rental) and airfield (landed weights)
- Airport pays for the remaining expenses for operations
- The airport bears the FINANCIAL RISKS

### 2. Residual

- Airlines pay for expenses not covered by non-airline revenues (the “residual” amount).
- Airlines receive credits for non-airline revenues
- Airlines pay for any remaining costs, including debt service

### 3. Hybrid Methodology

- Hybrid methodology combines elements of the Compensatory and Residual methodologies

# DAL Rates & Charges

## The DAL R&C Model/Methodology

- The Department of Aviation uses the Residual Methodology.
- The DAL model is called **Cost Center Residual Model**.

**AVI Total Annual Cost (allocated to airline cost centers)**  
**-Non-Airline Revenues (from those cost centers)**  
**= Airline Revenue Requirement**  
**(from landing fees & rentals)**



# DAL Rates & Charges

Costs are allocated to the following cost centers:

- Airfield & Apron Area
- Terminal Building
- Other Building and Areas
- Parking and Ground Transportation
- Terminal Roadways
- Dallas Executive Airport & Vertiport

# DAL Rates & Charges

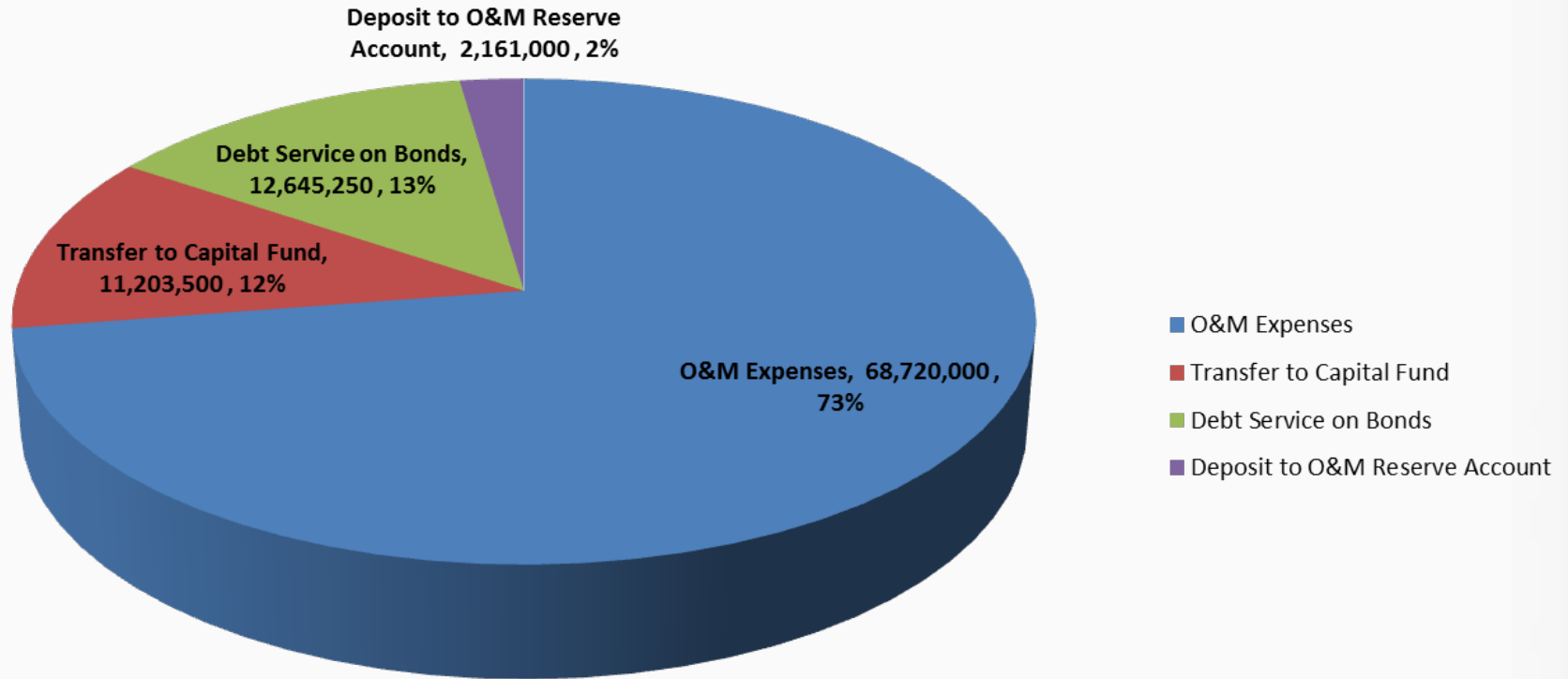
## Costs Included in Airline Requirement for each Cost Center:

- Direct and Indirect Operation & Maintenance (O&M) expenses
- Debt service on Bonds
- Amortization charges (for capital costs paid with Airport funds)
- Deposits to certain reserve funds (to be explained later)

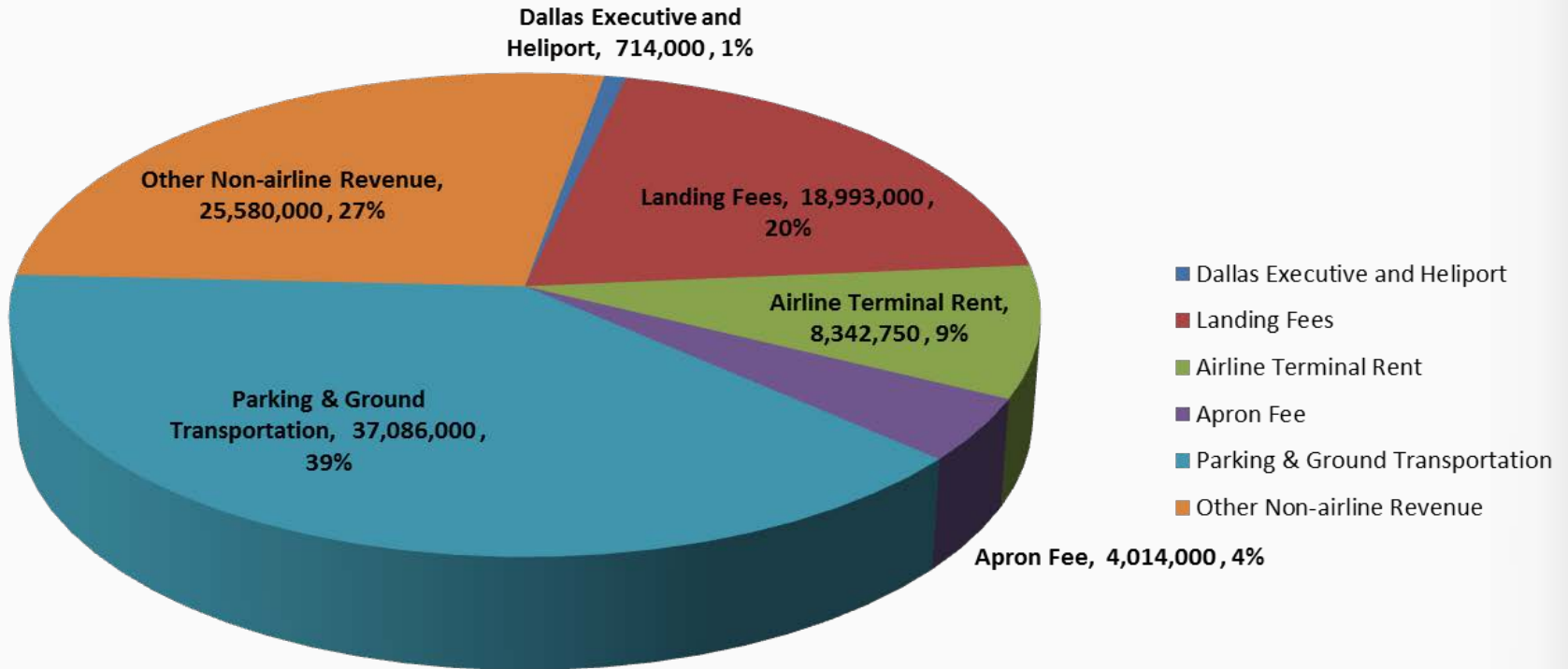
## Credits to Airline Requirements:

- Terminal: 75% of Terminal concessions revenue and 100% of non-airline Terminal space rents
- Airfield: 100% of non-airline Airfield revenues
- Apron: 100% of non-airline Apron revenue
- 75% of Parking and Ground Transportation net revenues are credited to Terminal and Airfield requirements

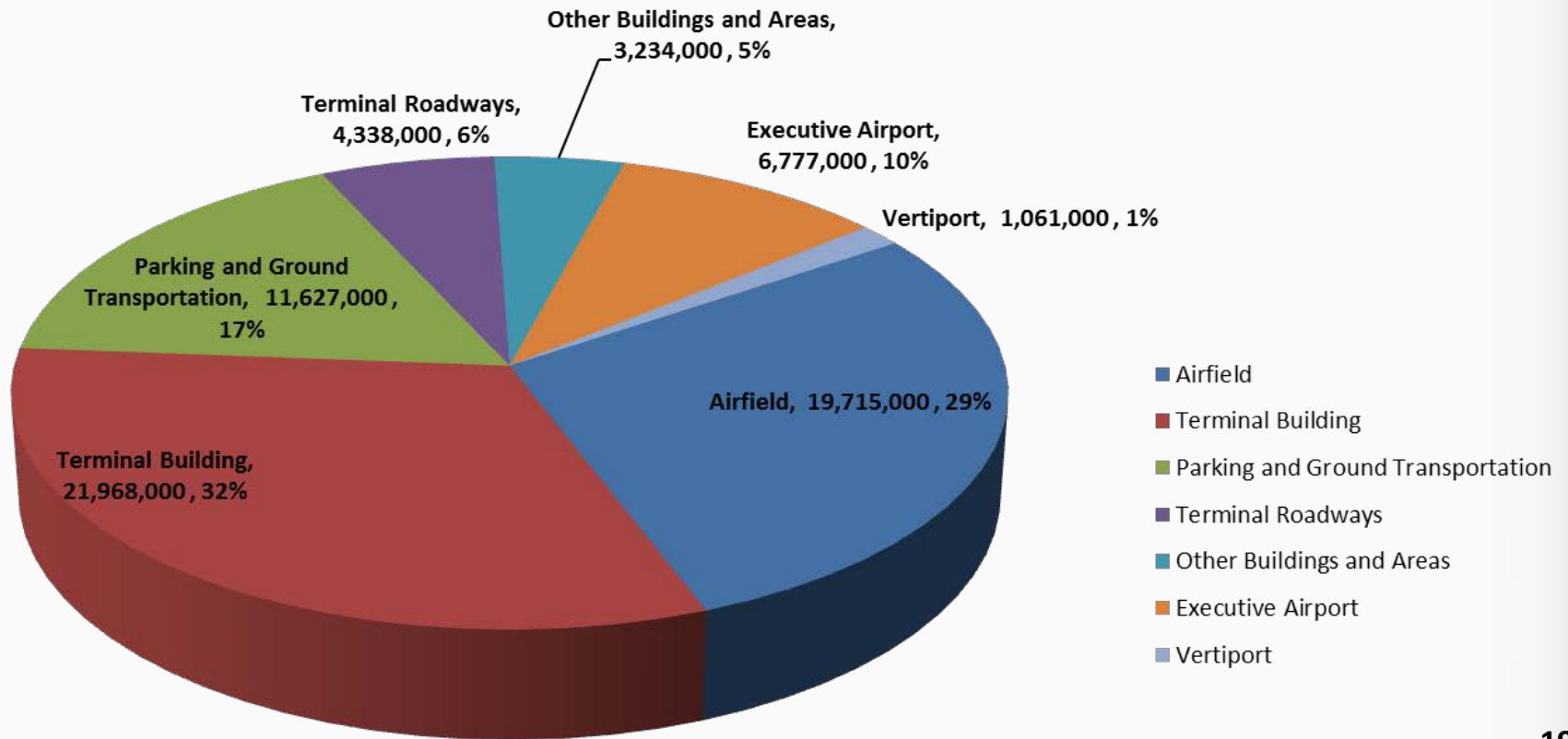
# Projected FY 2016 Sources of Revenue



# Projected FY 2016 Application of Revenues



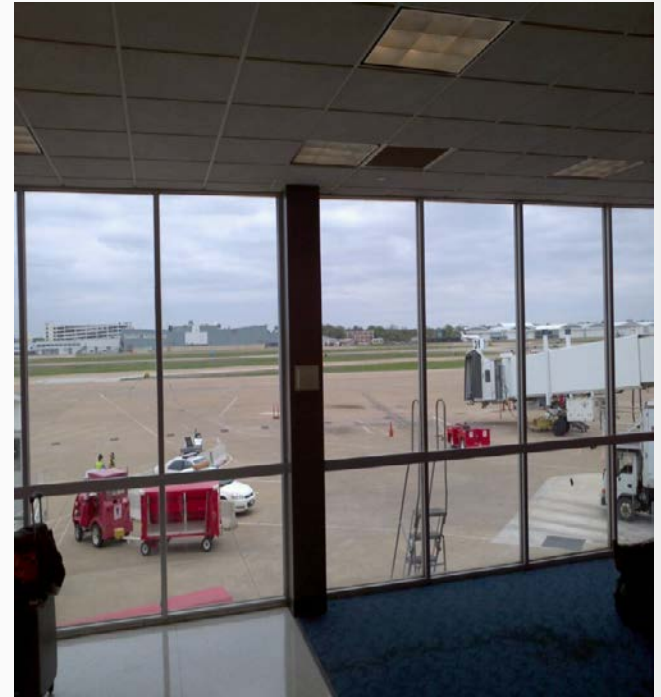
# Projected FY 2016 O & M expenses by Cost Center



# DAL Rates & Charges

## Non-Airline Revenue Sources:

- Fuel Flowage Fee
- Lease Rental Rates
- Parking Rates
- Car Rental Concessions
- Ground Transportation Fees
- Terminal Concessions





# Reserve Funds

## Operating Reserve

- 90 days of O&M expenses (25% of annual budget)
- Replenishment by future Net Revenues

## Emergency Repair & Replacement Reserve

- Repair & Replacement of structures/equipment etc., failures or damaged by an act of God
- Replenished by airline rate base

