

RECEIVED

BUDGET, FINANCE, & AUDIT COMMITTEE

DALLAS CITY COUNCIL COMMITTEE AGENDA

2016 DEC -2 AM 10: 34

CITY SECRETARY
DALLAS, TEXAS

MONDAY, DECEMBER 5, 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 November 7, 2016 Budget, Finance, & Audit Committee meeting

BRIEFINGS

2. Is the Worst Over?
Texas Economy Gaining Speed
Pia Orrenius, Vice President
Federal Reserve Bank of Dallas
3. Dallas Water Utilities: Water & Wastewater
Retail Cost of Service Rate Study
Jody Puckett, Director
Dallas Water Utilities
4. Texas Water Development Board -
Low Cost Financial Assistance Programs
Jody Puckett, Director
Dallas Water Utilities

UPCOMING AGENDA ITEMS

December 14, 2016 City Council Meeting

- A. Agenda Item #4: Authorize a three-year service contract for emergency repair of large concrete pipe - Forterra Pressure Pipe, Inc., most advantageous proposer of two - Not to exceed \$619,905 - Financing: Water Utilities Current Funds (subject to annual appropriations)

- B. Agenda Item #5: Authorize (1) a four-year service contract for maintenance and support for the integrated billing system software in the amount of \$2,363,902; and (2) an acquisition contract for the purchase of additional licenses in the amount of \$387,630 - SAP Public Services, Inc., sole source – Total not to exceed \$2,751,532 – Financing: Water Utilities Current Funds (\$2,363,902) (subject to annual appropriations) and Water Capital Construction Funds (\$387,630)
- C. Agenda Item #6: Authorize (1) a five-year service contract for parts and repair of hardware for the automated local evaluation in real time system for monitoring of flood incidents in the amount of \$79,500 - HydroLynx Systems, Inc.; and (2) a five-year service contract for the operating system software maintenance and support of the automated local evaluation in real time system for monitoring of flood incidents in the amount of \$186,000 - TriLynx Systems, LLC, most advantageous proposers of two - Total not to exceed \$265,500 - Financing: Stormwater Drainage Management Current Funds (subject to annual appropriations)
- D. Agenda Item #7: Authorize an acquisition contract for the purchase of hardware, software, and installation for an upgrade to the current Vesta 9-1-1 telephone system infrastructure - AT&T Communications, Inc. through the Houston-Galveston Area Council of Governments - Not to exceed \$1,372,074 - Financing: Current Funds
- E. Agenda Item #8: Authorize an acquisition contract for the purchase and installation of an emergency backup generator for the Dallas Museum of Art - Facility Solutions Group, most advantageous proposer of two - Not to exceed \$149,177 - Financing: Capital Construction Funds
- F. Agenda Item #9: Authorize the purchase of hardware to conduct searches of the City's intranet and all City owned websites - SADA Systems, Inc. through the General Services Administration - Not to exceed \$67,000 - Financing: Current Funds
- G. Agenda Item #10: Authorize a three-year master agreement for the purchase of hydrofluosilicic acid to be used for the treatment of potable water - Solvay Fluorides, LLC, lowest responsible bidder of five - Not to exceed \$994,000 - Financing: Water Utilities Current Funds
- H. Agenda Item #11: Authorize a three-year master agreement for plumbing pipe, fittings, fixtures, trim, and parts – Winston Water Cooler LTD in the amount of \$2,407,613, 4-Star Hose & Supply, Inc. in the amount of \$273,295 and HD Supply Waterworks LTD in the amount of \$268,675, lowest responsible bidders of three – Total not to exceed \$2,949,583 - Financing: Current Funds (\$994,378), Water Utilities Current Funds (\$1,734,875), Aviation Current Funds (\$117,027), Convention and Event Services Current Funds (\$79,905), and Stormwater Drainage Management Current Funds (\$23,398)
- I. Agenda Item #12: Authorize Supplemental Agreement No. 1 to increase the service contract for employee shuttle services at Love Field - Logisticorp Group, LLC in the amount of \$1,017,100, from \$4,068,423 to \$5,085,523 - Financing: Aviation Current Funds (subject to annual appropriations)

- J. Agenda Item #45: Authorize a thirty-year contract with the City of Lewisville to continue providing untreated water supply, from December 17, 2016 through December 16, 2046 - Estimated Annual Revenue: \$1,557,640
- K. Agenda Item #46: Authorize continuation of the contract with the United States Geological Survey for operation of stream flow and water quality gauging stations in the Trinity River basin, a pharmaceutical and personal care products water quality study, and a Zebra Mussel sampling study and water quality study on each of the reservoirs in Dallas' water supply system from November 1, 2016 through September 30, 2017 – Not to exceed \$688,150 - Financing: Water Utilities Current Funds (subject to annual appropriations)

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.

Handgun Prohibition Notice for Meetings of Governmental Entities

"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

Meeting Date: November 7, 2016

Convened: 1:05 pm

Adjourned: 2:08 pm

Committee Members Present:

Jennifer S. Gates, Chair
Philip Kingston, Vice Chair
Erik Wilson

Rickey D. Callahan
Scott Griggs
Lee Kleinman

Committee Members Absent:

N/A

Other Council Members Present:

Tiffinni Young

Staff Present:

Craig D. Kinton
Jack Ireland
Akilah McLaughlin
Elizabeth Reich
Tony Aguilar

Brett Wilkinson
Corrine Steeger
William Finch
Randall Hanks
Renee Hayden

Edward Scott
Lance Sehorn
Dina Colarossi
Mark McDaniel
Erick Thompson

Donzell Gipson
Dominique Artis
Rickard Ngugi
Kelly High
Randy Payton

Tammie Hughes

Others Present:

N/A

AGENDA:

Call to Order

1. Consideration of the October 17, 2016 Minutes

Presenter(s):

Information Only:

Action Taken/Committee Recommendation(s):

A motion was made to approve the October 17, 2016 minutes. Motion passed unanimously.

Motion made by: Philip Kingston

Motion seconded by: Erik Wilson

2. Audit Planning Meeting: Communications Related to the FY 2016 Audit

Presenter(s): Dan Barron, Partner, *Grant Thornton*

Information Only: X

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

Budget, Finance, & Audit Committee

Meeting Record

3. COPS Hiring Grant

Presenter(s): Bret Wilkinson, Director, *Intergovernmental Services*

Information Only:

Action Taken/Committee Recommendation(s):

A motion was made to accept the grant funds with caveat that staff return to BFA Committee and full Council if BFA deems necessary before grant funds are accepted, and brief BFA on status of the board number with strengths.

Motion made by: Lee Kleinman

Motion seconded by: Rickey Callahan

4. Office of the City Auditor Fiscal Year 2017 – First Quarter Update

Presenter(s): Craig Kinton, City Auditor

Information Only:

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

FYI:

5. September 30, 2016 Quarterly Investment Report

Presenter(s):

Information Only:

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

UPCOMING AGENDA ITEMS:

November 9, 2016 City Council Meeting

- A. Agenda Item #3: Authorize an Other Transaction Agreement with the Federal Aviation Administration for a Limited Design and Implementation Reimbursable Agreement for the mitigation of impacts to the Instrument Landing System control cabling due to the rehabilitation of Taxiway Bravo at Dallas Love Field - Not to exceed \$79,196 - Financing: Aviation Capital Construction Funds

A motion was made to forward to the City Council on November 9, 2016. Motion passed on unanimous vote.

Motion made by: Philip Kingston

Motion seconded by: Erik Wilson

- B. Agenda Item #4: Authorize an application for and acceptance of a grant from the Federal Aviation Administration for the federal share of the eligible capital improvement projects at Dallas Love Field - Not to exceed \$988,086 - Financing: Federal Aviation Administration Airport Improvement Program Grant Funds

A motion was made to forward to the City Council on November 9, 2016. Motion passed on unanimous vote.

Motion made by: Philip Kingston

Motion seconded by: Erik Wilson

Budget, Finance, & Audit Committee

Meeting Record

- C. **Agenda Item #6: Authorize a six-year service contract for preventive maintenance and repair services for the City's outdoor warning siren system - West Shore Services, Inc., most advantageous proposer of two - Not to exceed \$567,368 - Financing: Current Funds (subject to annual appropriations)**

A motion was made to forward to the City Council on November 9, 2016. Motion passed on unanimous vote.

Motion made by: Philip Kingston

Motion seconded by: Erik Wilson

- D. **Agenda Item #7: Authorize a three-year subscription and maintenance contract for a business information and process automation management system - Salesforce distributed by Carahsoft Technology Corporation, through the Department of Information Resources - Not to exceed \$5,024,646 - Financing: Current Funds (subject to annual appropriations)**

A motion was made to forward to the City Council on November 9, 2016. Motion passed on unanimous vote.