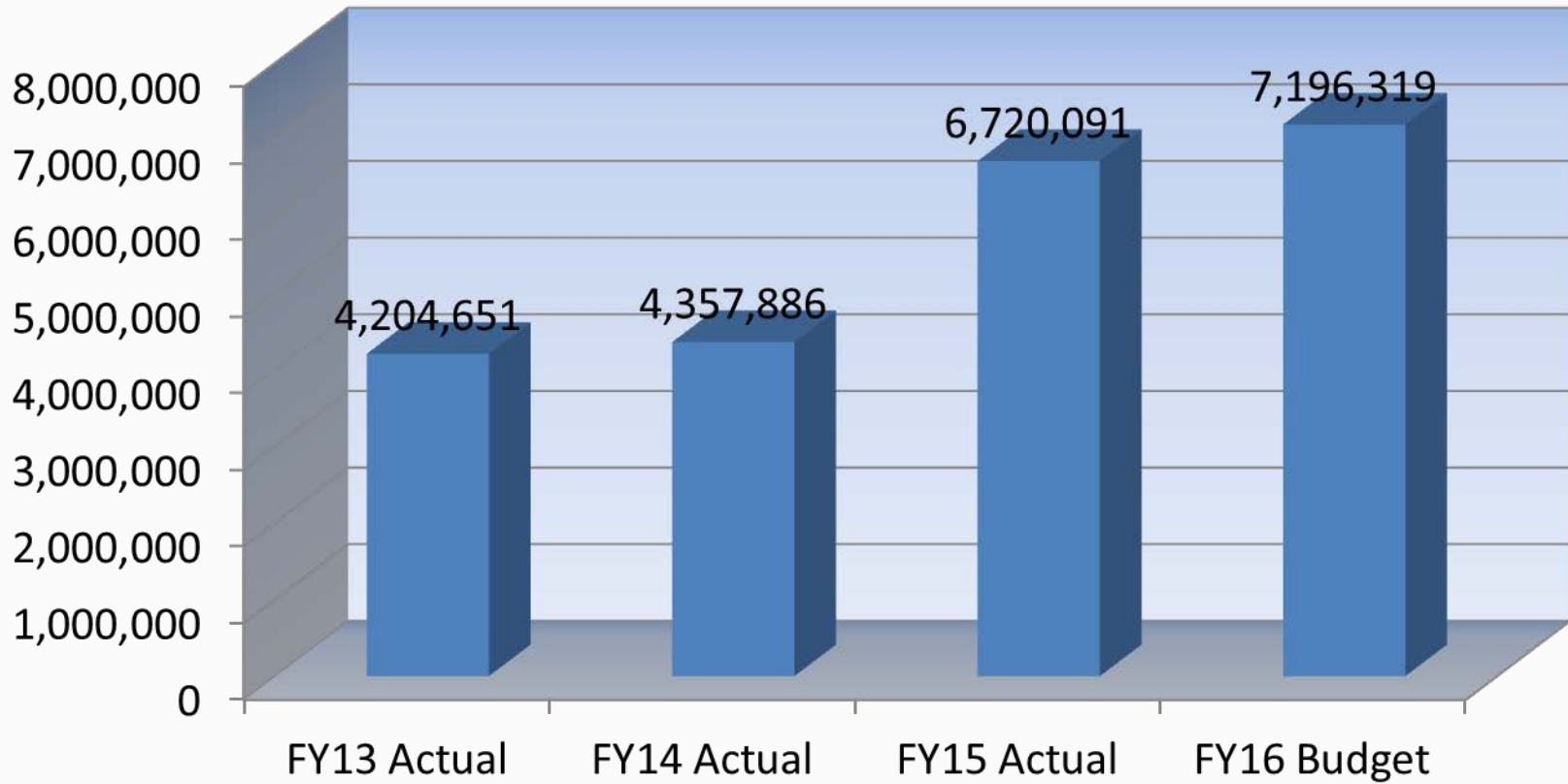
## Contingency Reserve

- To guard against effects of long –term industry disruptions

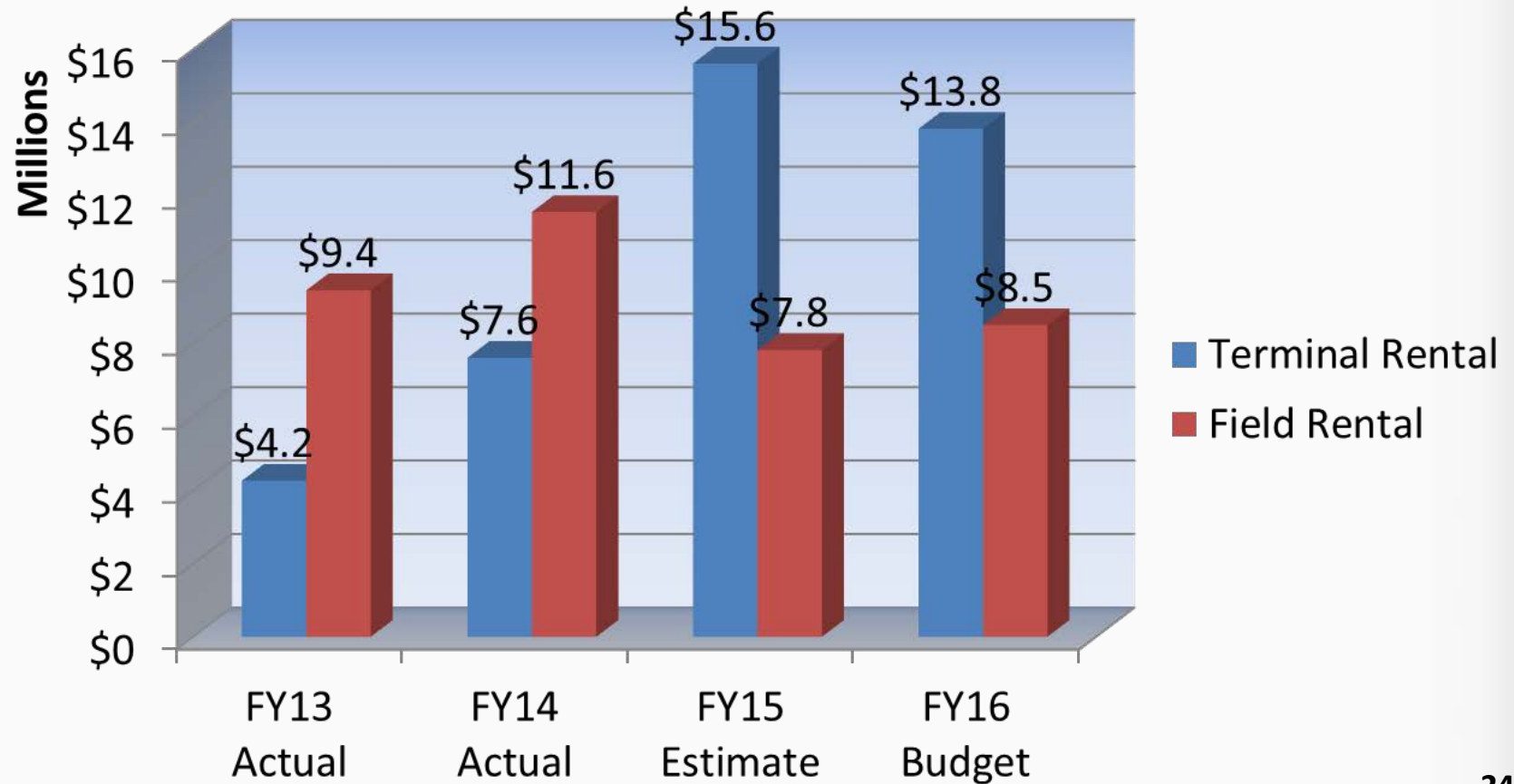
# Trends at Dallas Love



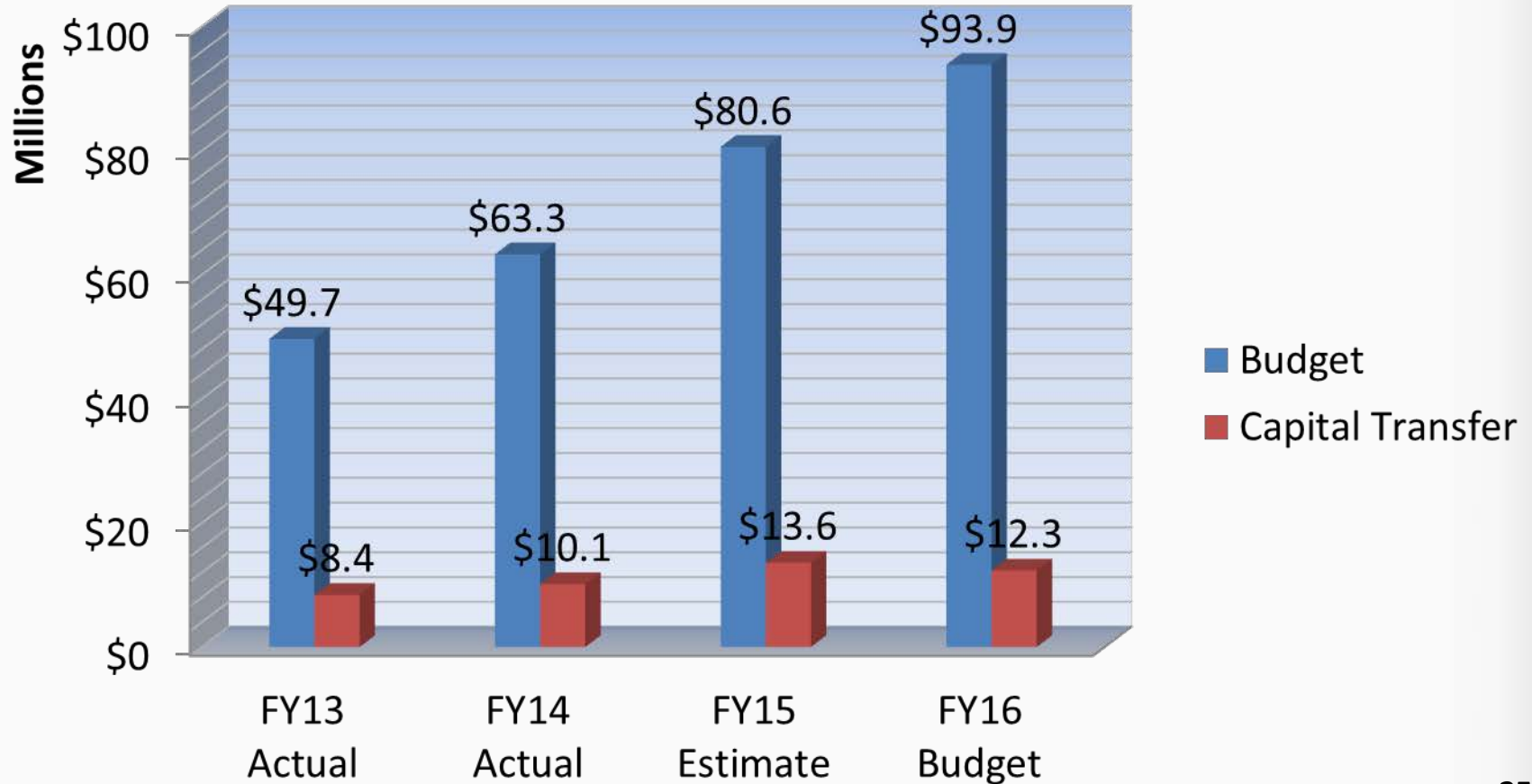
# DAL Enplanements



# Rental Revenue



# Budget vs Capital Transfer

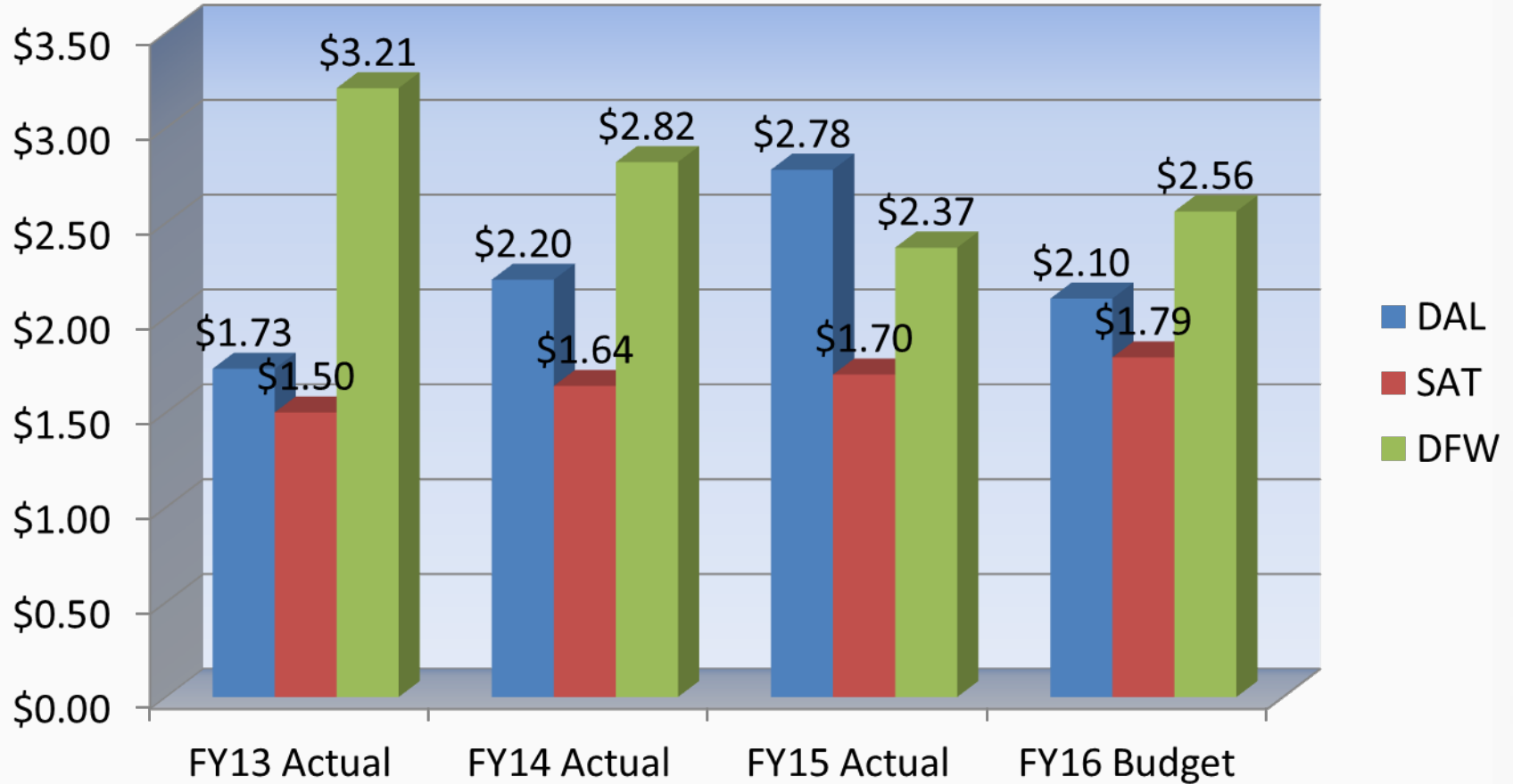


# Landing Fee Revenue

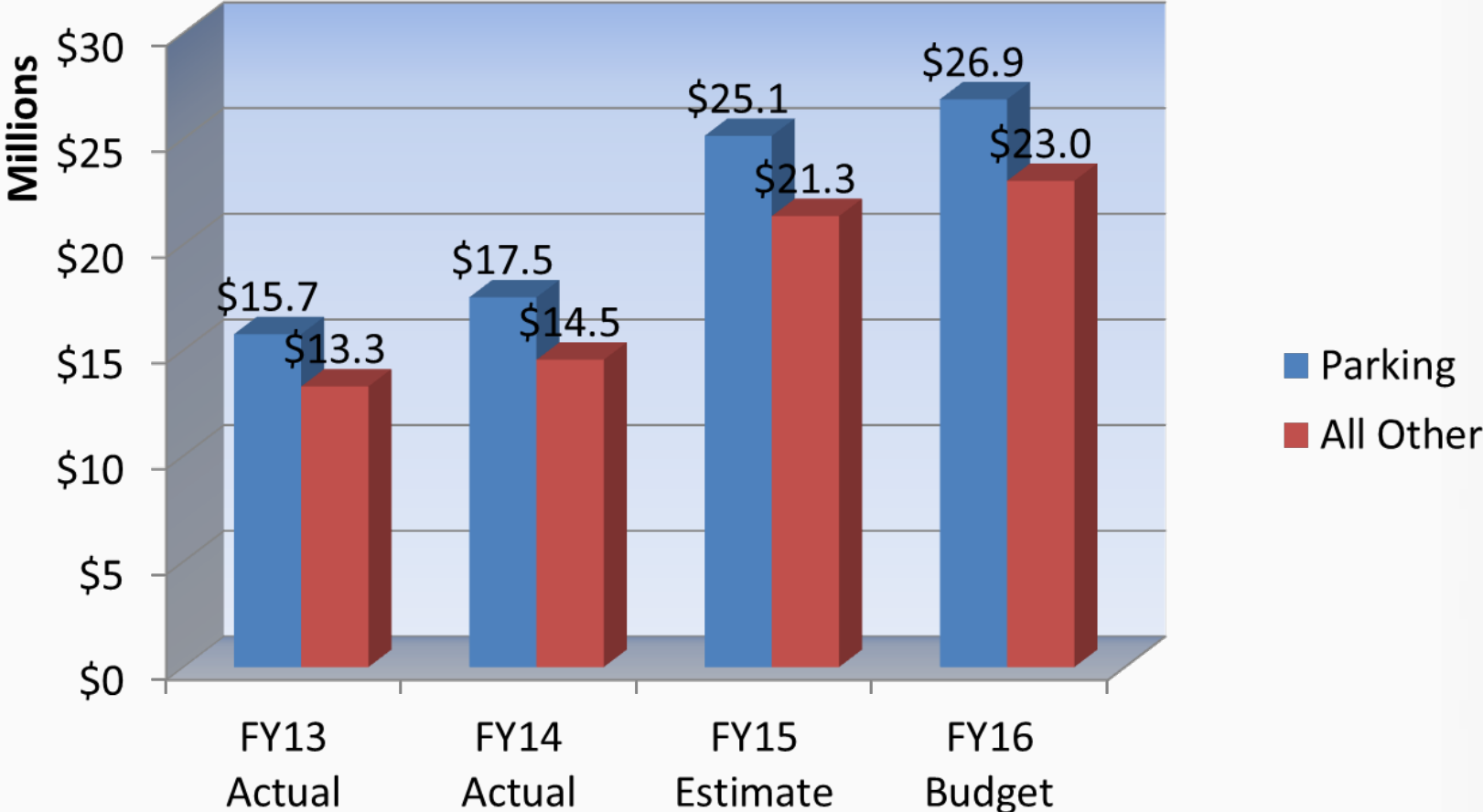




# Landing Fee Rate

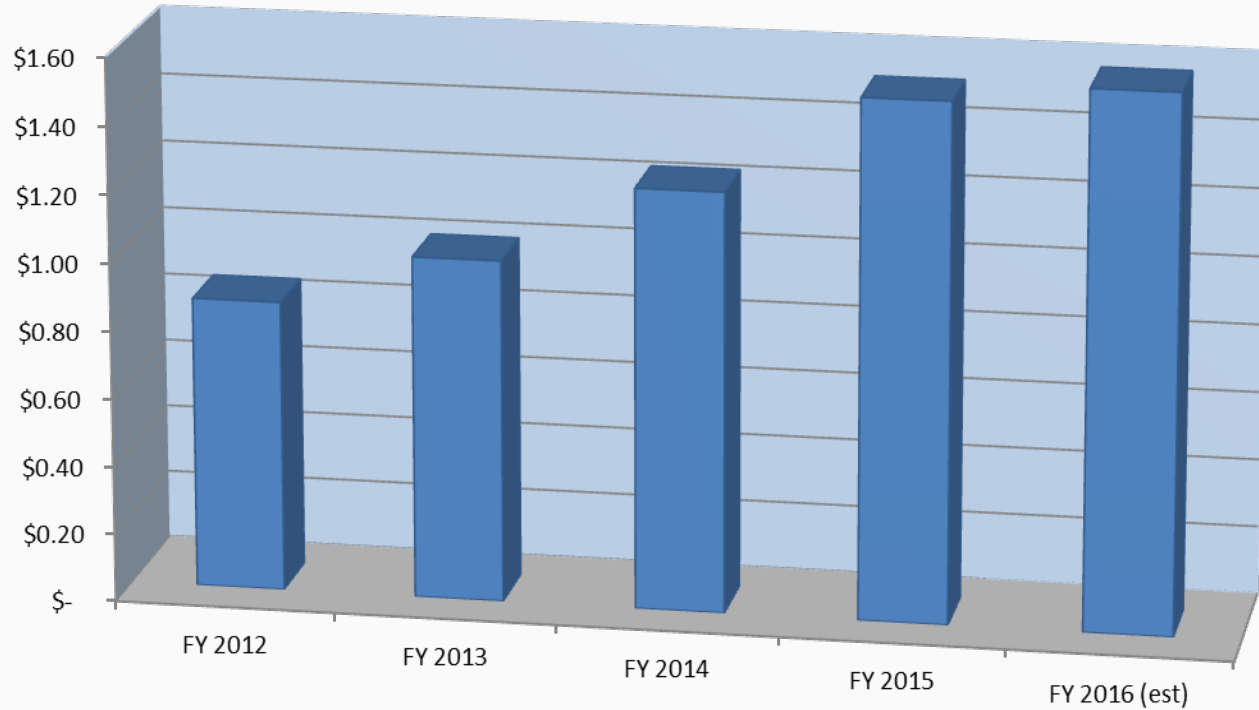


# Concessions Revenue



# Concessions Revenue

## Revenue per Enplaned Passenger



# Challenges

- Impacts of full flight schedules began in August not yet known
- Upgrades to baggage handling system will need to be completed to handle increased demand
- Disruptions to traveling public during construction projects:
  - New garage C
  - Water and wastewater replacements
  - Herb Kelleher roadway repairs



# Memorandum



CITY OF DALLAS

DATE February 12, 2016

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

SUBJECT Sustainable Development and Construction: Enterprise Fund Overview

On February 16, 2016 the Budget, Finance and Audit Committee will be briefed on an overview of the Sustainable Development and Construction enterprise fund. The briefing is attached for your review.

A handwritten signature in black ink, appearing to read 'Ry - S E'.

Ryan S. Evans  
First Assistant City Manager

## Attachment

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

# Sustainable Development and Construction Enterprise Fund Overview

Budget, Finance and Audit Committee  
February 16, 2016

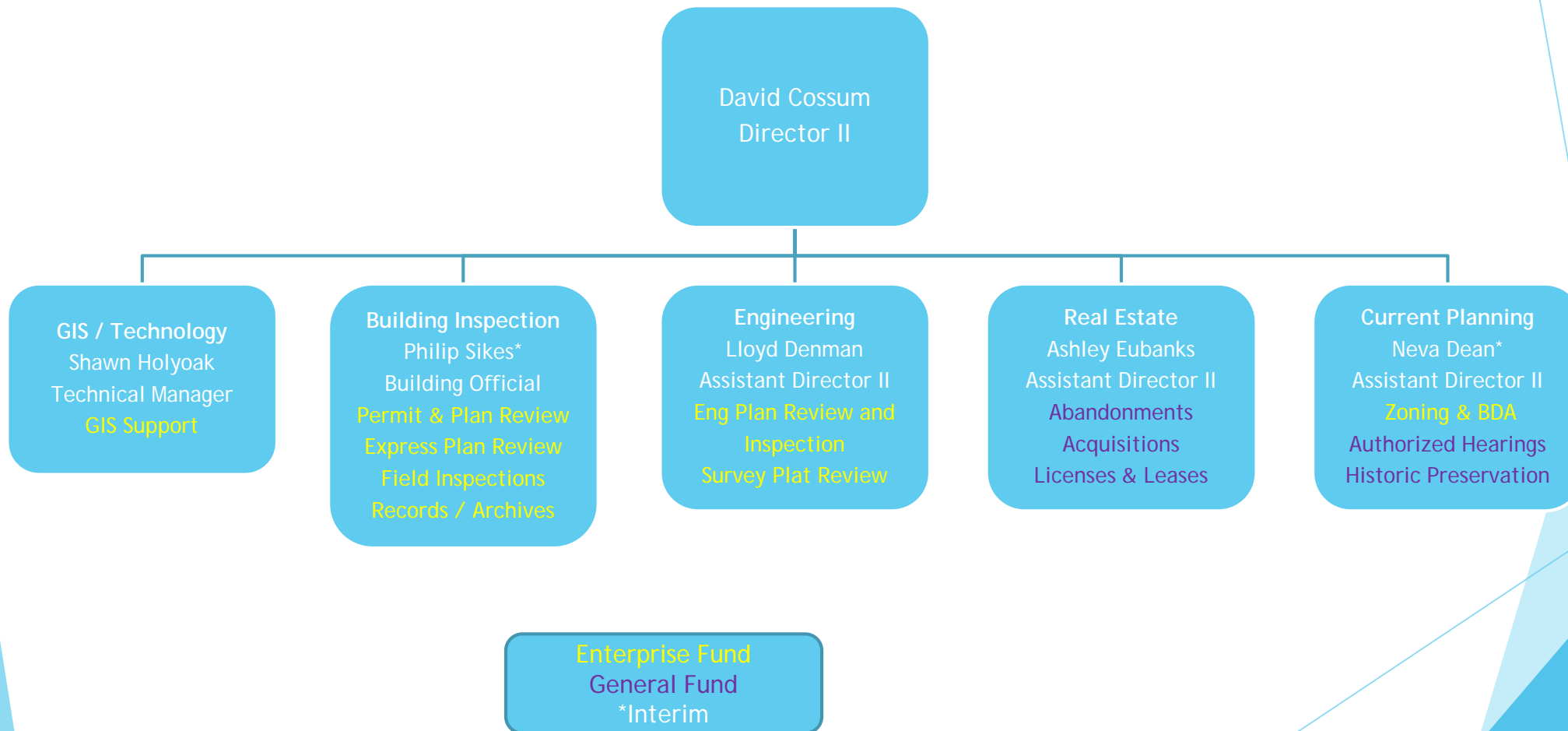




# Purpose

- ▶ To provide an overview of the Sustainable Development and Construction Department's Enterprise Fund

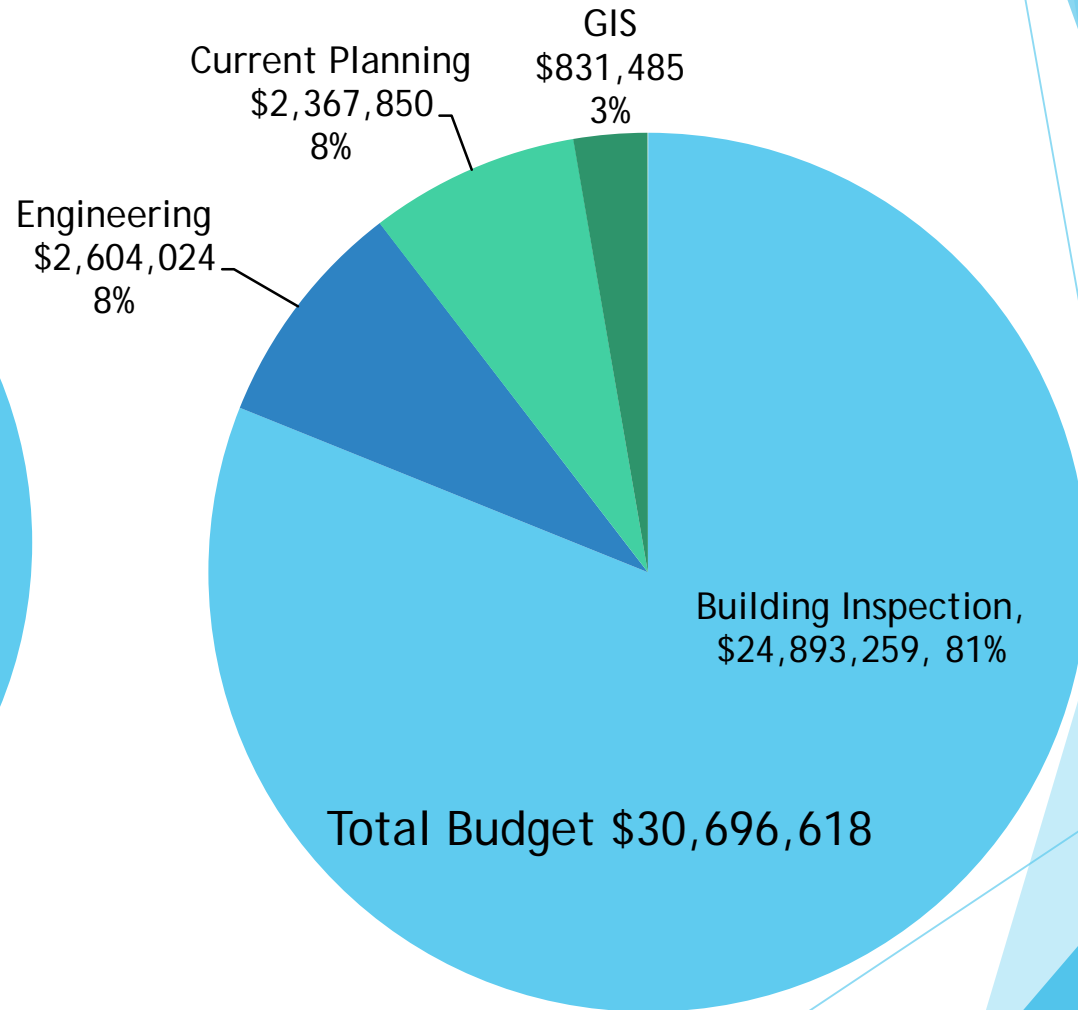
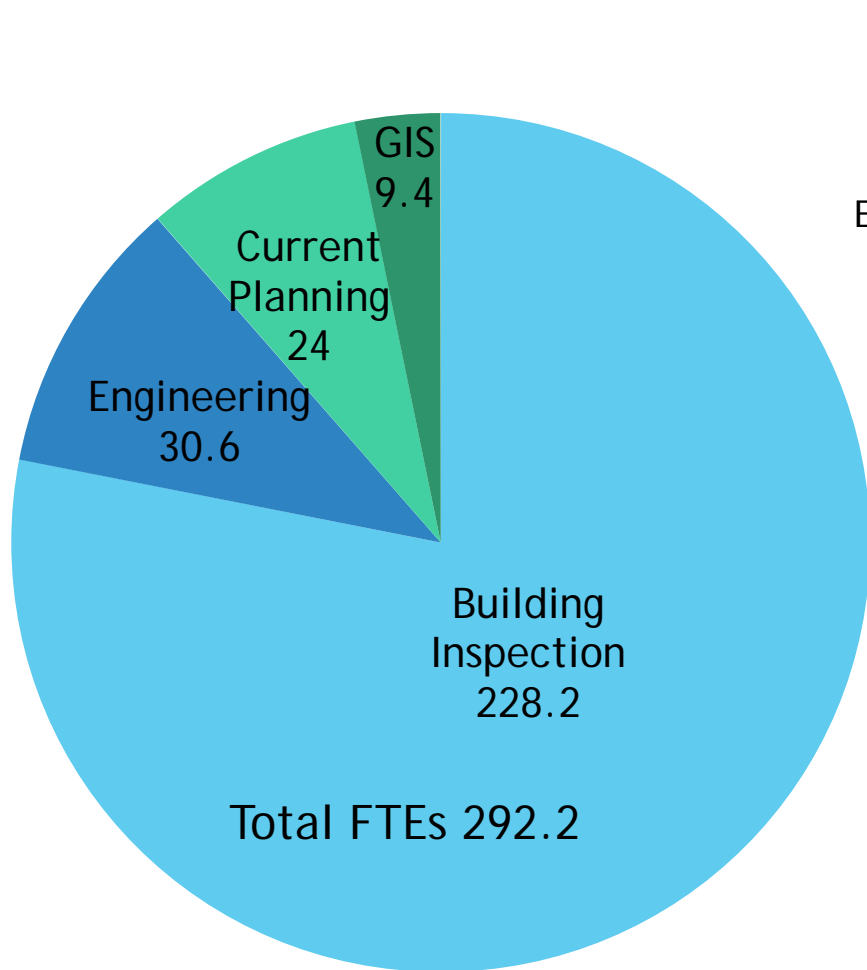
# Sustainable Development and Construction Organizational Chart



# What is the Sustainable Development and Construction Enterprise Fund?

- ▶ The Sustainable Development and Construction (DEV) Enterprise fund is used to pay for functions in the following divisions:
  - ▶ Building Inspection
  - ▶ Current Planning (Zoning, Board of Adjustment and Subdivision)
  - ▶ Engineering
  - ▶ GIS and Technology
- ▶ It is a fund that is entirely supported by the fees that are collected for the services it provides.
- ▶ The Enterprise Fund for FY 15-16 consists of 292.2 FTEs with an annual budget of \$30,696,618.

# Sustainable Development and Construction Enterprise Fund



# Overview – Building Inspection

- ▶ Building Inspection keeps the public safe by ensuring compliance with construction standards and providing guidance to applicants.
- ▶ Services provided include:
  - ▶ Issuing building permits and Certificates of Occupancy
  - ▶ Reviewing and approving site and construction plans for compliance with zoning and building codes
  - ▶ Expedited plan review services (Q-team)
  - ▶ Researching information about development activity, past uses on property, allowed uses, etc.
  - ▶ Performing construction inspections
  - ▶ Archiving and maintaining construction records
  - ▶ Responding to records and archive requests



# Overview – Building Inspection

- ▶ Processed a total of 43,251 permits in FY 14/15
- ▶ Of 43,251 permits
  - ▶ 80% issued within 3 days
  - ▶ 93% issued within 28 days
- ▶ Total valuation of permits processed in 2015 was 4.3 billion dollars
- ▶ 217,672 field inspections conducted (870 per day)
  - ▶ 97.6% of field inspections completed on schedule
- ▶ 46,791 customer visits to Oak Cliff Municipal Center
- ▶ 69,856 calls to OCMC Call Center



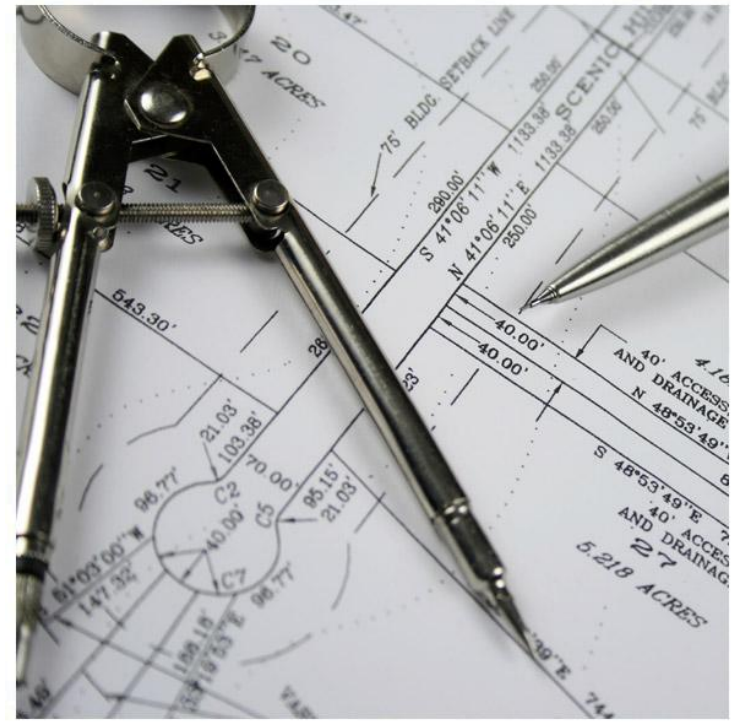
# Overview - Engineering

- ▶ The Engineering division promotes quality development and limits future expenditures on maintenance of public facilities by reviewing all plats and engineering plans associated with private development to ensure that privately funded, public infrastructure improvements are designed and built to City standards.
  - ▶ Water line improvements and extensions
  - ▶ Waste water line improvements and extensions
  - ▶ Storm water improvements and extensions
  - ▶ Street and sidewalk improvements
- ▶ The Engineering division reviews building permits for paving, grading and floodplain concerns.
- ▶ The Engineering division reviews zoning, subdivision and Board of Adjustment cases for traffic safety concerns, reviews survey field notes associated with plats, and consults with developers.



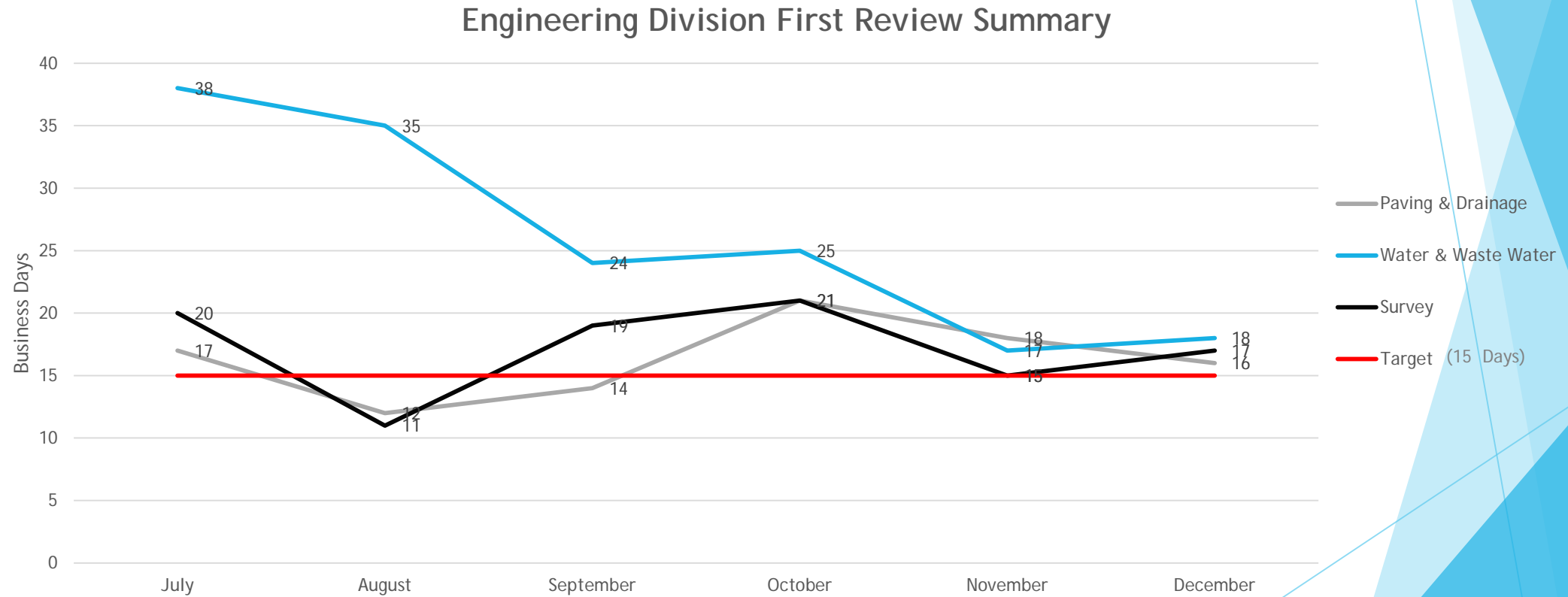
# Overview - Engineering

- ▶ Processed a total of 455 private development projects involving 1404 reviews in FY 14/15
  - ▶ Water and waste water first reviews were completed in an average time of 39 days
  - ▶ Paving and drainage first reviews were completed in an average time of 14 days
- ▶ 1,656 field inspections conducted
  - ▶ 100 percent of first field inspections within 1 day
- ▶ Survey section reviewed 255 sets of field notes



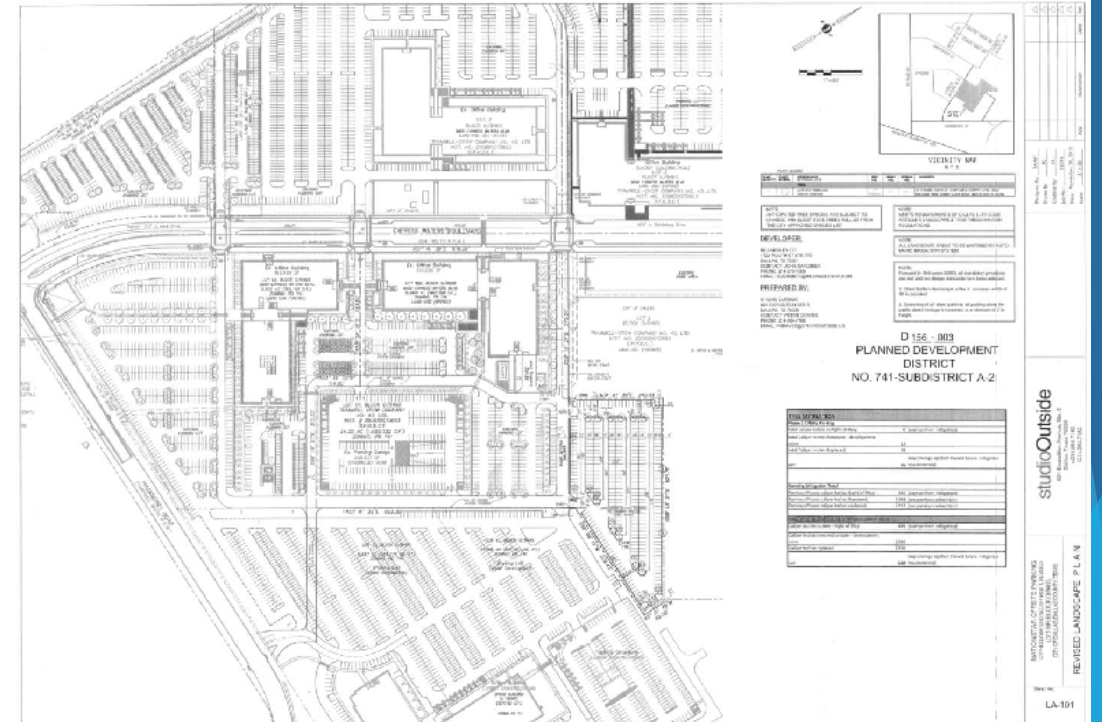
# Overview - Engineering

## ► Review times for July 2015 to December 2015



# Overview - Current Planning

- ▶ The Current Planning division facilitates development and protects and enhances the quality of life within the city by:
  - ▶ Reviewing and processing zoning requests, SUPs, variances, special exceptions, street name changes, plats, development code amendments and other miscellaneous land use applications.
  - ▶ Providing staff support for the City Plan Commission (CPC), Board of Adjustment (BDA), Zoning Ordinance Advisory Committee (ZOC), and other affiliated subcommittees and task forces.