Motion made by: Philip Kingston

Motion seconded by: Erik Wilson

- E. **Agenda Item #8: Authorize a five-year concession contract, with two two-year renewal options, for the operation of snack vending machines at City facilities - Compass Group USA, Inc., only responsive proposer of two - Estimated Annual Average Net Revenue: \$13,260**

A motion was made to forward to the City Council on November 9, 2016. Motion passed on unanimous vote.

Motion made by: Philip Kingston

Motion seconded by: Erik Wilson

- F. **Agenda Item #10: Authorize a three-year master agreement for lead free brass fittings and accessories - Fortiline, Inc. in the amount of \$933,900, Mueller Co., LLC in the amount of \$623,500, ACT Pipe & Supply, Inc. in the amount of \$223,300, 4-Star Hose & Supply, Inc. in the amount of \$29,500, and Winston Water Cooler, LTD in the amount of \$1,800, lowest responsible bidders of five - Total not to exceed \$1,812,000 - Financing: Current Funds (\$48,750), Stormwater Drainage Management Current Funds (\$67,750), and Water Utilities Current Funds (\$1,695,500)**

A motion was made to forward to the City Council on November 9, 2016. Motion passed on unanimous vote.

Motion made by:

Motion seconded by:

UPCOMING ADDENDUM ITEMS

- G. **Addendum Item #5: Authorize an Interlocal agreement between the City of Dallas and the North Central Texas Council of Governments providing for: the Dallas Fire-Rescue Training Facility located at 5000 Dolphin Road, Dallas, TX 75223 to be used as a site host for the 2016 North Central Texas Full Scale Exercise ("Big X") - Financing: No cost consideration to the City**

A motion was made to forward to the City Council on November 9, 2016. Motion passed on unanimous vote.

Motion made by: Philip Kingston

Motion seconded by: Erik Wilson

Budget, Finance, & Audit Committee

Meeting Record

H. Addendum Item #10 and #11: Parking Collections Contract

Authorize Supplemental Agreement No. 10 to extend the service contract with Xerox State and Local Solutions, Inc. for services related to citation payments and delinquent collections, from September 15, 2016 through December 15, 2016 – Estimated Revenue: \$618,555

Authorize (1) a five-year service contract, with a one-year renewal option, for the collection of delinquent parking citations - Xerox State and Local Solutions, Inc., most advantageous proposer of five - Estimated Annual Revenue: \$813,960; and (2) payment for services related to automated license plate reader hosting, on-site service and wireless connectivity – Not to exceed \$100,000 – Financing: Current Funds (subject to annual appropriations)

A motion was made to forward to the City Council on November 9, 2016. Motion passed on unanimous vote.

Motion made by: Philip Kingston

Motion seconded by: Erik Wilson

Adjourn

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

Memorandum



DATE: December 2, 2016

TO: Honorable 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: **Is the Worst Over? Texas Economy Gaining Speed**

On Monday, December 5, 2016, the Federal Reserve Bank of Dallas will brief the Budget, Finance, & Audit Committee on Is the Worst Over? Texas Economy Gaining Speed. We have attached the briefing for your review.

Please let me know if you need additional information.



M. Elizabeth Reich
Chief Financial Officer

[Attachment]

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

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



Budget, Finance and Audit Committee

Is the Worst Over?

Texas Economy Gaining Speed

Pia M. Orrenius

Federal Reserve Bank of Dallas

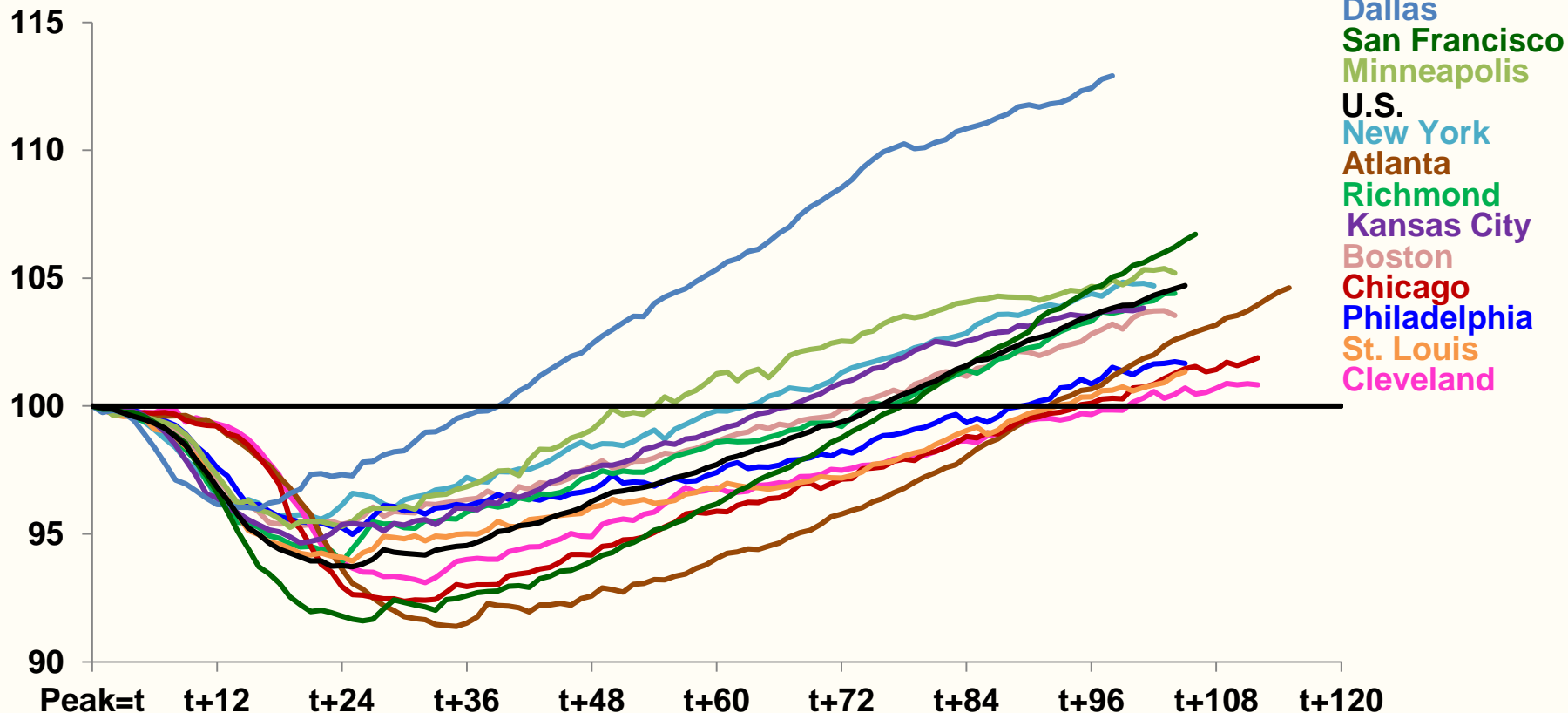
December 5, 2016

The views expressed herein are those of the presenter and do not reflect those of the Federal Reserve Bank of Dallas or Federal Reserve System.