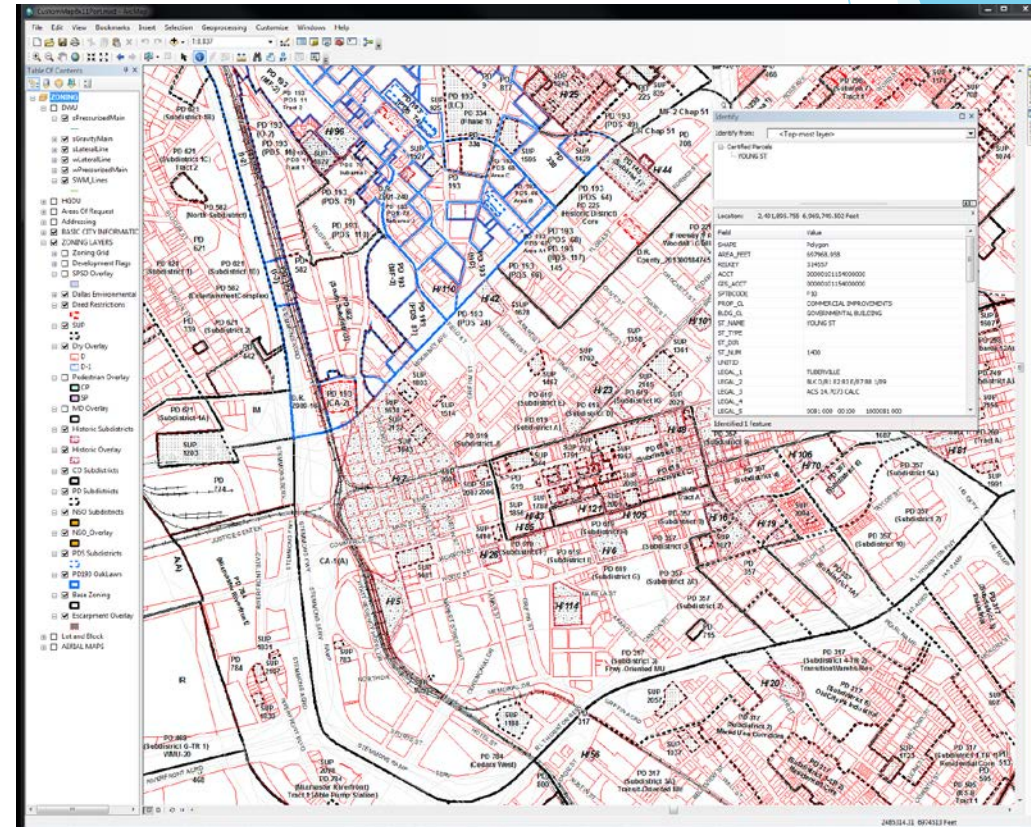




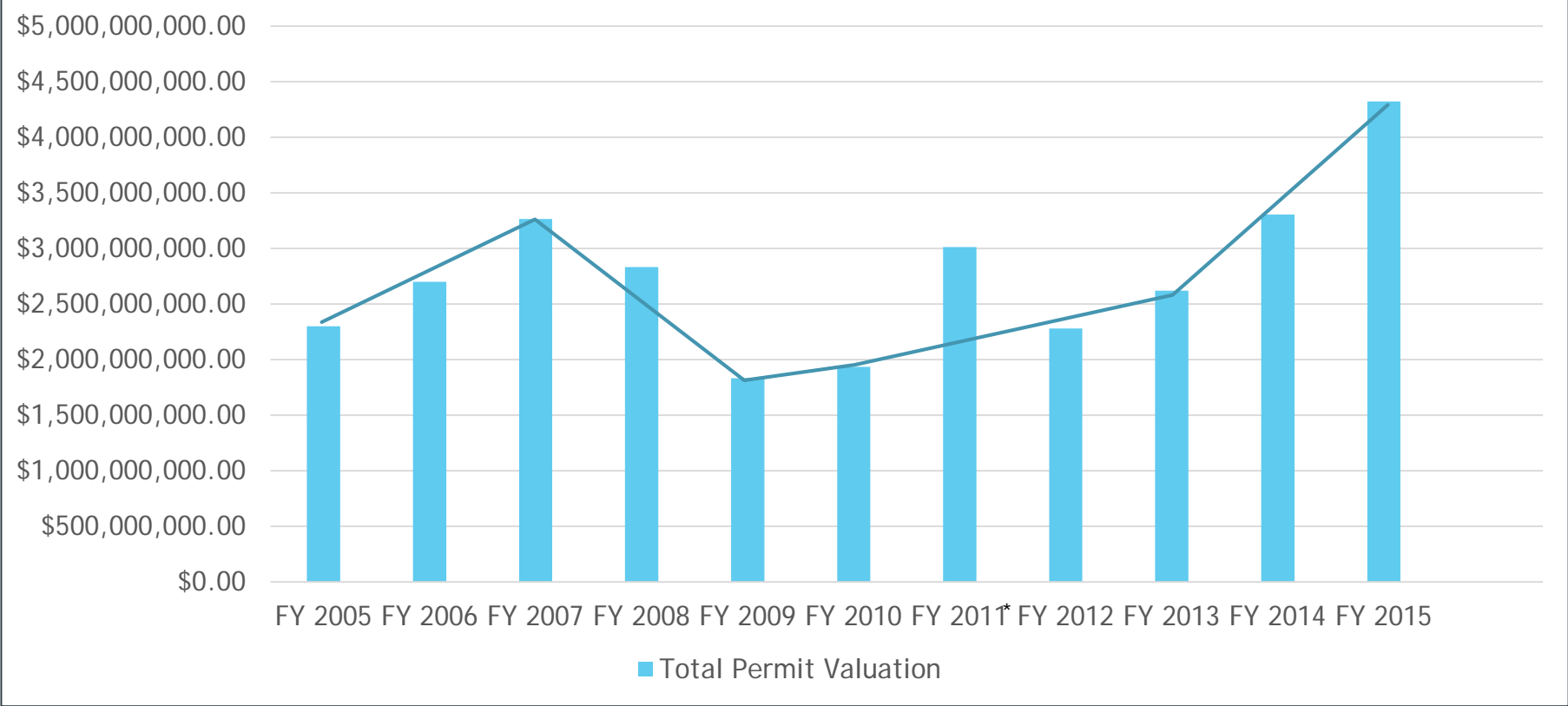


# Overview - GIS / Technology

- ▶ The GIS / Technology division facilitates growth and development in Dallas by providing the necessary resources for technology to:
  - ▶ Maintain the official zoning maps
  - ▶ Provide all legally required notification.
  - ▶ Provide GIS, graphic and technology support to the department and its customers.
  - ▶ Make development information accessible to the development community and general public through the use of appropriate technology



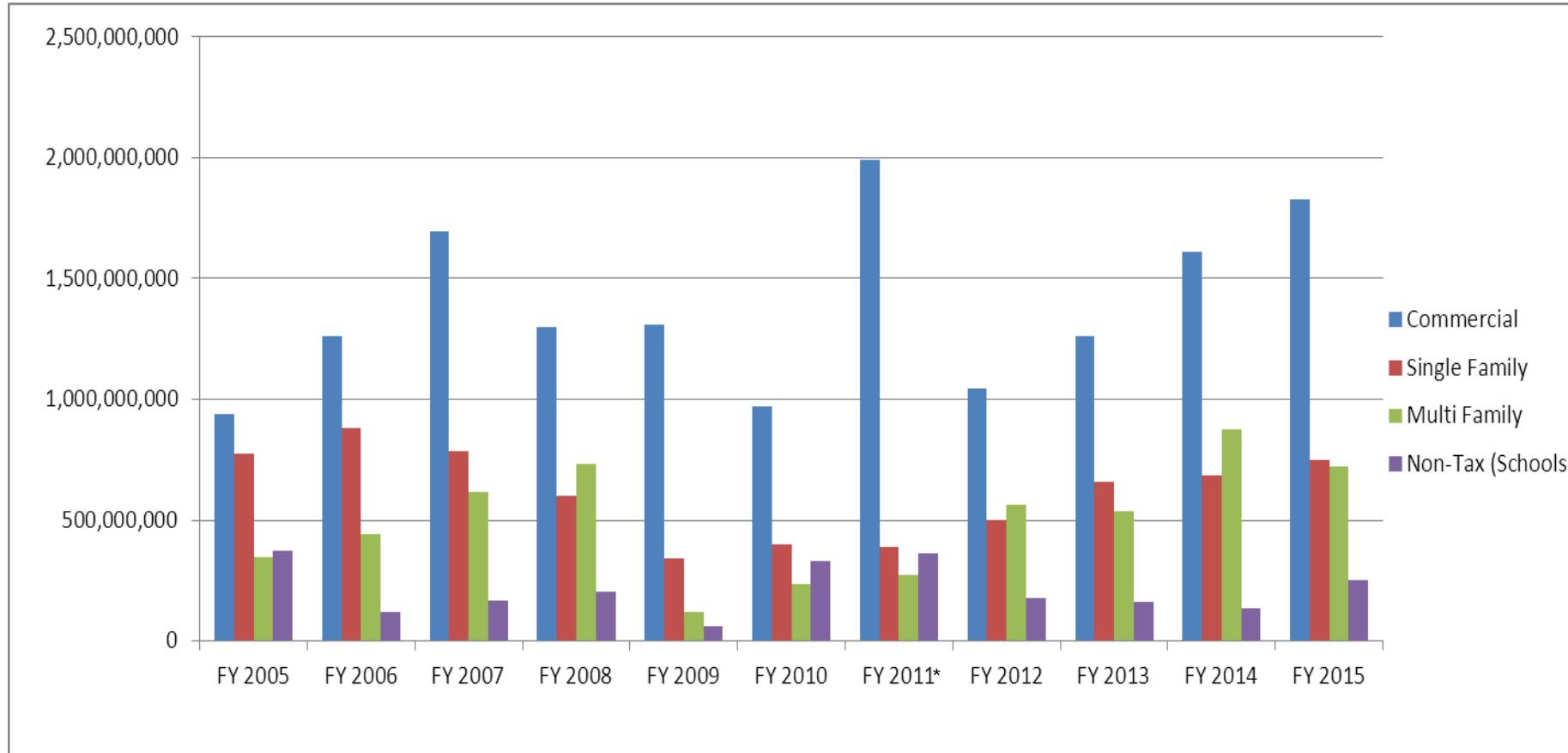
# Enterprise Fund Permit Valuation Totals



\* 2011 spike attributable to Parkland, UT Southwestern and Love Field Projects

# Construction Permit Valuation

## By Category of Project



\* 2011 spike attributable to Parkland, UT Southwestern and Love Field Projects



# Challenges

## ▶ Changes in Economy

- ▶ As an Enterprise Fund, development related services must react quickly to economic downturns. As an example, between 2008 and 2009 there was a 35 percent drop in permit valuations. Building Inspection staff had to be cut from 235 FTEs to 140 FTEs, a reduction of 40 percent, as a result of downturn in total permit valuations.

## ▶ Staffing

- ▶ Priorities of job seekers
- ▶ Competition with other municipalities and private sector
- ▶ Process

## ▶ Introducing new technology

## ▶ Documenting processes and training

# Response to Challenges

## ▶ Changes in Economy

- ▶ Assigned revenue for multi year projects across the period of the project

## ▶ Staffing

- ▶ Assigned staff to assist managers with paperwork and hiring process
- ▶ Working cooperatively with DWU and Public Works on engineering resources
- ▶ Seeking a professional services contract for engineering and survey services to enhance ability to adjust to peak demand periods and staffing shortages

# Response to Challenges

## ▶ Technology

- ▶ Developing strategy to anticipate and manage issues with legacy systems and integrate with new technologies
- ▶ Working with City Auditor to identify and address potential issues with appropriate permissions and access to technology processes
- ▶ Developed strategies and budget to implement needed technology improvements

## ▶ Documenting processes

- ▶ Working with City Auditor to identify issues with current documentation and processes
- ▶ Established a team to update policies and procedures
- ▶ Implementing additional training and certification opportunities

# Accomplishments

# Recent Accomplishments

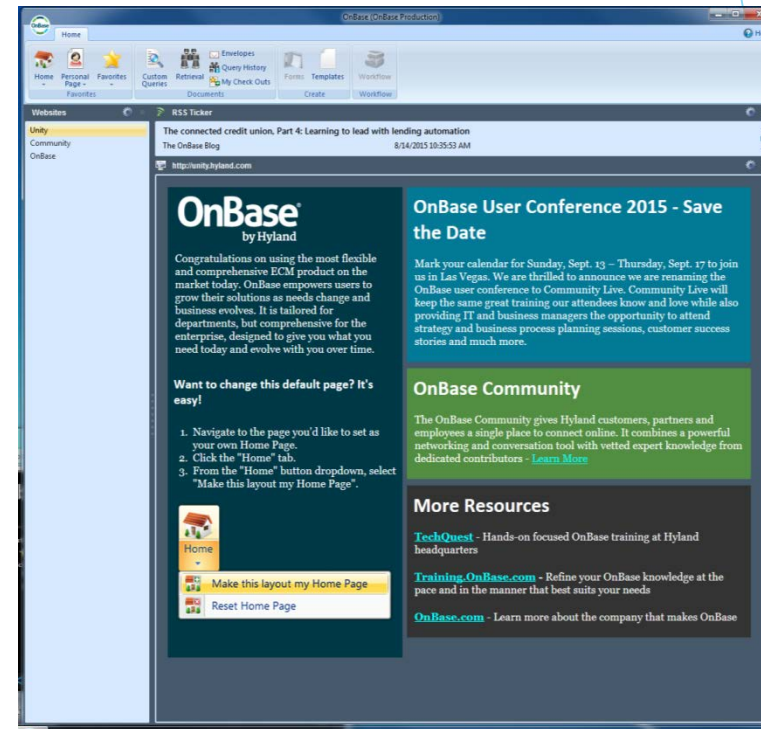
- ▶ The Electronic Plan Review System (EPRS) launched in the Q-team allows applicants to submit their plans electronically and allows the City to review and issue a permit based on electronic plans.
- ▶ The EPRS eliminates the need for paper plans and allows for faster, simultaneous plan reviews which results in the applicants being able to receive permits via the internet instead of waiting in the Permit Center.



Electronic Plan Review System demonstration for City of Frisco officials.

# Recent Accomplishments

- ▶ In June 2015, the electronic document management system OnBase<sup>®</sup> was launched.
- ▶ OnBase is a robust document management system that will allow all Sustainable Development and Construction employees to access all scanned documents.
- ▶ An RFP is currently out to hire a company to digitize all of the department's paper files.



# Recent Accomplishments

- ▶ Building Inspection opened a new Southwest District Office June 2015 to enhance customer service.





# Customer Service Enhancements

# Customer Service Enhancements

- ▶ Special Coordinator team
  - ▶ Coordinator III (Commercial Development/Platting)
    - ▶ This position will serve as the primary project coordinator for targeted commercial development projects navigating the development review process.
    - ▶ This individual will address specific questions concerning a project(s) and/or facilitate meetings with appropriate experts in an effort to resolve issues and expedite the development review process.
  - ▶ Coordinator III (Single Family Home)
    - ▶ This position will serve as the primary project coordinator for single family residential development citywide.
    - ▶ The incumbent will monitor single family residential development in targeted areas of the city from “cradle to grave” and will serve as a single point of reference that remains constant for homebuilders throughout the development process.
  - ▶ Coordinator III (Grow South/Small Business)
    - ▶ This position will serve as the primary project coordinator for all small business and Grow South development projects.
    - ▶ The will serve as a single point of reference that remains constant for customers throughout the development process. Additionally this position will map out a process for customers to follow to resolve issues.

# Customer Service Enhancements

- ▶ Budgeted 23 new positions in FY 15/16 including positions for a Process Improvement Team and Home Owner / DIY Team.
- ▶ The Home Owners Team / DIY team is dedicated to providing permitting and plan review services to homeowners and small business “do it your selfers” (DIYs).
  - ▶ Consult with homeowners and DIYs
  - ▶ Review plans for compliance with construction codes
  - ▶ Coordinate with other departments/plan reviewers as needed
  - ▶ Develop and update handouts/examples/etc. to assist homeowners and DIYs in their projects
  - ▶ The “HOT” team consist of two Sr. Plans Examiners and one Sr. Office Assistant

# Customer Service Enhancements

- ▶ In September 2014, a work group was formed consisting of private stakeholders and City staff, to recommend enhancements to the City's development review process.
- ▶ In May of 2015, staff initiated a multi year program to implement recommendations from the Development Review Enhancement Strategies Workgroup Report.
- ▶ The City Manager's Office formed the Process Improvement Team with the responsibility of implementing the work group's recommendations.

# Customer Service Enhancements

- ▶ The Process Improvement Team is assisting the entire department with:
  - ▶ Filling key vacancies
  - ▶ Leveraging technology to improve efficiency of operations
  - ▶ Standardizing and streamlining workflows
  - ▶ Eliminating silos and enhancing collaboration across departments
  - ▶ Creating meaningful measures and metrics to enhance operations
  - ▶ Improving dialog with customers
  - ▶ Increasing internal and external training opportunities
  - ▶ Reviewing and improving land development process for single family subdivisions

# Customer Service Enhancements

- ▶ Implemented a short-term professional services contract for field note review, to reduce survey and plat review times
- ▶ Implemented survey, engineering and third party inspection review training classes to assist customers with plan submissions and scheduling inspections
- ▶ Hired multiple critical positions throughout Sustainable Development and Construction
  - ▶ Building Inspections - seven senior plans examiners and four inspectors
  - ▶ Engineering Section - four senior engineers
  - ▶ Real Estate Division - three real estate specialists

# New Initiatives



# New Initiatives

## Training and Documenting Processes

- ▶ A dedicated team has been created to:
  - ▶ Update and create new documentation on processes and procedures
  - ▶ Develop training materials and programs for on-boarding and promoting employees
  - ▶ Develop and implement system for managing and publishing code interpretations

# New Initiatives

## Enhancements to existing services

- ▶ An engineer will be dedicated to the Q-Team and will review all engineering plans submitted for express plan review.
- ▶ Use of electronic plan review will be expanded in 2016. Currently it is available for Q-Team express reviews. Expanding this technology will enable staff to move away from a linear review where physical plans are passed from one reviewer to the next. This will allow simultaneous reviews of digital plans by all applicable trades.

# New Initiatives

## Expanded Facility for Development Related Services

- ▶ An expanded facility is required to enhance customer service and accommodate needed resources
  - ▶ Developing a plan for an expanded facility to house Building Inspection and Engineering for Private Development and other related services
  - ▶ Budgeting 20 million from Sustainable Development and Construction Enterprise Fund
  - ▶ Relieve pressure on Oak Cliff Municipal Center
  - ▶ Address inadequate parking at current facility
  - ▶ Enhance customer convenience and service

Questions?