After Great Recession, 11th District was first to recover all lost jobs

Index, each District's peak employment = 100





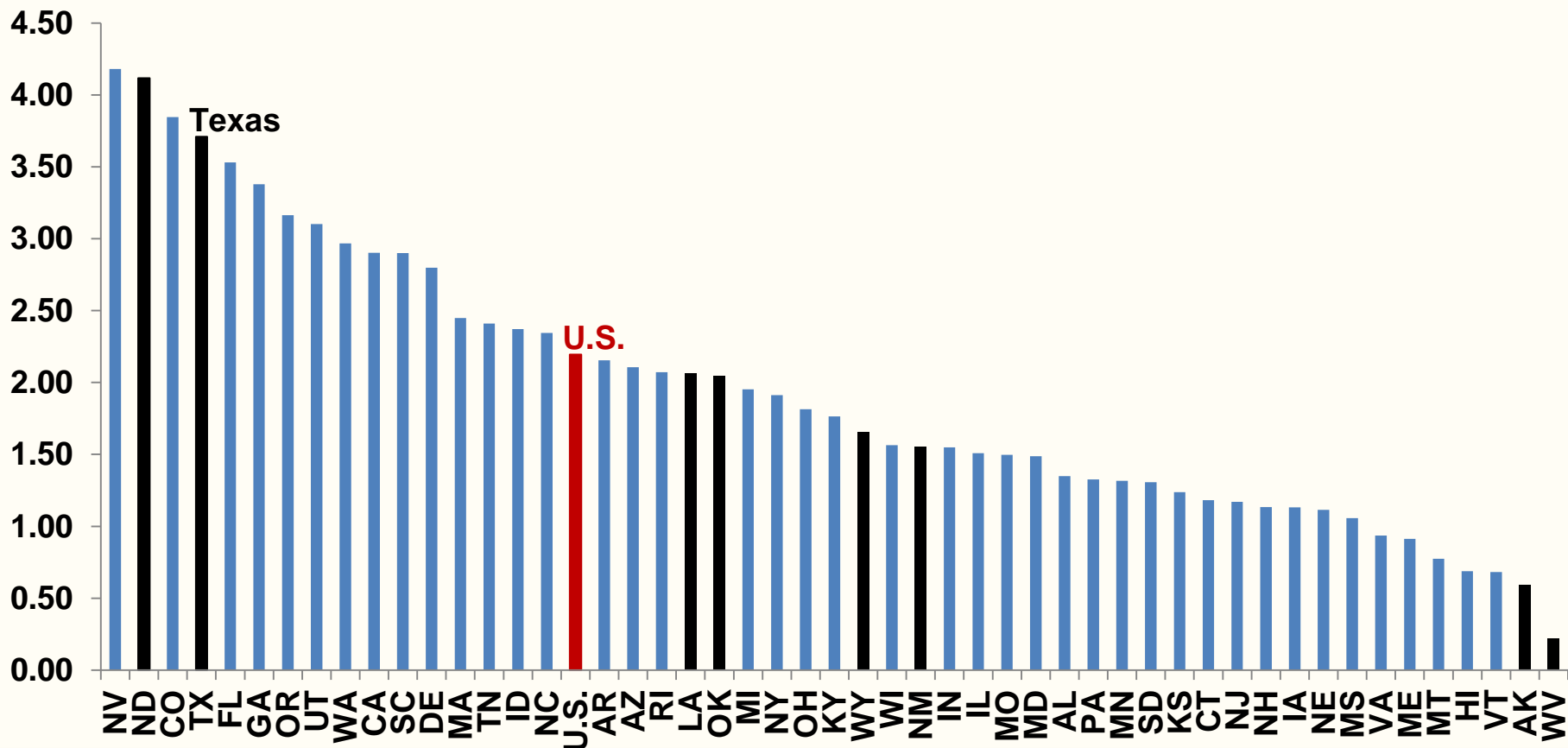
What a difference an oil boom makes...

- 11th District and the Great Recession
 - Last in, first out; in expansion since November 2011
- 2014: blistering Texas job growth at 3.7% (U.S. 2.2%)
 - Oil prices drop by 70%
- 2015: state growth slips under nation
 - Texas job growth of 1.3% (U.S. 2.0%)
- 2016: growth slows further
 - Texas job growth of 1.5% YTD (U.S. 1.5%)



In 2014, Texas 4th in job growth

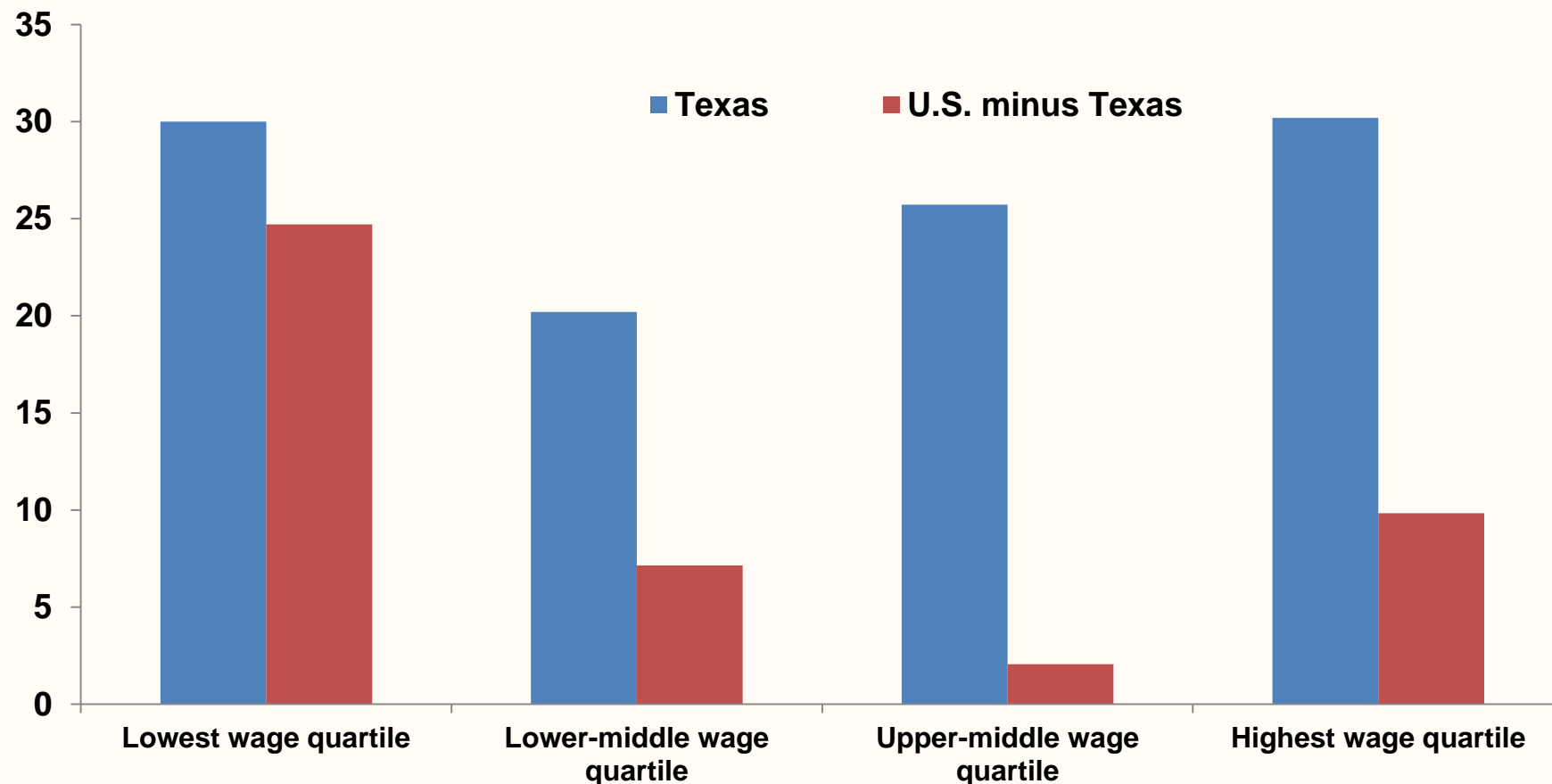
Percent Change, SAAR





Wages: Oil boom helped fuel job and wage growth in Texas

Percent change 2005-2015



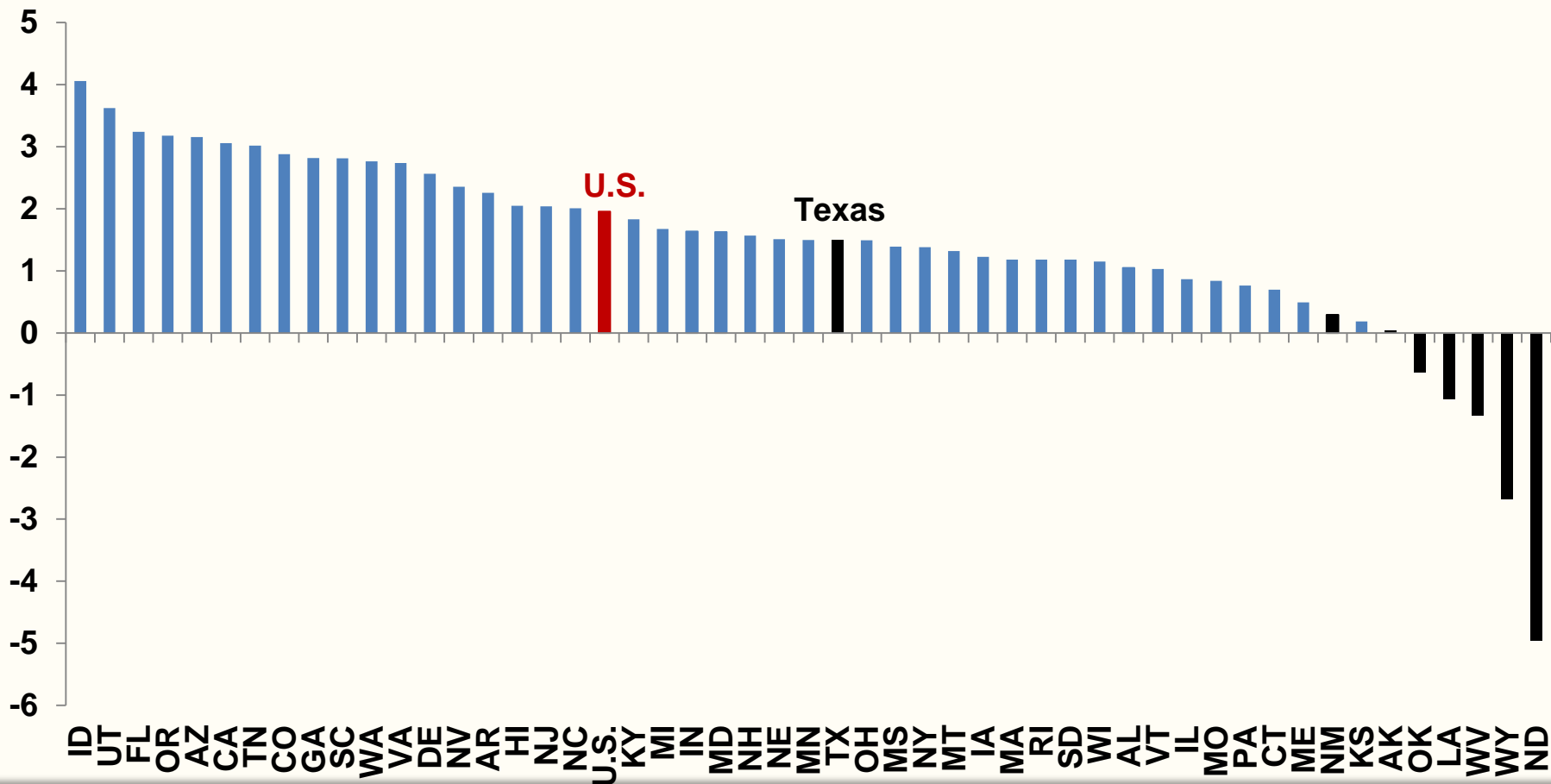
NOTES: Calculations include workers over age 15 but exclude the self-employed. Wage quartiles and employment growth based on the Texas and U.S. wage distributions from the 2005 and 2015 American Community Survey (ACS).

SOURCES: 2005 and 2015 ACS.



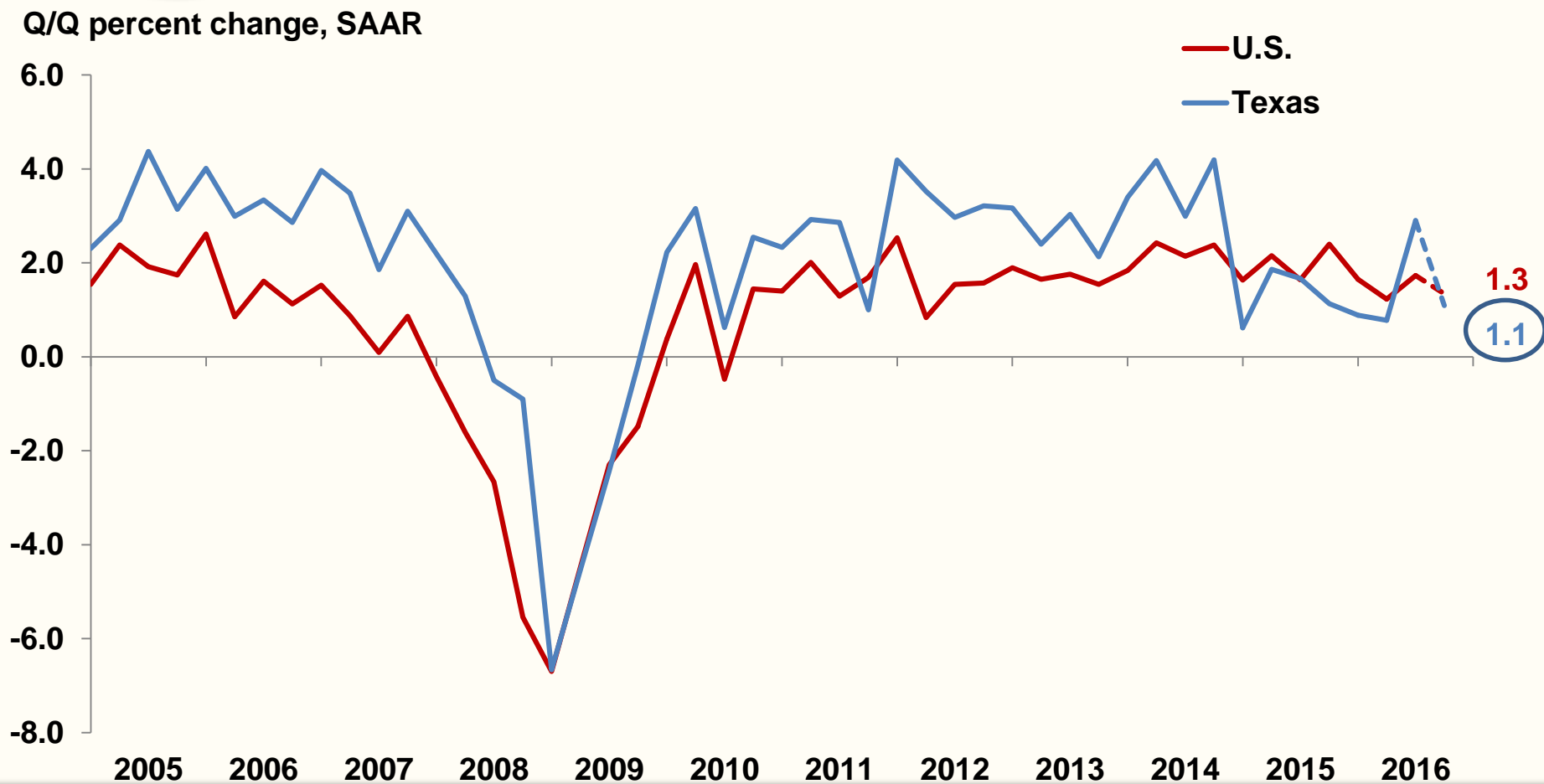
In 2015, Texas slips to 26th in job growth