# Contacts

- ▶ Director
  - ▶ David Cossum; (214)671-9293
- ▶ Building Inspection, Interim Building Official
  - ▶ Phil Sikes; (214)948-4325
- ▶ Engineering Private Development, Assistant Director
  - ▶ Lloyd Denman; (214)948-4354
- ▶ Current Planning, Interim Assistant Director
  - ▶ Neva Dean; (214)670-5803
- ▶ Real Estate; Assistant Director
  - ▶ Ashley Eubanks; (214)948-4112
- ▶ Process Improvement Team, Manager
  - ▶ Tommy Ludwig (214)948-4058

# Memorandum



CITY OF DALLAS

DATE February 12, 2016  
TO The Honorable Mayor and Members of the City Council  
SUBJECT Financial Forecast Report

The FY 2015-16 Financial Forecast Report based on information through December 2015 is attached and provided for your information.

For FY 2015-16, General Fund revenues are projected to be \$1,187,000 above budget and expenditures are projected to be \$181,000 below budget. This results in forecast revenues being in excess of forecast expenditures by \$1,368,000. Details related to budget variances may be found at the end of the Financial Forecast Report.

We will continue to closely monitor revenues and expenditures and keep you informed.

A handwritten signature in black ink, appearing to read 'A.C. Gonzalez', written over the typed name.

A.C. Gonzalez  
City Manager

## Attachment

c: Ryan S. Evans, First Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
Joey Zapata, Assistant City Manager  
Eric D. Campbell, Assistant City Manager  
Mark McDaniel, Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer  
Jack Ireland, Director, Office of Financial Services



FY 2015-16

# Financial Forecast Report

Information as of December 31, 2015



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# GENERAL FUND

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As of December 31, 2015  
(000s)

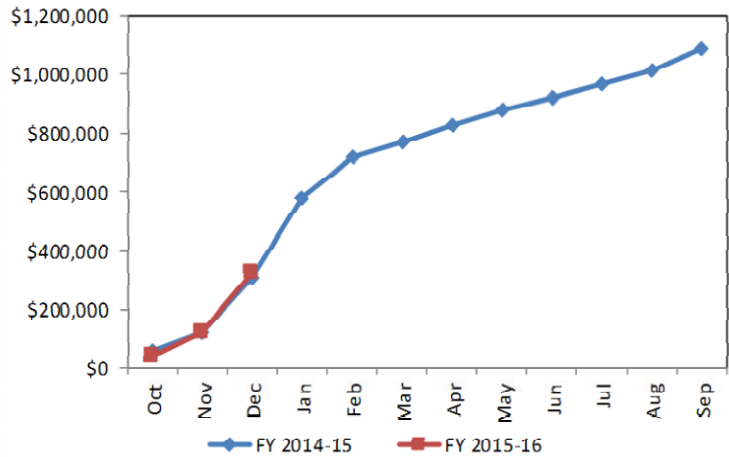
<b><u>ITEM</u></b>	<b><u>BUDGET</u></b>	<b><u>YEAR TO DATE</u></b>	<b><u>YEAR-END FORECAST</u></b>	<b><u>BUDGET VS FORECAST VARIANCE</u></b>
Revenues	\$1,144,800	\$323,201	\$1,145,987	\$1,187
Expenditures	1,144,800	278,260	1,144,619	(181)
Net Excess of Revenues Over Expenditures/Transfers	<u>\$0</u>	<u>\$44,941</u>	<u>\$1,368</u>	<u>\$1,368</u>



# GENERAL FUND REVENUES

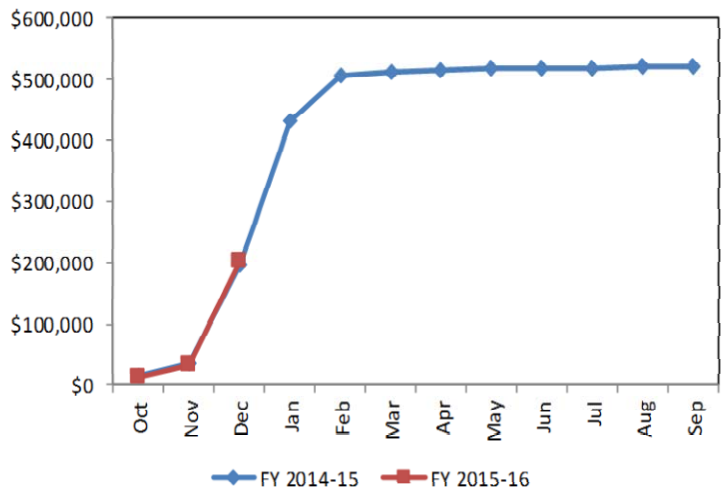
## ALL SOURCES

	FY 2014-15	FY 2015-16	Variance
Oct	\$60,959	\$41,660	(\$19,299)
Nov	58,982	77,665	\$18,682
Dec	187,753	203,876	\$16,123
Jan	271,536		
Feb	138,254		
Mar	52,292		
Apr	59,984		
May	48,230		
Jun	43,757		
Jul	46,560		
Aug	45,056		
Sep	74,964		
<b>Total</b>	<b>\$1,088,327</b>	<b>\$323,201</b>	<b>\$15,507</b>



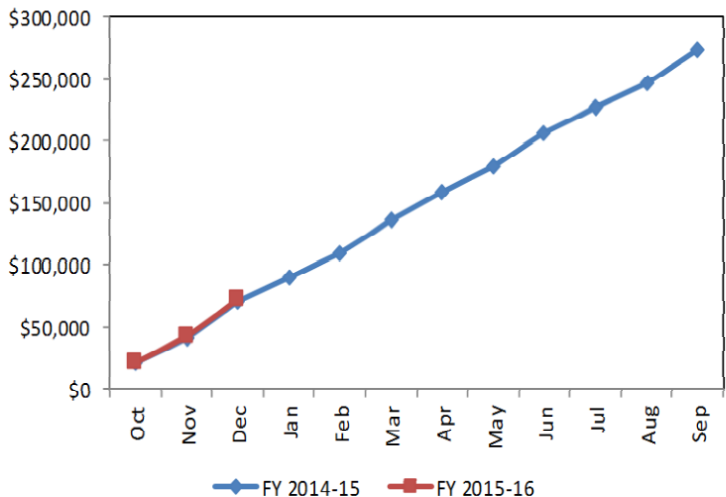
## PROPERTY TAX

	FY 2014-15	FY 2015-16	Variance
Oct	\$16,175	\$11,487	(\$4,688)
Nov	18,472	20,589	\$2,117
Dec	160,305	169,848	\$9,543
Jan	235,891		
Feb	74,439		
Mar	6,533		
Apr	3,115		
May	1,536		
Jun	1,750		
Jul	821		
Aug	948		
Sep	673		
<b>Total</b>	<b>\$520,658</b>	<b>\$201,923</b>	<b>\$6,972</b>



## SALES TAX

	FY 2014-15	FY 2015-16	Variance
Oct	\$21,933	\$21,769	(\$164)
Nov	19,220	20,524	\$1,303
Dec	29,690	30,137	\$447
Jan	20,009		
Feb	18,928		
Mar	26,847		
Apr	22,124		
May	20,755		
Jun	26,477		
Jul	20,798		
Aug	20,332		
Sep	26,386		
<b>Total</b>	<b>\$273,499</b>	<b>\$72,430</b>	<b>\$1,586</b>



FY 2014-15 All Sources has been restated to reflect the conversion of Sanitation to an Enterprise Fund in FY 2015-16

# GENERAL FUND REVENUES

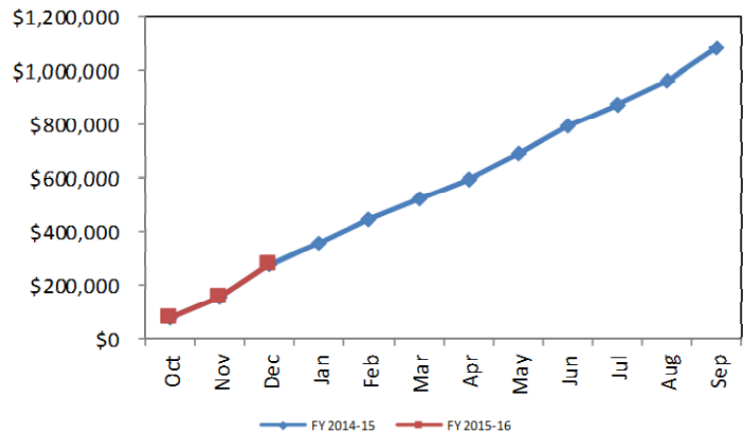
As of December 31, 2015  
(000s)

	<u>BUDGET</u>	<u>REVENUES YEAR TO DATE</u>	<u>YEAR-END FORECAST</u>	<u>BUDGET VS FORECAST VARIANCE</u>
<b>TAXES</b>				
Ad Valorem Tax	\$559,636	\$201,923	\$559,636	\$0
Sales Tax <sup>1</sup>	281,272	72,430	281,887	615
<b>TOTAL TAXES</b>	<b>840,908</b>	<b>274,353</b>	<b>841,523</b>	<b>615</b>
<b>FRANCHISE REVENUES</b>				
Oncor Electric	50,612	15,960	50,612	0
AT&T	10,950	0	10,950	0
Atmos Energy	12,242	0	12,242	0
Time Warner Cable	6,102	0	6,102	0
Other	27,291	869	27,291	0
<b>TOTAL FRANCHISE REVENUES</b>	<b>107,198</b>	<b>16,829</b>	<b>107,198</b>	<b>0</b>
<b>LICENSES AND PERMITS</b>	<b>6,067</b>	<b>2,152</b>	<b>6,086</b>	<b>19</b>
<b>INTEREST EARNED</b>	<b>962</b>	<b>0</b>	<b>962</b>	<b>0</b>
<b>INTERGOVERNMENTAL</b>	<b>7,432</b>	<b>365</b>	<b>7,460</b>	<b>29</b>
<b>FINES AND FORFEITURES</b>				
Municipal Court <sup>2</sup>	14,771	3,669	15,400	629
Vehicle Towing & Storage	7,146	1,875	7,146	0
Parking Fines	3,591	0	3,592	0
Red Light Camera Fines	7,460	0	7,460	0
Public Library	494	63	494	0
<b>TOTAL FINES</b>	<b>33,462</b>	<b>5,606</b>	<b>34,091</b>	<b>629</b>
<b>CHARGES FOR SERVICE</b>				
Parks <sup>3</sup>	10,283	1,841	10,135	(148)
Emergency Ambulance	31,569	5,095	31,569	0
Security Alarm	4,450	1,036	4,400	(50)
Street Lighting	648	114	648	0
Vital Statistics	1,484	324	1,484	0
Other	23,147	8,157	23,106	(41)
<b>TOTAL CHARGES</b>	<b>71,581</b>	<b>16,568</b>	<b>71,341</b>	<b>(240)</b>
<b>INTERFUND REVENUE</b>	<b>67,123</b>	<b>4,636</b>	<b>67,123</b>	<b>0</b>
<b>MISCELLANEOUS<sup>4</sup></b>	<b>10,068</b>	<b>2,692</b>	<b>10,202</b>	<b>135</b>
<b>TOTAL REVENUES</b>	<b>\$1,144,800</b>	<b>\$323,201</b>	<b>\$1,145,987</b>	<b>\$1,187</b>

# GENERAL FUND EXPENDITURES

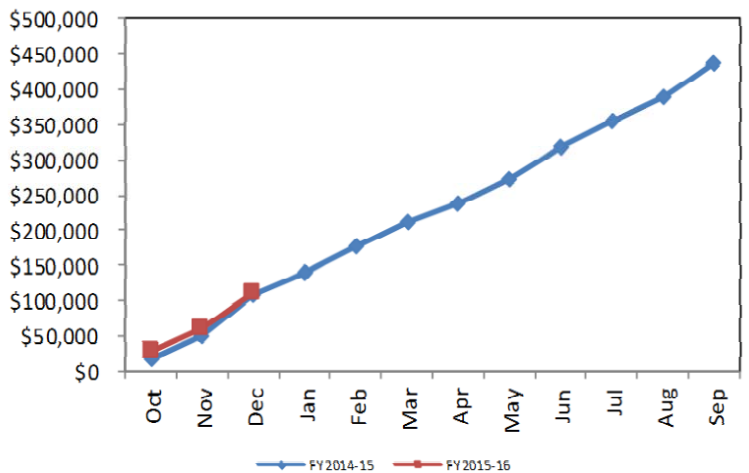
## ALL EXPENSES

	FY 2014-15	FY 2015-16	Variance
Oct	\$77,525	\$75,601	(\$1,924)
Nov	79,013	78,065	(948)
Dec	123,491	124,594	1,103
Jan	76,655		
Feb	86,673		
Mar	82,668		
Apr	69,958		
May	96,984		
Jun	102,442		
Jul	78,895		
Aug	85,592		
Sep	124,316		
<b>Total</b>	<b>\$1,084,212</b>	<b>\$278,260</b>	<b>(\$1,769)</b>



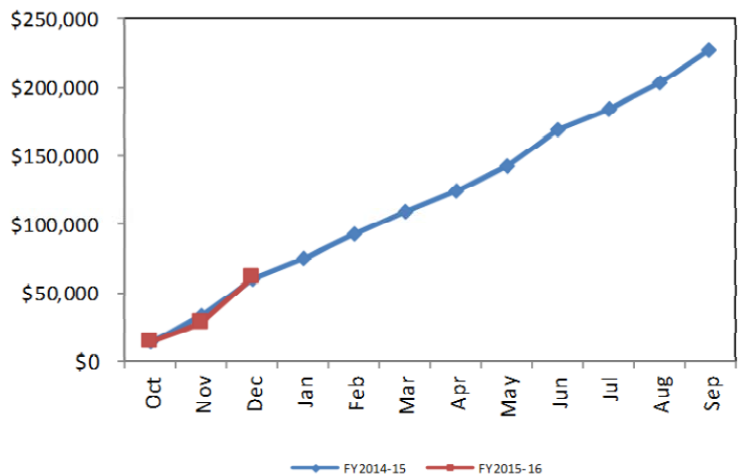
## POLICE

	FY 2014-15	FY 2015-16	Variance
Oct	\$19,262	\$28,488	\$9,226
Nov	31,339	31,370	31
Dec	57,789	52,490	(5,299)
Jan	32,898		
Feb	36,863		
Mar	32,472		
Apr	27,900		
May	33,265		
Jun	47,086		
Jul	34,846		
Aug	35,661		
Sep	46,774		
<b>Total</b>	<b>\$436,155</b>	<b>\$112,348</b>	<b>\$3,958</b>



## FIRE

	FY 2014-15	FY 2015-16	Variance
Oct	\$13,502	\$13,994	\$492
Nov	19,557	14,184	(5,373)
Dec	26,055	32,389	6,334
Jan	16,078		
Feb	17,117		
Mar	17,032		
Apr	15,063		
May	17,344		
Jun	26,753		
Jul	16,442		
Aug	18,322		
Sep	24,269		
<b>Total</b>	<b>\$227,535</b>	<b>\$60,567</b>	<b>\$1,453</b>



FY 2014-15 All Expenses has been restated to reflect the conversion of Sanitation to an Enterprise Fund in FY 2015-16

# GENERAL FUND EXPENDITURES

As of December 31, 2015

(000s)

DEPARTMENT	BUDGET	EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Building Services	\$23,831	\$6,917	\$23,831	\$0
Business Dev/Procurement Svcs <sup>5</sup>	2,884	649	2,824	(60)
City Attorney's Office	15,886	3,489	15,868	(18)
City Auditor's Office <sup>6</sup>	3,004	601	3,049	45
City Controller's Office <sup>7</sup>	4,541	1,006	4,393	(148)
City Manager's Office	1,972	539	1,972	0
City Secretary's Office	2,005	340	2,005	0
Civil Service <sup>8</sup>	2,599	494	2,635	36
Code Compliance	38,569	7,958	38,569	0
Court Services	11,563	2,549	11,516	(47)
Elections <sup>9</sup>	97	20	105	8
Fire	239,567	60,567	239,567	0
Housing	11,936	6,573	11,936	0
Human Resources	4,788	1,083	4,783	(5)
Independent Audit	786	-	786	0
Jail Contract - Lew Sterret	7,557	1,260	7,557	0
Judiciary	3,231	732	3,231	0
Library	30,509	6,785	30,509	0
Management Services	8,544	3,375	8,544	0
Mayor and Council	4,243	919	4,201	(42)
Non-Departmental	57,926	2,595	57,926	0
Office of Cultural Affairs	17,671	7,893	17,671	0
Office of Economic Development	1,818	832	1,818	0
Office of Financial Services	2,957	562	2,957	0
Park and Recreation <sup>10</sup>	85,646	25,934	86,148	502
Planning & Urban Design <sup>11</sup>	4,232	577	3,941	(291)
Police	451,882	112,348	451,882	0
Public Works	5,911	2,313	5,900	(11)
Street Lighting	17,525	2,607	17,525	0
Street Services	71,531	16,014	71,521	(10)
Sustainable Dev/Construction <sup>12</sup>	1,438	524	1,297	(141)
Trinity Watershed Management	1,526	203	1,526	0
<b>RESERVES AND TRANSFERS</b>				
Contingency Reserve	2,628	0	2,628	0
Liability/Claim Fund	1,994	0	1,994	0
Salary & Benefit Reserve	2,000	0	2,000	0
<b>TOTAL EXPENDITURES</b>	<b>\$1,144,800</b>	<b>\$278,260</b>	<b>\$1,144,619</b>	<b>(\$181)</b>

# PROPRIETARY FUNDS

As of December 31, 2015  
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<b>AVIATION</b>				
BEGINNING FUND BALANCE	\$16,775	\$ -	\$16,775	\$ -
REVENUES:				
Parking	27,443	5,864	27,443	0
Terminal Concessions	22,423	5,198	22,423	0
Landing Fees	17,784	3,083	17,784	0
Rental on Airport - Terminal	13,831	3,324	13,831	0
Rental on Airport - Field	9,067	1,745	8,950	(117)
Fuel Flow Fees	1,225	229	1,225	0
All Other	2,102	199	3,679	1,577
<b>TOTAL REVENUES<sup>13</sup></b>	<b>93,876</b>	<b>19,642</b>	<b>95,336</b>	<b>1,460</b>
<b>TOTAL EXPENDITURES<sup>13</sup></b>	<b>93,876</b>	<b>20,556</b>	<b>95,289</b>	<b>1,413</b>
<b>ENDING FUND BALANCE</b>	<b>\$16,775</b>	<b>\$ -</b>	<b>\$16,822</b>	<b>\$47</b>

## CONVENTION AND EVENT SERVICES

BEGINNING FUND BALANCE	\$20,607	\$ -	\$20,607	\$ -
REVENUES:				
Hotel Occupancy Tax	54,002	10,820	53,192	(810)
Alcoholic Beverage Tax	10,461	0	11,683	1,222
Contract Services	9,119	1,590	9,119	0
All Remaining Revenues	10,414	3,186	11,108	694
<b>TOTAL REVENUES<sup>14</sup></b>	<b>83,996</b>	<b>15,596</b>	<b>85,101</b>	<b>1,105</b>
<b>TOTAL EXPENDITURES</b>	<b>82,939</b>	<b>14,240</b>	<b>83,203</b>	<b>264</b>
<b>ENDING FUND BALANCE</b>	<b>\$21,664</b>	<b>\$ -</b>	<b>\$22,505</b>	<b>\$841</b>