Percent change, SAAR





Texas job growth bounces back after slowing in the energy bust

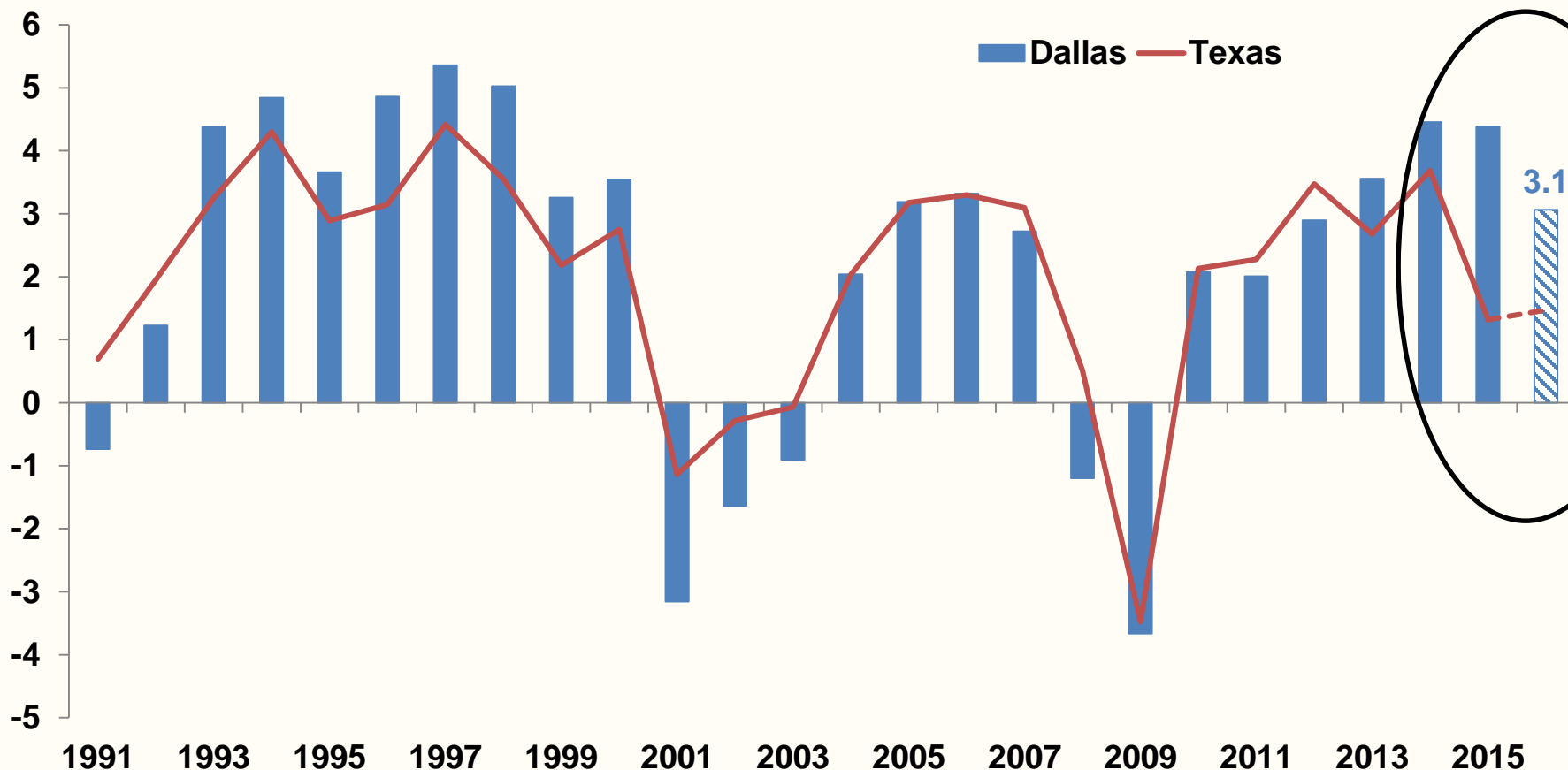


NOTES: Quarterly employment is last month of a quarter. Partial Q4 2016 based on October 2016 data.
SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal adjustments by FRB Dallas.



Dallas Job Growth Above Texas'

Y/Y percent change, SA

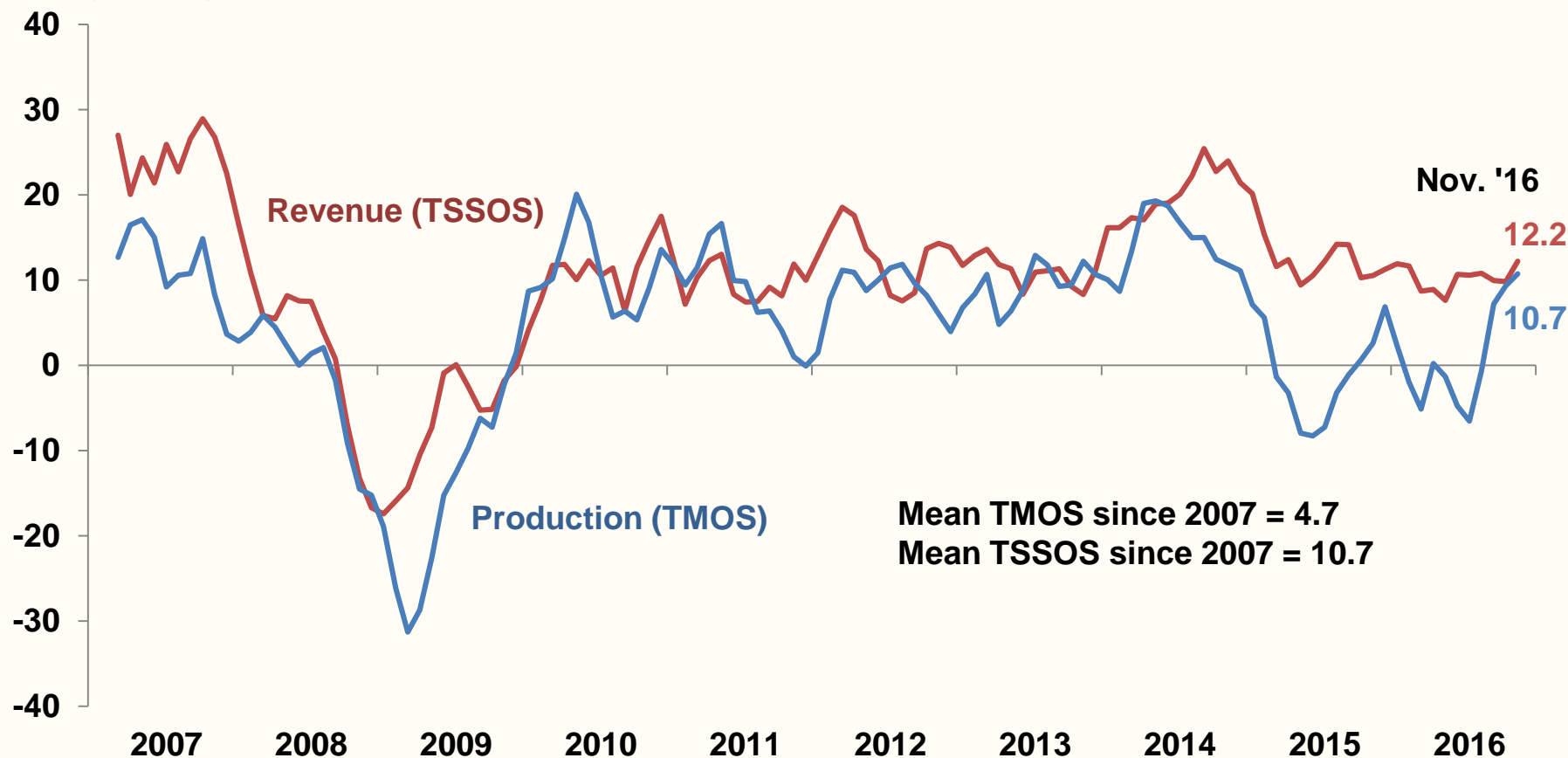


NOTE: Last data points for Texas and Dallas are 2016 YTD annualized employment growth through October.
SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by the Dallas Fed.



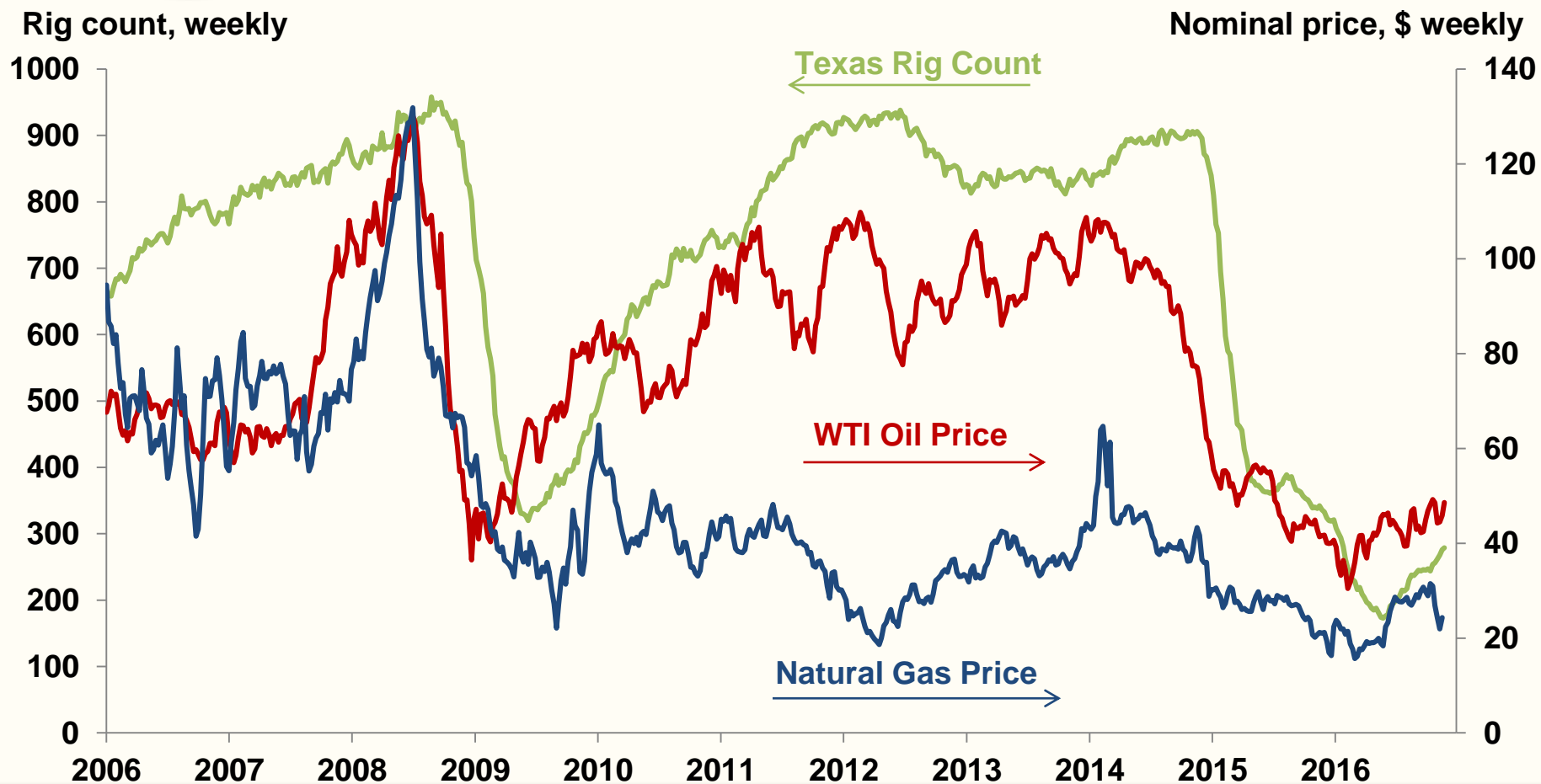
Dallas Fed Business Outlook Surveys also suggest activity has picked up