# PROPRIETARY FUNDS

As of December 31, 2015

(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<b>SUSTAINABLE DEVELOPMENT AND CONSTRUCTION</b>				
BEGINNING FUND BALANCE	\$33,842	\$ -	\$33,842	\$ -
<b>REVENUES:</b>				
Building Permits	18,770	5,095	19,104	334
Certificate of Occupancy	1,412	291	1,412	0
Plan Review	3,736	1,132	3,749	13
Registration/License	1,028	319	1,028	(0)
Special Plats	887	298	887	0
Private Development	1,010	366	1,010	(0)
Zoning	1,184	178	1,184	0
Interest Earnings	117	0	117	0
All Remaining Revenues	1,478	472	1,478	0
<b>TOTAL REVENUES</b>	<b>29,622</b>	<b>8,150</b>	<b>29,969</b>	<b>347</b>
<b>TOTAL EXPENDITURES<sup>15</sup></b>	<b>30,697</b>	<b>4,730</b>	<b>29,588</b>	<b>(1,109)</b>
<b>ENDING FUND BALANCE</b>	<b>\$32,767</b>	<b>\$ -</b>	<b>\$34,223</b>	<b>\$1,456</b>
 <b>MUNICIPAL RADIO</b>				
BEGINNING FUND BALANCE	\$1,183	\$ -	\$1,183	\$ -
<b>REVENUES:</b>				
Local and National Sales	2,058	533	2,012	(46)
All Remaining Revenues	12	0	12	0
<b>TOTAL REVENUES<sup>16</sup></b>	<b>2,070</b>	<b>533</b>	<b>2,024</b>	<b>(46)</b>
<b>TOTAL EXPENDITURES<sup>16</sup></b>	<b>2,055</b>	<b>659</b>	<b>1,963</b>	<b>(92)</b>
<b>ENDING FUND BALANCE</b>	<b>\$1,198</b>	<b>\$ -</b>	<b>\$1,244</b>	<b>\$46</b>

# PROPRIETARY FUNDS

As of December 31, 2015

(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<b>WATER UTILITIES</b>				
BEGINNING FUND BALANCE	\$86,191	\$ -	\$86,191	\$ -
REVENUES:				
Treated Water - Retail	286,483	72,841	289,770	3,286
Treated Water - Wholesale	80,082	19,123	78,252	(1,830)
Wastewater - Retail	232,649	54,468	228,501	(4,148)
Wastewater - Wholesale	9,874	2,347	9,897	22
All Remaining Revenues	36,040	6,251	29,974	(6,066)
<b>TOTAL REVENUES<sup>17</sup></b>	<b>645,128</b>	<b>155,030</b>	<b>636,393</b>	<b>(8,735)</b>
<b>TOTAL EXPENDITURES<sup>17</sup></b>	<b>645,128</b>	<b>116,556</b>	<b>636,393</b>	<b>(8,735)</b>
<b>ENDING FUND BALANCE</b>	<b>\$86,191</b>	<b>\$ -</b>	<b>\$86,191</b>	<b>\$0</b>

## COMMUNICATION & INFORMATION SERVICES

BEGINNING FUND BALANCE	\$10,910	\$ -	\$10,910	\$ -
REVENUES:				
Interdepartmental Charges	52,799	0	52,799	0
Telephones Leased	8,532	0	8,532	0
Circuits	1,367	0	1,367	0
Desktop Services	269	44	58	(211)
Interest	137	0	137	0
Equipment Rental	4,546	1,121	4,546	0
Miscellaneous	77	516	577	500
<b>TOTAL REVENUES<sup>18</sup></b>	<b>67,727</b>	<b>1,681</b>	<b>68,016</b>	<b>289</b>
<b>TOTAL EXPENDITURES</b>	<b>72,284</b>	<b>25,446</b>	<b>72,261</b>	<b>(23)</b>
<b>ENDING FUND BALANCE</b>	<b>\$6,352</b>	<b>\$ -</b>	<b>\$6,664</b>	<b>\$312</b>

# PROPRIETARY FUNDS

As of December 31, 2015

(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<b>EQUIPMENT SERVICES</b>				
BEGINNING FUND BALANCE	\$4,129	\$ -	\$4,129	\$ -
REVENUES:				
Rental/Wreck	33,640	0	33,640	0
Fuel	16,180	0	16,180	0
Auto Auction	418	322	488	70
Miscellaneous Revenue	267	64	329	62
Interest and Other	5	0	5	0
<b>TOTAL REVENUES</b>	<b>50,509</b>	<b>385</b>	<b>50,641</b>	<b>132</b>
<b>TOTAL EXPENDITURES</b>	<b>50,509</b>	<b>9,642</b>	<b>50,509</b>	<b>0</b>
<b>ENDING FUND BALANCE</b>	<b>\$4,129</b>	<b>\$ -</b>	<b>\$4,261</b>	<b>\$132</b>

## EXPRESS BUSINESS CENTER

BEGINNING FUND BALANCE	\$1,223	\$ -	\$1,223	\$ -
REVENUES:				
Postage Sales	2,703	393	2,703	0
All Other Revenues	1,260	491	1,260	0
<b>TOTAL REVENUES</b>	<b>3,963</b>	<b>884</b>	<b>3,963</b>	<b>0</b>
<b>TOTAL EXPENDITURES</b>	<b>3,815</b>	<b>832</b>	<b>3,793</b>	<b>(21)</b>
<b>ENDING FUND BALANCE</b>	<b>\$1,372</b>	<b>\$ -</b>	<b>\$1,393</b>	<b>\$21</b>



# PROPRIETARY FUNDS

As of December 31, 2015  
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<b>SANITATION SERVICES</b>				
BEGINNING FUND BALANCE	\$7,108	\$ -	\$7,108	\$ -
REVENUES:				
Residential Collection	66,537	17,081	66,662	125
Cost Plus Bulk/Brush	114	31	107	(7)
Sale of Recyclables	2,100	431	1,782	(318)
City Facility Collection	761	147	587	(174)
Landfill Revenue	17,676	8,312	20,305	2,629
<b>TOTAL REVENUES<sup>19</sup></b>	<b>87,188</b>	<b>26,002</b>	<b>89,443</b>	<b>2,255</b>
<b>TOTAL EXPENDITURES<sup>19</sup></b>	<b>86,480</b>	<b>16,001</b>	<b>86,751</b>	<b>271</b>
<b>ENDING FUND BALANCE</b>	<b>\$7,816</b>	<b>\$ -</b>	<b>\$9,800</b>	<b>\$1,984</b>

# OTHER FUNDS

As of December 31, 2015  
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<b>9-1-1 SYSTEM OPERATIONS</b>				
BEGINNING FUND BALANCE	\$7,090	\$ -	\$7,090	\$ -
REVENUES:				
9-1-1 Service Receipts - Wireless	6,257	1,297	6,307	50
9-1-1 Service Receipts - Wireline	6,898	1,681	6,910	12
Interest and Other	63	0	63	0
<b>TOTAL REVENUES</b>	<b>13,218</b>	<b>2,978</b>	<b>13,280</b>	<b>62</b>
<b>TOTAL EXPENDITURES</b>	<b>16,292</b>	<b>1,833</b>	<b>16,259</b>	<b>(34)</b>
<b>ENDING FUND BALANCE</b>	<b>\$4,015</b>	<b>\$ -</b>	<b>\$4,111</b>	<b>\$96</b>

## STORM DRAINAGE MANAGEMENT

BEGINNING FUND BALANCE	\$8,114	\$ -	\$8,114	\$ -
REVENUES:				
Storm Water Fees	50,413	12,560	50,413	-
Interest and Other	40	0	40	0
<b>TOTAL REVENUES</b>	<b>50,452</b>	<b>12,560</b>	<b>50,452</b>	<b>0</b>
<b>TOTAL EXPENDITURES</b>	<b>51,417</b>	<b>5,129</b>	<b>51,417</b>	<b>0</b>
<b>ENDING FUND BALANCE</b>	<b>\$7,150</b>	<b>\$ -</b>	<b>\$7,150</b>	<b>\$0</b>

# OTHER FUNDS

As of December 31, 2015  
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<b>EMPLOYEE BENEFITS</b>				
<b>BENEFITS ADMINISTRATION</b>				
TOTAL EXPENDITURES	\$1,126	\$119	\$1,121	(\$5)
<b>WELLNESS PROGRAM</b>				
TOTAL EXPENDITURES	\$430	\$85	\$428	(\$2)
<b>RISK MANAGEMENT</b>				
TOTAL EXPENDITURES	\$2,594	\$426	\$2,594	\$0
<b>LIABILITY/CLAIMS FUND</b>				
<b>Beginning Balance October 1, 2015</b>				<b>\$3,649</b>
Budgeted Revenue				6,297
<b>FY 2015-16 Available Funds</b>				<b>9,946</b>
Paid October 2015				(168)
Paid November 2015				(328)
Paid December 2015				(379)
<b>Balance as of December 31, 2015</b>				<b>\$9,071</b>

# DEBT SERVICE FUND

As of December 31, 2015  
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<b>DEBT SERVICE FUND</b>				
BEGINNING FUND BALANCE	\$12,109	\$ -	\$12,109	\$ -
REVENUES:				
Ad Valorem	230,475	83,140	230,475	0
Interest/Transfers/Other	20,468	0	20,468	0
TOTAL REVENUES	250,943	83,140	250,943	0
TOTAL EXPENDITURES <sup>20</sup>	255,326	0	254,657	(669)
ENDING FUND BALANCE	<u>\$7,726</u>	<u>\$ -</u>	<u>\$8,395</u>	<u>\$669</u>

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# NOTES

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(Dollars in 000s)

1. Sales tax revenue is projected to be \$615 above budget due to the improved economy.
2. Municipal Court revenue is projected to be \$629 above budget primarily due to an increase in the collection per citation rates of the new collection agency.
3. Parks revenue is projected to be \$148 below budget due to a decrease in golf and tennis revenues as a result of weather related closures.
4. Miscellaneous revenue is projected to be \$135 above budget primarily due to an unbudgeted Code Compliance Litigation settlement agreement..
5. Business Development and Procurement is projected to be \$60 below budget due to vacancies.
6. City Auditor's Office is projected to be \$45 above budget primarily due to salary expenses.
7. City Controller's Office is projected to be \$148 below budget due to vacancies.
8. Civil Service is projected to be \$36 above budget due to salary expenses.
9. Elections is projected to be \$8 above budget due to purchase of petition verification software.
10. Park and Recreation is projected to be \$502 above budget primarily due to repairs related to flooding in 2015.
11. Planning and Urban Design is projected to be \$291 below budget due to vacancies.
12. Sustainable Development and Construction is projected to be \$141 below budget due to vacancies.
13. Aviation expenses are projected to be \$1,413 above budget primarily due to the City leasing property for additional offsite parking and for the future site of the consolidated rental car facility. Revenues are projected to be \$1,460 above budget due to revenue received from existing tenants on the newly leased property.
14. Convention and Event Services revenues are projected to be \$1,105 above budget primarily due to higher than expected Alcoholic Beverage Tax.
15. Sustainable Development and Construction expenses are projected to be \$1,109 below budget primarily due to vacancies.
16. Municipal Radio expenses are projected to be \$92 below budget due to vacancies and a reduction in sales commission. Revenues are projected to be \$46 below budget due to the sale of commercials being less than planned.

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# NOTES

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(Dollars in 000s)

17. Water Utilities revenues and expenses are both projected to be \$8,735 below budget. Revenues are projected to be below budget primarily due to the loss of a wholesale raw water customer contract and lower than projected retail wastewater service revenues. Expenses are projected to be under budget due to a reduction in the transfer to fund capital projects.

18. Communication and Information Services revenues are projected to be \$289 above budget due to payment from the State Fair of Texas for removal of the Fair Park Tower.

19. Sanitation revenues are projected to be \$2,255 above budget and expenses are projected to be \$271 above budget due to the volume of solid waste from non-contract customers being above historic levels and solid waste from the Upper Chain of Wetlands projects.

20. Debt Service expenses are projected to be \$669 below budget due to lower than projected interest rates realized on the 2015 GO Bond sale.

## AGENDA ITEM # 3

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 24, 2016

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Aviation  
Park & Recreation  
Trinity Watershed Management  
Water Utilities

**CMO:** Jeanne Chipperfield, 670-7804  
Ryan S. Evans, 671-9837  
Willis Winters, 670-4071  
Mark McDaniel, 670-3256

**MAPSCO:** N/A

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### **SUBJECT**

Authorize a three-year service contract for sewer camera maintenance, repairs and parts - CLS Sewer Equipment Co., Inc. in the amount of \$492,400, Green Equipment Company in the amount of \$400,000 and Atlas Inspection Technologies, LLC in the amount of \$241,500, lowest responsible bidders of three - Total not to exceed \$1,133,900 - Financing: Current Funds (\$6,000), Water Utilities Current Funds (\$565,500), Stormwater Drainage Management Current Funds (\$492,400) and Aviation Current Funds (\$70,000) (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 sewer camera maintenance, repairs and parts for sewer camera systems utilized by various departments. The video cameras are used for the inspection of sewer/wastewater lines and storm drains for structural integrity and/or failures. Additionally, as part of the structural integrity inspection process, Water Utilities and Trinity Watershed Management use the cameras as a proactive measure to aid in preventative maintenance against build-up of debris in sewer mains and storm drains from overflows.

These cameras aid in identifying potential backups before they occur, odor control and prioritizing maintenance cleaning and repair. Removing blockages and debris from storm drains, sewer/wastewater lines helps to maintain line capacity and reduce the potential for localized flooding.

## **BACKGROUND (Continued)**

The City utilizes 20 main line cameras, 29 lateral cameras which contain crawlers, cables and winches, 7 video vans, 10 cameras, 9 underground carriages and 2 push cameras. Cameras and/or cables are serviced monthly due to environmental conditions in which this equipment is used. Normal damage is caused by caved in pipe, protruding lateral pipe cables and frequent utilization.

Maintaining this equipment in operational readiness is essential in ensuring the City's 4,200 miles of wastewater mains and 1,800 miles of storm sewers are structurally sound and operating as intended.

This solicitation was structured in a manner which required bidders to submit a response using unit pricing. This bid resulted in a 3.00% increase over comparable unit prices for services. Additionally, this solicitation also required bidders to submit discounts/mark ups on parts to be ordered from manufacturer's catalogs. Therefore this bid also resulted in an average percentage discount from manufacturer's catalog of 1.00% compared to an average markup of 1.43% for the bid awarded in 2013.

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 468 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.

This solicitation closed prior to the wage floor policy approved by City Council on November 10, 2015, by Resolution No. 15-2141. Prior to Council approval of the wage floor, City contracts did not include language that required contractors to identify their rate of pay or the number of employees assigned on City contracts. CLS Sewer Equipment Co., Inc., Green Equipment Company and Atlas Inspection Technologies, LLC have agreed to pay their employees a minimum wage of \$10.37 per hour.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On April 24, 2013, City Council authorized a three-year service contract for sewer camera maintenance, repair services and parts by Resolution No. 13-0696.

Information about this item will be provided to the Budget, Finance and Audit Committee on February 16, 2016.



**FISCAL INFORMATION**

\$ 6,000.00 - Current Funds (subject to annual appropriations)  
\$565,500.00 - Water Utilities Current Funds (subject to annual appropriations)  
\$492,400.00 - Stormwater Drainage Management Current Funds (subject to annual appropriations)  
\$ 70,000.00 - Aviation Current Funds (subject to annual appropriations)

**M/WBE INFORMATION**

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

468 - 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**

CLS Sewer Equipment Co., Inc.

White Male	9	White Female	2
Black Male	1	Black Female	0
Hispanic Male	1	Hispanic Female	0
Other Male	0	Other Female	0

Green Equipment Company

White Male	14	White Female	2
Black Male	0	Black Female	0
Hispanic Male	0	Hispanic Female	0
Other Male	0	Other Female	0

Atlas Inspection Technologies, LLC

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

## **BID INFORMATION**

The following bids were received from solicitation number BM1523 and were opened on November 6, 2015. This service contract is being awarded to the lowest responsive and responsible bidders by group. Information related to this solicitation is available upon request.

\*Denotes successful bidders

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
*CLS Sewer Equipment Co., Inc.	726 South Sherman St. Richardson, TX 75081	Multiple Groups
*Green Equipment Company	2563 Gravel Dr. Fort Worth, TX 76118	Multiple Groups
*Atlas Inspection Technologies, LLC	15825 State Hwy. 249 Suite 25 Houston, TX 77086	Multiple Groups

## **OWNERS**

### **CLS Sewer Equipment Co., Inc.**

Jerry Sonnier, President  
Jennifer Sonnier, Treasurer

### **Green Equipment Company**

Edgar L. Green, President  
Zane S. Smith, Vice President  
Carol Morris, Treasurer

### **Atlas Inspection Technologies, LLC**

Darren Billings, President  
Robert L. Arnold, Jr., Vice-President  
Robert Graham Arnold, Secretary

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize a three-year service contract for sewer camera maintenance, repairs and parts - CLS Sewer Equipment Co., Inc. in the amount of \$492,400, Green Equipment Company in the amount of \$400,000 and Atlas Inspection Technologies, LLC in the amount of \$241,500, lowest responsible bidders of three - Total not to exceed \$1,133,900 - Financing: Current Funds (\$6,000), Water Utilities Current Funds (\$565,500), Stormwater Drainage Management Current Funds (\$492,400) and Aviation Current Funds (\$70,000) (subject to annual appropriations)

CLS Sewer Equipment Co., Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. Green Equipment Company and Atlas Inspection Technologies, LLC are non-local, non-minority firms, have 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	\$492,400.00	43.43%
Total non-local contracts	\$641,500.00	56.57%
<b>TOTAL CONTRACT</b>	<b>\$1,133,900.00</b>	<b>100.00%</b>

### **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 &amp; 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%
<b>Total</b>	<b>\$0.00</b>	<b>0.00%</b>	<b>\$0.00</b>	<b>0.00%</b>

February 24, 2016

**WHEREAS**, on April 24, 2013, City Council authorized a three-year service contract for sewer camera maintenance, repair services and parts by Resolution No. 13-0696; and,

**WHEREAS**, on December 9, 2015, Administrative Action Nos. 15-7269, 15-7270 and 15-7271 authorized an increase to the service contracts in an amount of \$50,000.00, increasing the contract amounts from \$719,349.00 to \$769,349.00;

**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 CLS Sewer Equipment Co., Inc. (VS0000018694) in the amount of \$492,400.00, Green Equipment Company (266153) in the amount of \$400,000.00 and Atlas Inspection Technologies, LLC (VS0000076769) in the amount of \$241,500.00 for sewer camera maintenance, repairs and parts for a term of three years in a total amount not to exceed \$1,133,900.00, 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 CLS Sewer Equipment Co., Inc., Green Equipment Company and Atlas Inspection Technologies, LLC, shall be based only on the amount of the services directed to be performed by the City and properly performed by CLS Sewer Equipment Co., Inc., Green Equipment Company and Atlas Inspection Technologies, LLC under the contract.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$1,133,900.00 (subject to annual appropriations) from Service Contract number BM1523.

**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 # 4**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 24, 2016

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Business Development & Procurement Services  
Convention and Event Services

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

**MAPSCO:** 45 P

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**SUBJECT**

Authorize a five-year service contract for event set-up at the Kay Bailey Hutchison Convention Center Dallas – Member’s Building Maintenance, LLC, most advantageous proposer of three - Not to exceed \$3,644,805 - Financing: Convention and Event Services 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 provides event set-up at the Kay Bailey Hutchison Convention Center Dallas (the Convention Center). The Convention Center has over 2.2 million square feet of space that requires event set-up and hosts in excess of one million visitors each year, creating significant economic impact and contributes to the vitality of the downtown area and surrounding communities.

Event set-up services will consist of setting up chairs, tables, stages and various furnishing for a variety of convention meetings and events. Event set-up will include exhibit halls, public areas, and meeting rooms. The vendor is required to provide supplies, equipment and necessary labor, and observe safe work practices including the proper use of safety equipment and observe all rules and regulations at the Convention Center.

This solicitation was structured in a manner which required proposers to submit a response using unit pricing. This proposal resulted in a 75.83% increase over comparable unit prices for the contract awarded in 2014.

## **BACKGROUND (Continued)**

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

- Aviation (1)
- Convention and Event Services (2)
- Office of Cultural Affairs (1)
- Equipment & Building Services (1)
- Business Development and Procurement Services (2)\*

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

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

- Experience/qualifications 30%
- Pricing 30%
- Staffing plan/approach 25%
- 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 793 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.

The recommended vendor meets the wage floor rate of \$10.37 approved by City Council on November 10, 2015, by Resolution No. 15-2141.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On August 14, 2013, an item for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas was deferred by Mayor Pro Tem Atkins.

On August 21, 2013, City Council rejected the bids for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 13-1395.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)**

On August 28, 2013, City Council authorized Supplemental Agreement No. 1 to increase the service contract to extend the contract term through February 28, 2014, for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 13-1507.

On March 3, 2014, this item was included as a briefing memo to the Budget, Finance, and Audit Committee.

On March 26, 2014, City Council rejected the proposals for event set up and janitorial services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 14-0497.

On May 14, 2014, City Council authorized a five-year service contract for event set up and janitorial services at Kay Bailey Hutchison Convention Center Dallas by Resolution No. 14-0739.

On October 28, 2015, City Council authorized the rejection of the only responsive bid received for event set-up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 15-1938.

Information about this item will be provided to the Budget, Finance and Audit Committee on February 16, 2016.

**FISCAL INFORMATION**

\$3,644,805.00 - Convention and Event Services Current Funds (subject to annual appropriations)

**M/WBE INFORMATION**

209 - Vendors Contacted

208 - No response

1 - Response (Bid)

0 - Response (No Bid)

1 - Successful

793 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**

### **Member's Building Maintenance, LLC**

White Male	21	White Female	16
Black Male	150	Black Female	140
Hispanic Male	210	Hispanic Female	220
Other Male	143	Other Female	84

## **PROPOSAL INFORMATION**

The following proposals were received from solicitation number BQZ1606 and were opened on January 7, 2016. This service contract is being awarded in its entirety to the most advantageous proposer.

\*Denotes successful proposer

<b><u>Proposers</u></b>	<b><u>Address</u></b>	<b><u>Score</u></b>	<b><u>Amount</u></b>
*Member's Building Maintenance, LLC	11363 Denton Dr. Suite 127 Dallas, TX 75229	93.46%	\$3,644,805.00
American Commercial Maintenance, Inc.	545 E. John Carpenter Fwy. Suite 300 Irving, TX 75062	67.00%	\$3,287,633.50
United Maintenance Company, Inc.	1550 S. Indiana Ave. Chicago, IL 60605	45.21%	\$4,521,189.80

## **OWNER**

### **Member's Building Maintenance, LLC**

Odes H. Kim, President  
Harvey Burger, Vice President  
Secretary, Ann Kim



## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize a five-year service contract for event set-up at the Kay Bailey Hutchison Convention Center Dallas – Member’s Building Maintenance, LLC, most advantageous proposer of three - Not to exceed \$3,644,805 - Financing: Convention and Event Services Current Funds (subject to annual appropriations)

Member’s Building Maintenance, LLC, 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	\$3,644,805.00	100.00%
Total non-local contracts	\$0.00	0.00%
<b>TOTAL CONTRACT</b>	<b>\$3,644,805.00</b>	<b>100.00%</b>

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION**

#### **Local Contractors / Sub-Contractors**

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Magic Building Service	PFMB62610N0716	\$911,201.25	25.00%
Member's Building Maintenance, LLC.	PMMB62244N0616	\$2,733,603.75	75.00%
<b>Total Minority - Local</b>		<b>\$3,644,805.00</b>	<b>100.00%</b>

#### **Non-Local Contractors / Sub-Contractors**

None

### **TOTAL M/WBE CONTRACT PARTICIPATION**

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; 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	\$3,644,805.00	100.00%	\$3,644,805.00	100.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
<b>Total</b>	<b>\$3,644,805.00</b>	<b>100.00%</b>	<b>\$3,644,805.00</b>	<b>100.00%</b>

February 24, 2016

**WHEREAS**, on August 21, 2013, City Council rejected the bids for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 13-1395; and,

**WHEREAS**, on August 28, 2013, City Council authorized Supplemental Agreement No. 1 to increase the service contract to extend the contract term through February 28, 2014, for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 13-1507; and,

**WHEREAS**, on March 26, 2014, City Council rejected the proposals for event set up and janitorial services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 14-0497; and,

**WHEREAS**, on May 14, 2014, City Council authorized a five year service contract for event set up and janitorial services at Kay Bailey Hutchison Convention Center Dallas by Resolution No. 14-0739; and,

**WHEREAS**, on October 28, 2015, City Council authorized the rejection of the only responsive bid received for event set-up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 15-1938;

**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 Member's Building Maintenance, LLC (243814) for event set-up at the Kay Bailey Hutchison Convention Center Dallas for a term of five years in an amount not to exceed \$3,644,805.00 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 Member's Building Maintenance, LLC shall be based only on the amount of the services directed to be performed by the City and properly performed by Member's Building Maintenance, LLC under the contract.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$3,644,805.00 (subject to annual appropriations) from Service Contract number BQZ1606.

February 24, 2016

**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 # 5**

**KEY FOCUS AREA:** Clean, Healthy Environment

**AGENDA DATE:** February 24, 2016

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Park & Recreation

**CMO:** Jeanne Chipperfield, 670-7804  
Willis Winters, 670-4071

**MAPSCO:** N/A

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**SUBJECT**

Authorize a three-year master agreement for the purchase of granulated and liquid fertilizers for use throughout the City – Greensmiths, Inc. in the amount of \$194,052, BWI Dallas/Ft. Worth in the amount of \$201,527, Harrell's, LLC in the amount of \$110,707, Helena Chemical Company in the amount of \$98,068, Turfgrass Solutions, Inc. in the amount of \$79,190, Turf Care of Texas, LLC in the amount of \$77,935, N-Gulf, LLC dba Ameriturf in the amount of \$69,930, Winfield Solutions LLC in the amount of \$91,545, LCS Lawn Care Supply, Inc. in the amount of \$17,332 and SiteOne Landscape Supply, LLC in the amount of \$10,043, lowest responsible bidders of ten - Total not to exceed \$950,329 - 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 provide for the purchase of granulated and liquid fertilizers for use throughout the City, such as:

- Park and Recreation department maintains the grounds at six 18-hole golf courses, various acres of City park property and flower beds at the historic Fair Park
- Fertilizers supply plant nutrients essential to the growth of grass to assist with the control of erosion and aesthetics throughout the City

## **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 367 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 February 12, 2014, City Council executed the casting of lots to identify the recommended vendor resulting from tie bids on lines 6, 7, 8, 9, 11, 12, 23, 25, 39, 40, 41, 42, 43, 44 and 45, for bid BP1404, for a two-year master agreement for the purchase of granulated and liquid fertilizer by Resolution No. 14-0338.

On February 26, 2014, City Council authorized a two-year master agreement for granulated and liquid fertilizer by Resolution No. 14-0366.

On February 10, 2016, City Council executed the casting of lots to identify the recommended vendor resulting from tie bids on lines 17, 18, 19, 20, 22, 23, 24, 73, 74, 75, 76, 77, 79 and 139, for bid BA1602, for a three-year master agreement for the purchase of granulated and liquid fertilizer by Resolution No. 16-0307.

Information about this item will be provided to the Budget, Finance and Audit Committee on February 16, 2016.

Scheduled for Park and Recreation Board approval on February 18, 2016.

## **FISCAL INFORMATION**

\$950,328.25 - Current Funds

## **M/WBE INFORMATION**

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

**M/WBE INFORMATION (Continued)**

367 - 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**

Greensmiths, Inc.

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

BWI Dallas/Ft. Worth

White Male	30	White Female	9
Black Male	1	Black Female	0
Hispanic Male	17	Hispanic Female	1
Other Male	0	Other Female	0

Harrell's, LLC

White Male	108	White Female	34
Black Male	24	Black Female	2
Hispanic Male	14	Hispanic Female	2
Other Male	2	Other Female	0

Helena Chemical Company

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

Turfgrass Solutions, Inc.

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

**ETHNIC COMPOSITION (Continued)**

Turf Care of Texas, LLC

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

N-Gulf, LLC dba Ameriturf

White Male	13	White Female	3
Black Male	1	Black Female	0
Hispanic Male	1	Hispanic Female	0
Other Male	0	Other Female	0

Winfield Solutions LLC

White Male	9	White Female	1
Black Male	2	Black Female	0
Hispanic Male	0	Hispanic Female	0
Other Male	0	Other Female	0

LCS Lawn Care Supply, Inc.

White Male	1	White Female	0
Black Male	0	Black Female	0
Hispanic Male	4	Hispanic Female	2
Other Male	0	Other Female	0

SiteOne Landscape Supply, LLC

White Male	1,878	White Female	281
Black Male	90	Black Female	16
Hispanic Male	356	Hispanic Female	29
Other Male	71	Other Female	21

**BID INFORMATION**

The following bids were received from solicitation number BA1602 and were opened on December 11, 2015. This master agreement is being awarded to the lowest responsive and responsible bidders by line. Information related to this solicitation is available upon request.

\*Denotes successful bidders

**BID INFORMATION (Continued)**

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount of Bid</u></b>
*Greensmiths, Inc.	1419 Upfield Drive Carrollton, TX 75006	Multiple Lines
*BWI Dallas/Ft. Worth	1418 Upfield Drive Carrollton, TX 75006	Multiple Lines
*Harrell's, LLC	720 Kraft Road Lareland, FL 33815	Multiple Lines
*Helena Chemical Company	225 Schilling Boulevard Suite 300 Gollierville, TN 38017	Multiple Lines
*Turfgrass Solutions, Inc.	3125 Woodland Heights Circle Colleyville, TX 76034	Multiple Lines
*Turf Care of Texas, LLC	1400 Berwick Drive McKinney, TX 75070	Multiple Lines
*N-Gulf, LLC dba Ameriturf	1874 Highway 77 South Italy, TX 76651	Multiple Lines
*Winfield Solutions LLC	1221 Champion Circle Suite 107 Carrollton, TX 75006	Multiple Lines
*LCS Lawn Care Supply, Inc.	11084 Grader Street Dallas, TX 75238	Multiple Lines
*SiteOne Landscape Supply, LLC	10588 Shady Trail Dallas, TX 75220	Multiple Lines

**OWNERS**

**Greensmiths, Inc.**

Jim Montgomery, President  
TL Morgan, Vice President



## **OWNERS (Continued)**

### **BWI Dallas/Ft. Worth**

Jim Bunch, President  
Robert Bunch, President  
Mike Mize, Vice President

### **Harrell's, LLC**

Jack Harrell Jr, Chief Executive Officer  
Dave Schermerhorn, Vice President

### **Helena Chemical Company**

Mike McCarty, President  
Dave Thomas, Vice President

### **Turfgrass Solutions, Inc.**

Sara L. Parker, President  
Richard D. Parker, Vice President

### **Turf Care of Texas, LLC**

Todd Gilmour, President

### **N-Gulf, LLC dba Ameriturf**

George Scruggs, President  
Jordon Droll, Vice President

### **Winfield Solutions LLC**

Chris Policinski, President  
Dan Knutson, Vice President

### **LCS Lawn Care Supply, Inc.**

Juan Alberto Kerbow, President  
Alexander Kerbow, Secretary

### **SiteOne Landscape Supply, LLC**

Doug Black, Chief Executive Officer  
Briley Brisendine, Vice President

## BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

**PROJECT:** Authorize a three-year master agreement for the purchase of granulated and liquid fertilizers for use throughout the City – Greensmiths, Inc. in the amount of \$194,052, BWI Dallas/Ft. Worth in the amount of \$201,527, Harrell's, LLC in the amount of \$110,707, Helena Chemical Company in the amount of \$98,068, Turfgrass Solutions, Inc. in the amount of \$79,190, Turf Care of Texas, LLC in the amount of \$77,935, N-Gulf, LLC dba Ameriturf in the amount of \$69,930, Winfield Solutions LLC in the amount of \$91,545, LCS Lawn Care Supply, Inc. in the amount of \$17,332 and SiteOne Landscape Supply, LLC in the amount of \$10,043, lowest responsible bidders of ten - Total not to exceed \$950,329 - Financing: Current Funds

LCS Lawn Care Supply, Inc., Winfield Solutions LLC and Greensmiths, Inc. are local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces. Harrell's, LLC, Helena Chemical Company, Turfgrass Solutions, Inc., Turf Care of Texas, LLC, N-Gulf, LLC dba Ameriturf and SiteOne Landscape Supply, LLC are non-local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces. BWI Dallas/Ft. Worth is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

**PROJECT CATEGORY:** Goods

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### LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$504,455.45	53.08%
Total non-local contracts	\$445,872.80	46.92%
<b>TOTAL CONTRACT</b>	<b>\$950,328.25</b>	<b>100.00%</b>

### LOCAL/NON-LOCAL M/WBE PARTICIPATION

#### Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Richochet Fuel Districutors	WFWB63913Y0117	\$2,272.15	0.45%
<b>Total Minority - Local</b>		<b>\$2,272.15</b>	<b>0.45%</b>

#### Non-Local Contractors / Sub-Contractors

None

**TOTAL M/WBE CONTRACT PARTICIPATION**

	<b><u>Local</u></b>	<b><u>Percent</u></b>	<b><u>Local &amp; Non-Local</u></b>	<b><u>Percent</u></b>
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	\$2,272.15	0.45%	\$2,272.15	0.24%
Total	<u>\$2,272.15</u>	<u>0.45%</u>	<u>\$2,272.15</u>	<u>0.24%</u>

February 24, 2016

**WHEREAS**, on February 12, 2014, City Council executed the casting of lots to identify the recommended vendor resulting from tie bids on lines 6, 7, 8, 9, 11, 12, 23, 25, 39, 40, 41, 42, 43, 44 and 45, for bid BP1404, for a two-year master agreement for the purchase of granulated and liquid fertilizer by Resolution No. 14-0338; and,

**WHEREAS**, on February 26, 2014, City Council authorized a two-year master agreement for granulated and liquid fertilizer by Resolution No. 14-0366; and,

**WHEREAS**, on February 10, 2016, City Council executed the casting of lots to identify the recommended vendor resulting from tie bids on lines 17, 18, 19, 20, 22, 23, 24, 73, 74, 75, 76, 77, 79 and 139, for bid BA1602, for a three-year master agreement for the purchase of granulated and liquid fertilizer by Resolution No. 16-0307;

**NOW, THEREFORE,**

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

**Section 1.** That a master agreement for the purchase of granular and liquid fertilizer for use throughout the City is authorized with Greensmiths, Inc. (269732) in the amount of \$194,052.00, BWI-Dallas/Ft. Worth (501400) in the amount of \$201,526.73, Harrell's, LLC (VC0000013094) in the amount of \$110,707.50, Helena Chemical Company (351406) in the amount of \$98,067.50, Turfgrass Solutions, Inc. (VS0000021981) in the amount of \$79,190.00, Turf Care of Texas, LLC (VS0000019543) in the amount of \$77,935.00, N-Gulf, LLC dba Ameriturf (VS0000045957) in the amount of \$69,930.00, Winfield Solutions LLC (VC0000009702) in the amount of \$91,544.52, LCS Lawn Care Supply, Inc. (VC13911) in the amount of \$17,332.20 and SiteOne Landscape Supply, LLC (VS0000077016) in the amount of \$10,042.80, for a term of three years in a total amount not to exceed \$950,328.25.

**Section 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for granular and liquid fertilizers. If a written contract is required or requested for any or all purchases of granular and liquid fertilizers 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 \$950,328.25 from Master Agreement number BA1602.

**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.

**AGENDA ITEM # 6**

**KEY FOCUS AREA:** Public Safety

**AGENDA DATE:** February 24, 2016

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Aviation  
Fire  
Park & Recreation  
Street Services  
Trinity Watershed Management  
Water Utilities

**CMO:** Jeanne Chipperfield, 670-7804  
Ryan S. Evans, 671-9837  
Eric Campbell, 670-3255  
Willis Winters, 670-4071  
Jill A. Jordan, P.E., 670-5299  
Mark McDaniel, 670-3256

**MAPSCO:** N/A

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**SUBJECT**

Authorize a three-year master agreement for mobile concrete - Custom-Crete Redi-Mix, LLC, lowest responsible bidder of three - Not to exceed \$17,363,139 - Financing: Current Funds (\$10,847,603), Water Utilities Current Funds (\$5,796,457), Stormwater Drainage Management Current Funds (\$588,670) and Aviation Current Funds (\$130,409)

**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 provide mobile concrete citywide at work sites as requested. This concrete will also be available for pick-up by City departments and/or delivered to various locations throughout the City. Ready mix and volumetrically mixed concrete are mix designs of various strengths and setting times. This agreement also includes flowable fill which is a cement based product used to backfill utility trenches and other excavations.

## **BACKGROUND (Continued)**

Street Services utilizes concrete to repair City-owned and maintained infrastructure, primarily streets and alleys. Trinity Watershed Management will use the concrete for citywide preventative and reactive maintenance, four dams, and public owned creeks and channels contained within the Trinity River levee system. Parks and Recreation department will use the agreement for various projects throughout the park system such as pads for picnic tables, benches and trash receptacles, light pole foundations, trails and sidewalks.

Other uses include:

- Concrete mix used for portable building foundations, outside generator pads, and needed ADA ramps
- Projects within the airport for preventive and reactive maintenance on streets, runways, taxiways, vehicle service roads and general repairs
- Variety of maintenance and replacement activities relative to pavement, manhole and pipeline infrastructure

This solicitation was structured in a manner which required bidders to submit a response using unit pricing. This bid resulted in a 2.8% increase over comparable unit prices for the bid awarded in 2013.