Index, 3MMA, SA





Texas' bust: Falling oil prices brought down rig count, drilling activity ceased



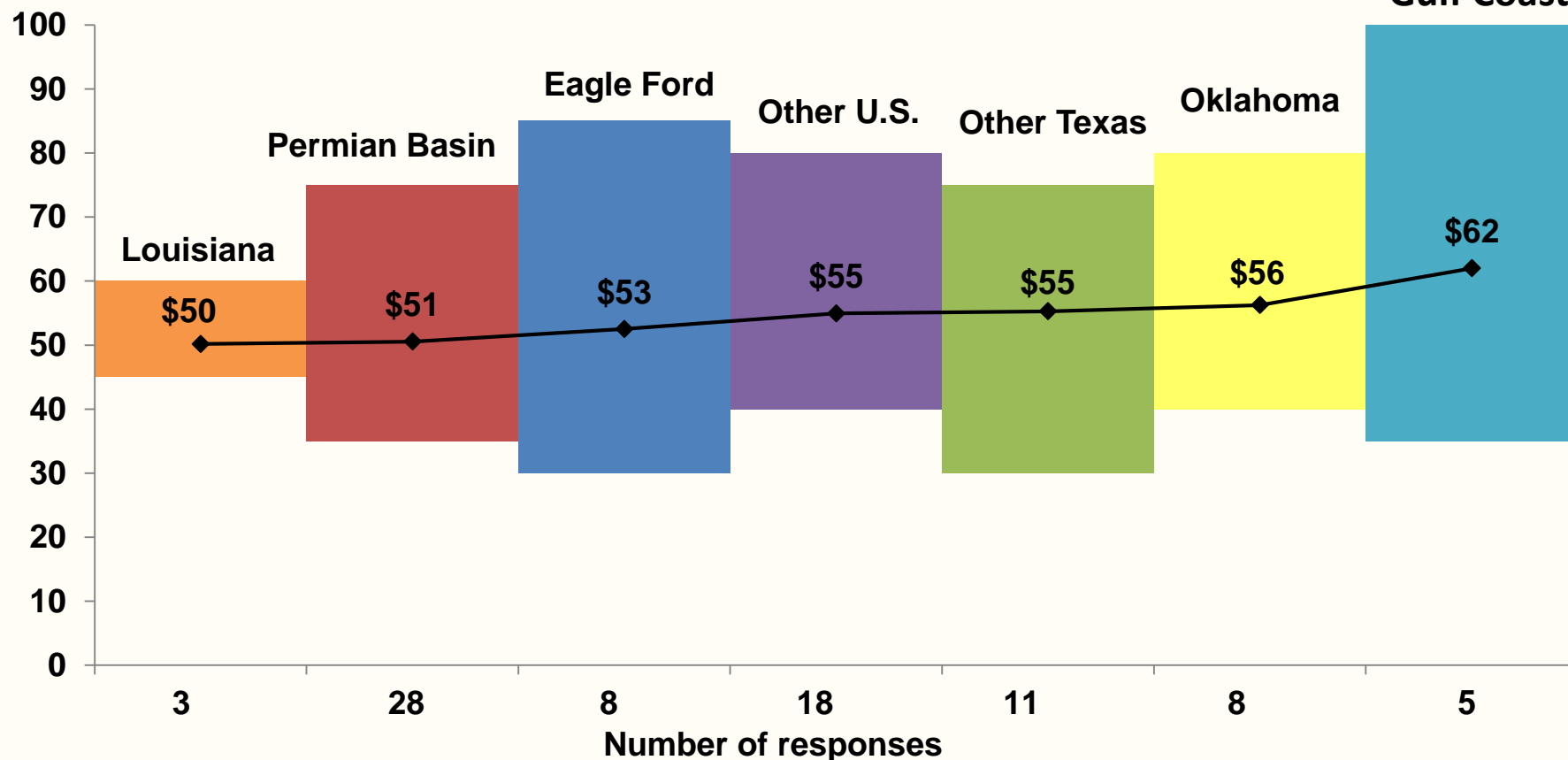
NOTE: Natural gas price is multiplied by 10.

SOURCES: Baker Hughes; Energy Information Administration; Wall Street Journal.



In the top two areas in which your firm is active: What WTI oil price does your firm need to profitably drill a new well?

Dollars per barrel



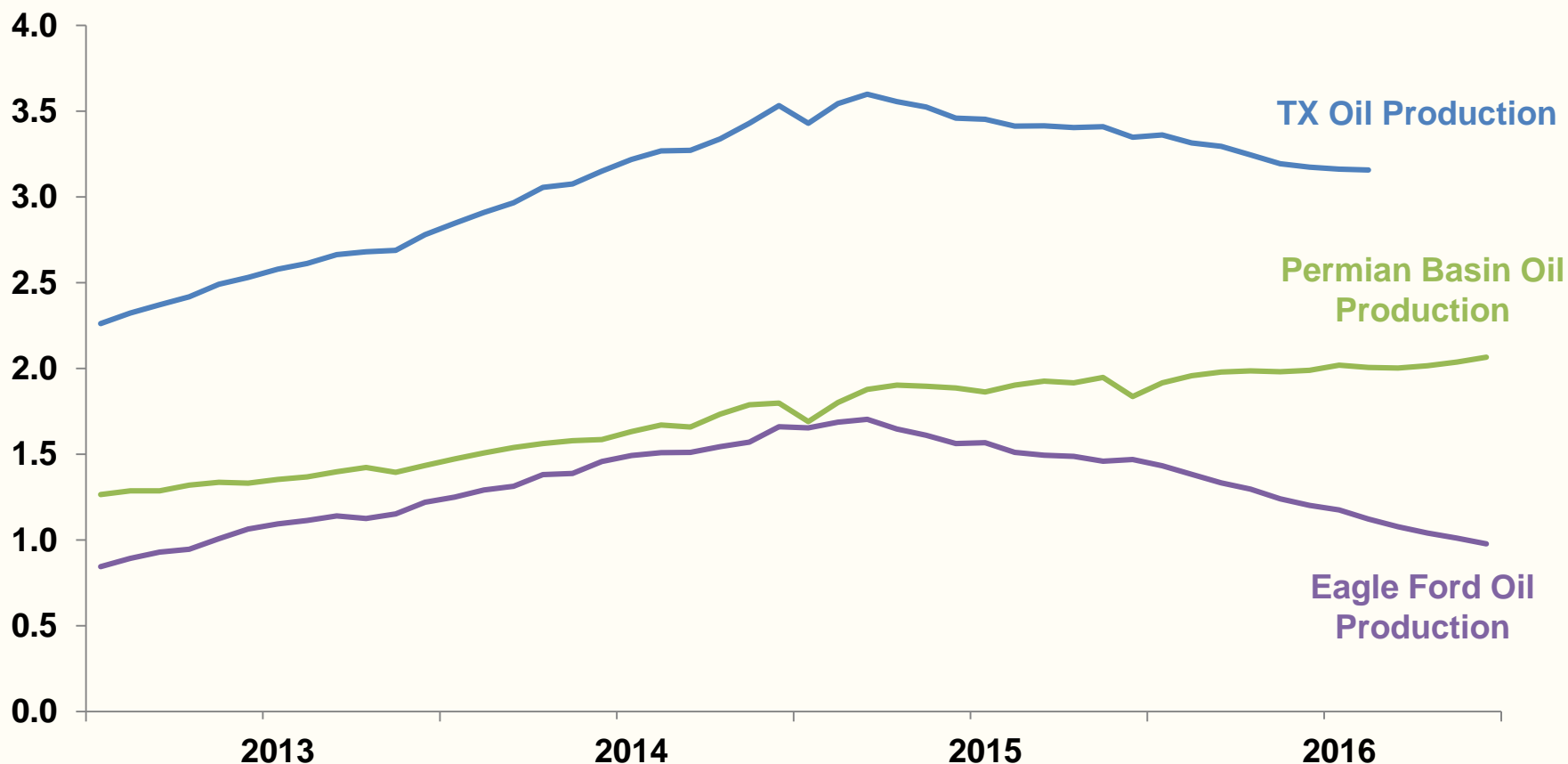
NOTES: Line depicts the mean and bars depict the range of responses. 63 E&P firms answered this question from March 16-24, 2016. Other U.S. includes Bakken, Kansas, Gulf of Mexico and others.