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 698 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 October 26, 2011, City Council authorized a two-year master agreement for mobile concrete by Resolution No. 11-2819.

On November 12, 2013, City Council authorized a two-year master agreement for concrete by Resolution No. 13-1915.

Information about this item will be provided to the Budget, Finance and Audit Committee on February 16, 2016.

**FISCAL INFORMATION**

\$10,847,602.95 - Current Funds  
\$ 5,796,457.00 - Water Utilities Current Funds  
\$ 588,670.00 - Stormwater Drainage Management Current Funds  
\$ 130,409.00 - Aviation Current Funds

**M/WBE INFORMATION**

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

698 - 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**

Custom-Crete Redi-Mix, LLC

White Male	27	White Female	1
Black Male	9	Black Female	1
Hispanic Male	18	Hispanic Female	0
Other Male	0	Other Female	0

**BID INFORMATION**

The following bids were received from solicitation number BQ1602 and were opened on November 13, 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

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount of Bid</u></b>
*Custom-Crete Redi-Mix, LLC	2624 Joe Field Rd. Dallas, TX 75229	Multiple Groups

**BID INFORMATION (Continued)**

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount of Bid</u></b>
Argos Ready Mix (SC) Corp.	8500 Freeport Pkwy. N. Suite 200 Irving, TX 75063	Multiple Groups
H&H Pool Decks, Inc.	2804 Prestige Rd. Fort Worth, TX 76244	Multiple Groups

**OWNER**

**Custom-Crete Redi-Mix, LLC**

William J. Sandbrook, President  
Ronnie Pruitt, Vice President  
Paul M. Jolas, Secretary  
Katherine Kantor, Treasurer



## BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

**PROJECT:** Authorize a three-year master agreement for mobile concrete - Custom-Crete Redi-Mix, LLC, lowest responsible bidder of three - Not to exceed \$17,363,139 - Financing: Current Funds (\$10,847,603), Water Utilities Current Funds (\$5,796,457), Stormwater Drainage Management Current Funds (\$588,670) and Aviation Current Funds (\$130,409)

Custom-Crete Redi-Mix, LLC is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

**PROJECT CATEGORY:** Goods

### LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$16,688,138.95	96.11%
Total non-local contracts	\$675,000.00	3.89%
<b>TOTAL CONTRACT</b>	<b>\$17,363,138.95</b>	<b>100.00%</b>

### LOCAL/NON-LOCAL M/WBE PARTICIPATION

#### Local Contractors / Sub-Contractors

None

#### Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Horizon Trucking, LLC.	HMDB35948Y0516	\$675,000.00	100.00%
<b>Total Minority - Non-local</b>		<b>\$675,000.00</b>	<b>100.00%</b>

### TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$675,000.00	3.89%
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%
<b>Total</b>	<b>\$0.00</b>	<b>0.00%</b>	<b>\$675,000.00</b>	<b>3.89%</b>

February 24, 2016

**WHEREAS**, on October 26, 2011, City Council authorized a two-year master agreement for mobile concrete by Resolution No. 11-2819; and,

**WHEREAS**, on November 12, 2013, City Council authorized a two-year master agreement for concrete by Resolution No. 13-1915; and,

**WHEREAS**, on December 8, 2015, Administrative Action No. 16-5033 authorized an extension of the master agreement for ninety days from December 8, 2015 to March 7, 2016;

**NOW, THEREFORE,**

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

**Section 1.** That a master agreement for the purchase of mobile concrete is authorized with Custom-Crete Redi-Mix, LLC (VC13900) for a term of three years in an amount not to exceed \$17,363,138.95.

**Section 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for mobile concrete. If a written contract is required or requested for any or all purchases of mobile concrete 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 \$17,363,138.95 from Master Agreement number BQ1602.

**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.

**AGENDA ITEM # 7**

**KEY FOCUS AREA:** Clean, Healthy Environment

**AGENDA DATE:** February 24, 2016

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Aviation  
Convention and Event Services  
Trinity Watershed Management  
Water Utilities

**CMO:** Jeanne Chipperfield, 670-7804  
Ryan S. Evans, 671-9837  
Mark McDaniel, 670-3256

**MAPSCO:** N/A

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**SUBJECT**

Authorize an increase to the master agreement with Pollock Investments dba Pollock Paper Distributors in the amount of \$314,154, from \$1,570,770 to \$1,884,924, Eagle Brush & Chemical, Inc. in the amount of \$307,985, from \$1,539,925 to \$1,847,910, MANS Distributors, Inc. in the amount of \$86,420, from \$432,100 to \$518,520 and San Benito Textile, Inc. in the amount of \$12,610, from \$63,050 to \$75,660 for janitorial supplies - Total not to exceed \$721,169, from \$3,605,845 to \$4,327,014 - Financing: Current Funds (\$285,583), Aviation Current Funds (\$354,887), Water Utilities Current Funds (\$67,790), Convention and Event Services Current Funds (\$7,356) and Stormwater Drainage Management Current Funds (\$5,553)

**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.

The increase to the master agreement is necessary in order to allow sufficient time to complete the solicitation process. This master agreement will provide janitorial supplies Citywide. Many facilities such as fire stations, Bahama Beach Water Park and City Hall conduct their own janitorial services and require supplies to maintain the facility in a clean and inviting condition.

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

On January 25, 2012, City Council authorized a three-year master agreement for janitorial supplies by Resolution No. 12-0270.

On September 24, 2014, City Council authorized a three-year master agreement for janitorial supplies by Resolution No. 14-1590.

Information about this item will be provided to the Budget, Finance and Audit Committee on February 16, 2016.

**FISCAL INFORMATION**

- \$ 285,582.93 - Current Funds
- \$ 354,887.26 - Aviation Current Funds
- \$ 67,789.89 - Water Utilities Current Funds
- \$ 7,355.92 - Convention and Event Services Current Funds
- \$ 5,553.00 - Stormwater Drainage Management Current Funds

**ETHNIC COMPOSITION**

Pollock Investments dba Pollock Paper Distributors

White Male	95	White Female	70
Black Male	40	Black Female	14
Hispanic Male	72	Hispanic Female	10
Other Male	1	Other Female	3

Eagle Brush & Chemical, Inc.

White Male	5	White Female	4
Black Male	1	Black Female	0
Hispanic Male	4	Hispanic Female	0
Other Male	0	Other Female	0

MANS Distributors, Inc.

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

**ETHNIC COMPOSITION (Continued)**

San Benito Textile, Inc.

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

**OWNERS**

**Pollock Investments dba Pollock Paper Distributors**

Lawrence Pollock III, President  
Tracy Evatt, Vice President

**Eagle Brush & Chemical, Inc.**

Ben R. Carriker, President  
Rosanne Benoit, Vice President

**MANS Distributors, Inc.**

Suresh Kara, President  
Purnima Kara, Chief Executive Officer

**San Benito Textile, Inc.**

Carlos Sanchez, President  
Dolores Sanchez, Vice President

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize an increase to the master agreement with Pollock Investments dba Pollock Paper Distributors in the amount of \$314,154, from \$1,570,770 to \$1,884,924, Eagle Brush & Chemical, Inc. in the amount of \$307,985, from \$1,539,925 to \$1,847,910, MANS Distributors, Inc. in the amount of \$86,420, from \$432,100 to \$518,520 and San Benito Textile, Inc. in the amount of \$12,610, from \$63,050 to \$75,660 for janitorial supplies - Total not to exceed \$721,169, from \$3,605,845 to \$4,327,014 - Financing: Current Funds (\$285,583), Aviation Current Funds (\$354,887), Water Utilities Current Funds (\$67,790), Convention and Event Services Current Funds (\$7,356) and Stormwater Drainage Management Current Funds (\$5,553)

Pollock Investments dba Pollock Paper Distributors is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. Eagle Brush & Chemical, Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor. MANS Distributors, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. San Benito Textile, Inc. is a non-local, minority firm, has signed the Business Inclusion & Development" documentation, and proposes to use their own workforce.

**PROJECT CATEGORY:** Goods

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### LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY

	<u>Amount</u>	<u>Percent</u>
Local contracts	\$646,962.00	89.71%
Non-local contracts	\$74,207.00	10.29%
<b>TOTAL THIS ACTION</b>	<b>\$721,169.00</b>	<b>100.00%</b>

### LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION

#### Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
MANS Distributors, Inc.	IFMB62336N0616	\$86,420.00	13.36%
<b>Total Minority - Local</b>		<b>\$86,420.00</b>	<b>13.36%</b>

**Non-Local Contractors / Sub-Contractors**

<b><u>Non-local</u></b>	<b><u>Certification</u></b>	<b><u>Amount</u></b>	<b><u>Percent</u></b>
San Benito Textile, Inc.	HFSWM58801016	\$12,610.00	16.99%
Amarillo Mop & Broom Company	WFWBC214561216	\$61,597.00	83.01%
<b>Total Minority - Non-local</b>		<b>\$74,207.00</b>	<b>100.00%</b>

**TOTAL M/WBE PARTICIPATION**

	<b><u>This Action</u></b>		<b><u>Participation to Date</u></b>	
	<b><u>Amount</u></b>	<b><u>Percent</u></b>	<b><u>Amount</u></b>	<b><u>Percent</u></b>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$12,610.00	1.75%	\$75,660.00	1.75%
Asian American	\$86,420.00	11.98%	\$518,520.00	11.98%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$61,597.00	8.54%	\$384,997.00	8.90%
<b>Total</b>	<b>\$160,627.00</b>	<b>22.27%</b>	<b>\$979,177.00</b>	<b>22.63%</b>

February 24, 2016

**WHEREAS**, on January 25, 2012, City Council authorized a three-year master agreement for janitorial supplies by Resolution No. 12-0270; and,

**WHEREAS**, on September 24, 2014, City Council authorized a three-year master agreement for janitorial supplies by Resolution No. 14-1590;

**NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to increase the master agreement with Pollock Investments dba Pollock Paper Distributors (063760) in the amount of \$314,154.00, from \$1,570,770.00 to \$1,884,924.00, Eagle Brush & Chemical, Inc. (009948) in the amount of \$307,985.00, from \$1,539,925.00 to \$1,847,910.00, MANS Distributors, Inc. (331904) in the amount of \$86,420.00, from \$432,100.00 to \$518,520.00 and San Benito Textile, Inc. (VS0000085406) in the amount of \$12,610.00, from \$63,050.00 to \$75,660.00 for janitorial supplies Citywide, in a total amount not to exceed \$721,169.00, increasing the master agreement from \$3,605,845.00 to \$4,327,014.00.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$721,169.00 from Master Agreement number BT1409.

**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:** February 24, 2016

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Water Utilities

**CMO:** Jeanne Chipperfield, 670-7804  
Mark McDaniel, 670-3256

**MAPSCO:** N/A

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**SUBJECT**

Authorize a two-year master agreement for clamps, couplings, sleeves and adapters - Fortiline, Inc. in the amount of \$326,372 or \$331,372 (Tie bid - line 140), Ferguson Enterprises in the amount of \$120,677 or \$125,677 (Tie bid - line 140), Powerseal Pipeline Products Corp. in the amount of \$90,991 and HD Supply Waterworks, LTD in the amount of \$68,878, lowest responsible bidders of four - Total not to exceed \$611,918 - Financing: Water Utilities 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 provide various types and sizes of clamps, couplings and sleeves utilized in the installation and/or repair of water mains and service lines within water treatment facilities and the distribution system. This agreement will allow Water Utilities to acquire and stock needed parts with minimal delay, reducing repair time on water systems. Access to these supplies will allow Water Utilities to repair pipes, water meters, bypass valves and other equipment as needs arise. Water Utilities maintains 5,024 miles of water mains throughout the water distribution system. Approximately 2,700 repairs were performed during the prior fiscal year to the mains due to external corrosion, system loads and temperature change.

Casting of lots is utilized to identify a vendor for lines for which the City has received identical bids. This process is being executed in accordance with Texas Local Government Code, Section 271.901.

## **BACKGROUND (Continued)**

This section of the Texas local Government Code states, in part:

- The municipality must select from the identical bids by the casting of lots
- The casting of lots must be in the presence of the governing body of the municipality
- If one of the bidders submitting an identical bid is a resident of the municipality, the municipality must select that bidder

This particular solicitation resulted in identical bids from vendors located outside the city limits.

This solicitation was structured in a manner which required bidders to submit a response using unit pricing. This bid resulted in a 2.91% increase over comparable unit prices for goods. Additionally, this solicitation also required bidders to submit discounts/mark ups on parts to be ordered from manufacturer's catalogs. Therefore this bid also resulted in an average percentage discount from manufacturer catalog of 26.00% compared to an average discount of 6.00% for the bid awarded in 2014.

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 139 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 12, 2012, City Council authorized a one-year master agreement for the purchase of clamps, adapters, couplings and sleeves by Resolution No. 12-2230.

On August 27, 2014, City Council authorized a one-year master agreement for clamps, couplings, sleeves and adapters by Resolution No. 14-1349.

Information about this item will be provided to the Budget, Finance and Audit Committee on February 16, 2016.

## **FISCAL INFORMATION**

\$611,917.18 - Water Utilities Current Funds

## **M/WBE INFORMATION**

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

139 - 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**

### Fortiline, Inc.

White Male	9	White Female	1
Black Male	2	Black Female	0
Hispanic Male	2	Hispanic Female	0
Other Male	3	Other Female	0

### Ferguson Enterprises

White Male	3	White Female	1
Black Male	0	Black Female	0
Hispanic Male	0	Hispanic Female	0
Other Male	0	Other Female	0

### Powerseal Pipeline Products Corp.

White Male	14	White Female	2
Black Male	2	Black Female	0
Hispanic Male	47	Hispanic Female	5
Other Male	10	Other Female	0

### HD Supply Waterworks, LTD

White Male	9	White Female	2
Black Male	1	Black Female	0
Hispanic Male	4	Hispanic Female	1
Other Male	0	Other Female	1

## **BID INFORMATION**

The following bids were received from solicitation number BM1525 and were opened on October 16, 2015. This master agreement is being awarded to the lowest responsive and responsible bidders by line. Information related to this solicitation is available upon request.

\*Denotes successful bidders

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
*Fortiline, Inc.	11200 Seagoville Rd. Balch Springs, TX 75180	Multiple Lines**
*Ferguson Enterprises	7982 U.S. Hwy. 69 N. Tyler, TX 75706	Multiple Lines**
*Powerseal Pipeline Products Corp.	701 Pleasant View Dr. Wichita Falls, TX 76306	Multiple Lines
*HD Supply Waterworks, LTD	4333 Irving Blvd. Dallas, TX 75247	Multiple Lines

\*\*Note: Fortiline, Inc. and Ferguson Enterprises submitted tie bids for line 140. Fortiline, Inc. award amount without line 140 is \$326,371.94. If Fortiline, Inc. wins the tie the award amount will be \$331,371.94. Ferguson Enterprises award amount without line 140 is \$120,677.12. If Ferguson Enterprises wins the tie the award amount will be \$125,677.12.

## **OWNERS**

### **Fortiline, Inc.**

Tim Tysinger, President  
James Cagle, Vice President  
Jason Painter, Secretary

### **Ferguson Enterprises**

Frank Roach, President  
Kevin Murphy, Vice President  
Dave Kelter, Treasurer

**OWNERS (Continued)**

**Powerseal Pipeline Products Corp.**

Patrick Powers, President  
Steve Kilcrease, Vice President  
Edson Luna, Secretary/Treasurer

**HD Supply Waterworks, LTD**

Jerry L. Webb, President  
Donald W. Clayton, Vice President  
Judy Borrow, Secretary  
Mark R Witkowski, Treasurer

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize a two-year master agreement for clamps, couplings, sleeves and adapters - Fortiline, Inc. in the amount of \$326,372 or \$331,372 (Tie bid - line 140), Ferguson Enterprises in the amount of \$120,677 or \$125,677 (Tie bid - line 140), Powerseal Pipeline Products Corp. in the amount of \$90,991 and HD Supply Waterworks, LTD in the amount of \$68,878, lowest responsible bidders of four - Total not to exceed \$611,918 - Financing: Water Utilities Current Funds

Fortiline, Inc. and HD Supply Waterworks, LTD, are local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforce. Ferguson Enterprises and Powerseal Pipeline Products Corp. are non-local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

**PROJECT CATEGORY:** Goods

### **LOCAL/NON-LOCAL CONTRACT SUMMARY**

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$400,249.88	65.41%
Total non-local contracts	\$211,667.30	34.59%
<b>TOTAL CONTRACT</b>	<b>\$611,917.18</b>	<b>100.00%</b>

### **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 &amp; 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%
<b>Total</b>	<b>\$0.00</b>	<b>0.00%</b>	<b>\$0.00</b>	<b>0.00%</b>

February 24, 2016

**WHEREAS**, on September 12, 2012, City Council authorized a one-year master agreement for the purchase of clamps, adapters, couplings and sleeves by Resolution No. 12-2230; and,

**WHEREAS**, on August 27, 2014, City Council authorized a one-year master agreement for clamps, couplings, sleeves and adapters by Resolution No. 14-1349;

**NOW, THEREFORE,**

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

**Section 1.** That a master agreement for the purchase of clamps, couplings, sleeves and adapters is authorized with Fortiline, Inc. (VS0000073028) in the amount of \$326,371.94 or \$331,371.94 (Tie bid – line 140), Ferguson Enterprises (VS87464) in the amount of \$120,677.12 or \$125,677.12 (Tie bid – line 140), Powerseal Pipeline Products Corp. (075233) in the amount of \$90,990.18 and HD Supply Waterworks, LTD (VS0000038746) in the amount of \$68,877.94, for a term of two years in a total amount not to exceed \$611,917.18.

**Section 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for clamps, couplings, sleeves and adapters. If a written contract is required or requested for any or all purchases for clamps, couplings, sleeves and adapters 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 \$611,917.18 from Master Agreement number BM1525.

**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.

# Memorandum



CITY OF DALLAS

DATE February 12, 2016

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 Draft Addendum Item: Authorize a five-year service contract for the workers' compensation Certified Network and medical cost containment services

The February 24, 2016 Council Agenda will include an item for consideration to authorize a five-year service contract for the workers' compensation Certified Network and medical cost containment services with Injury Management Organization, Inc., most advantageous proposer of three, in an amount not to exceed \$2,524,094.

This service contract will provide a workers' compensation certified network for medical cost containment services of injured employees. The medical cost containment services through a workers' compensation licensed network in accordance with the Texas Insurance Code, Chapter 1305 will be responsible for managing services including, but not limited to:

- Medical authorizations and bill reviews
- Field case management
- Select, oversee, credential and contract providers
- Early intervention using telephonic case management
- Quality improvement programs
- Internal medical reviews
- Performance based report cards on accountability for satisfaction of care
- Providers listed within a 30 mile radius of each employee's zip code

Please let me know if you have any questions.

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

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  
Sana Syed, Public Information Officer  
Elsa Cantu, Assistant to the City Manager