SOURCE: Federal Reserve Bank of Dallas Energy Survey.



Oil production has been slow to fall because Permian going strong

Million barrels per day



NOTE: Texas oil production data through August, Eagle Ford and Permian Basin oil production data through December.
SOURCES: Oil and Gas Journal; Baker Hughes.

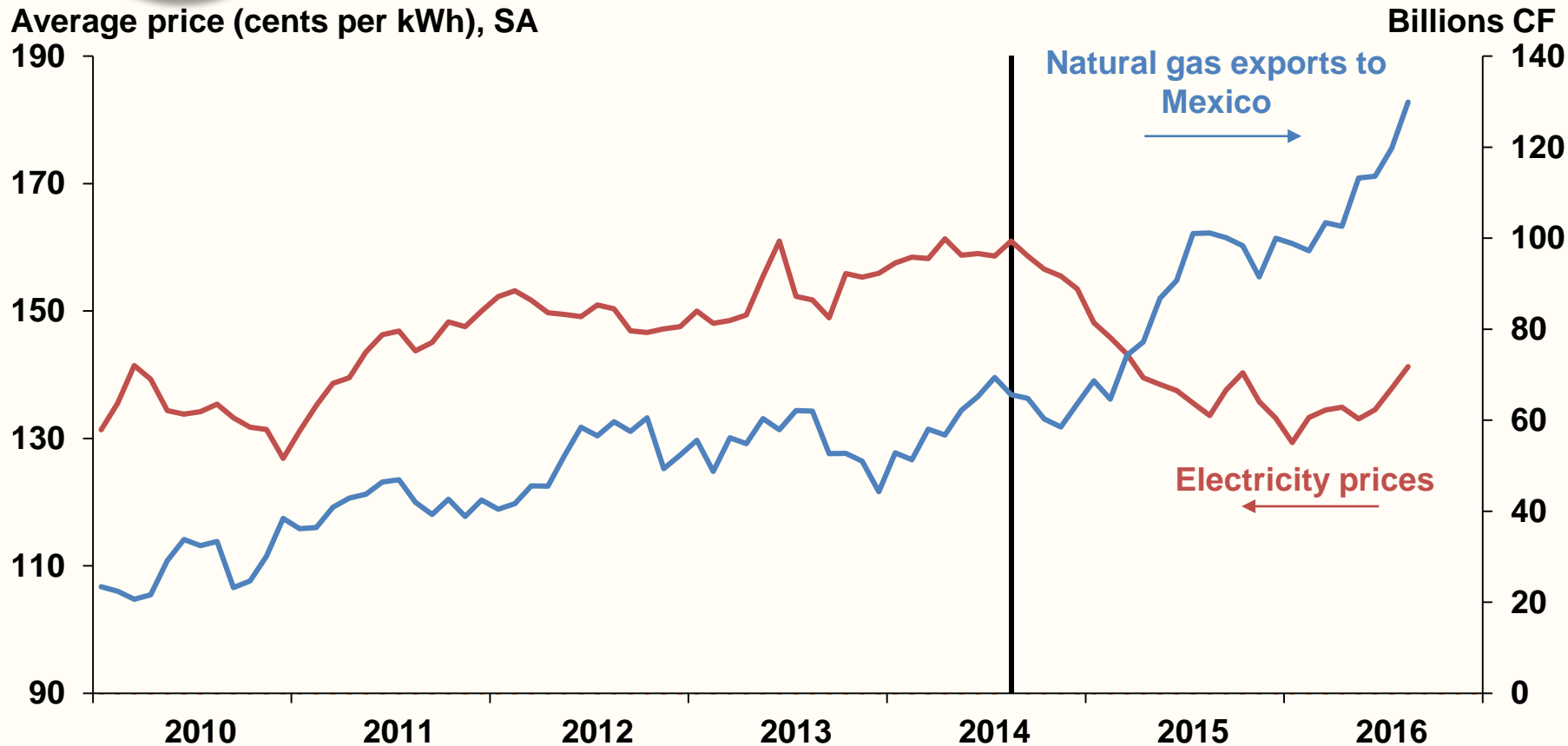


Energy's role declining in Texas

- Oil and gas industry shrinking
 - 6.0 percent of GDP, down from 14 percent at peak in 2014
 - 1.7 percent of employment, down from 2.6 percent at peak in 2014
- But Texas still home to
 - 36 percent of U.S. crude oil production, 25 percent of U.S. natural gas production
 - 29 percent U.S. refinery capacity, > 60 percent of U.S. petrochemical production



Natural gas exports to Mexico

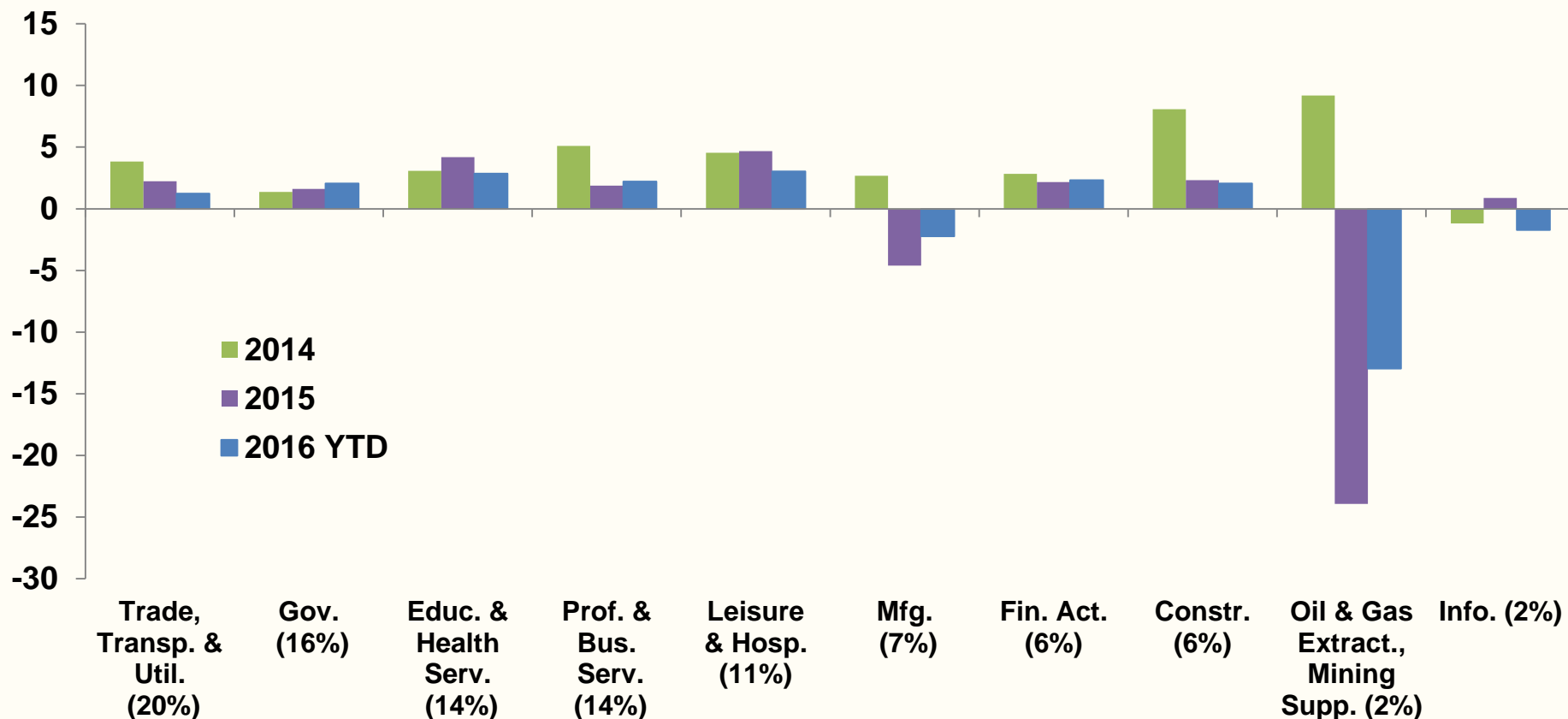


NOTE: Black line indicates date of reform, Aug. 2014.
SOURCES: EIA; Sistema de Información Energética.



Goods sector job declines severe, and some weakness spread to services

Percent change in employment, SAAR

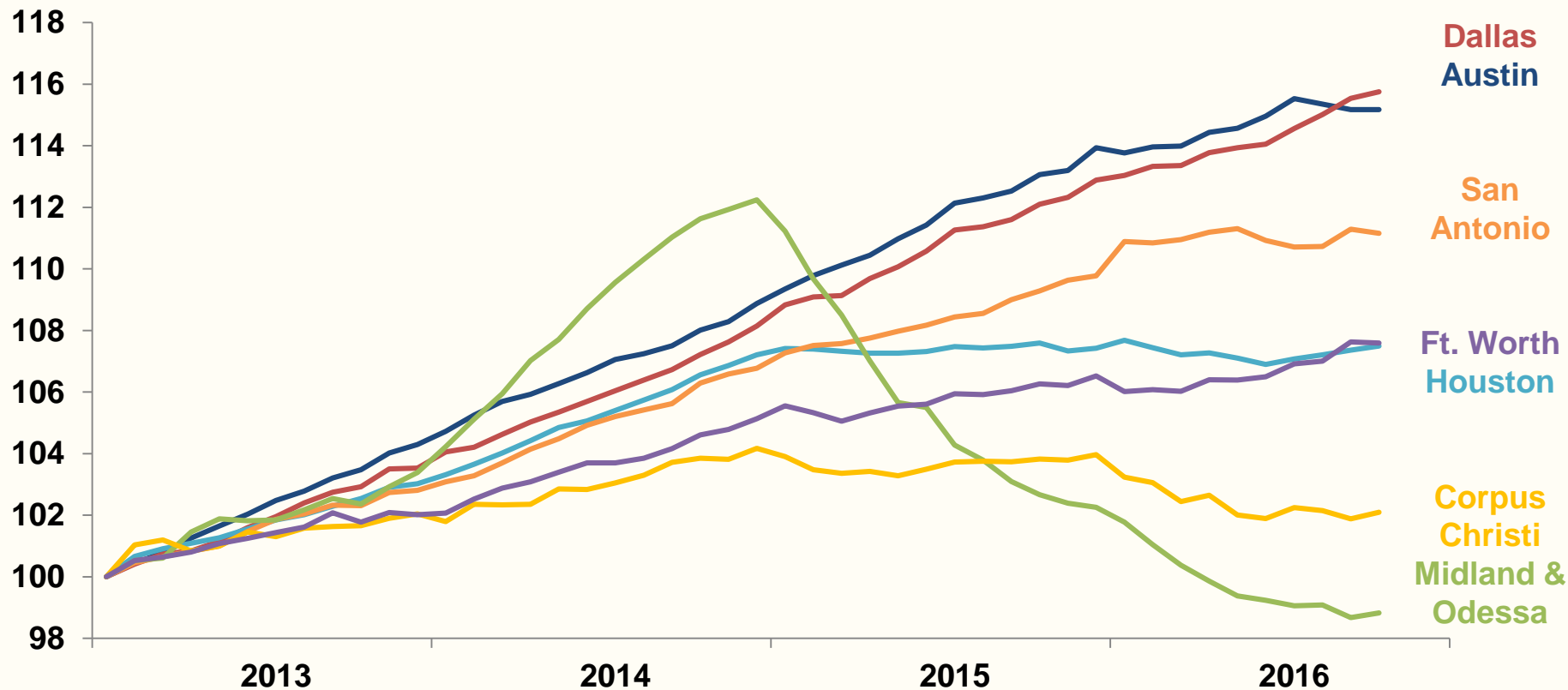


NOTES: 2016 YTD is the annualized percent change through October; each sector's share of employment in October is in parentheses.
 SOURCES: Bureau of Labor Statistics; TWC; seasonal and other adjustments by FRB Dallas.



Oil & gas cities lose jobs, other major metros slow in first half of 2016...

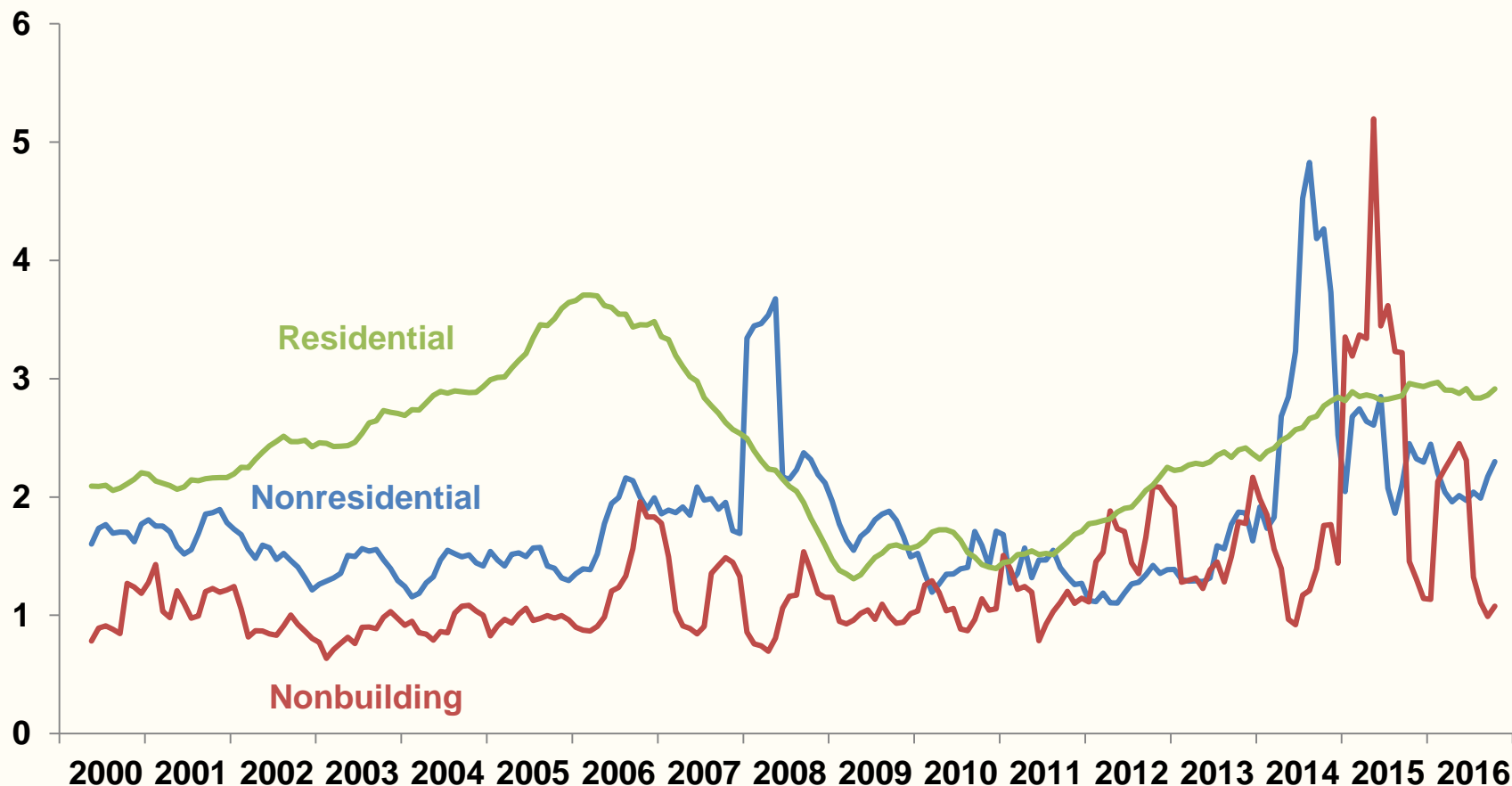
Index, Jan. '13=100, SA





End of the petrochemical construction boom weighs on state construction spending

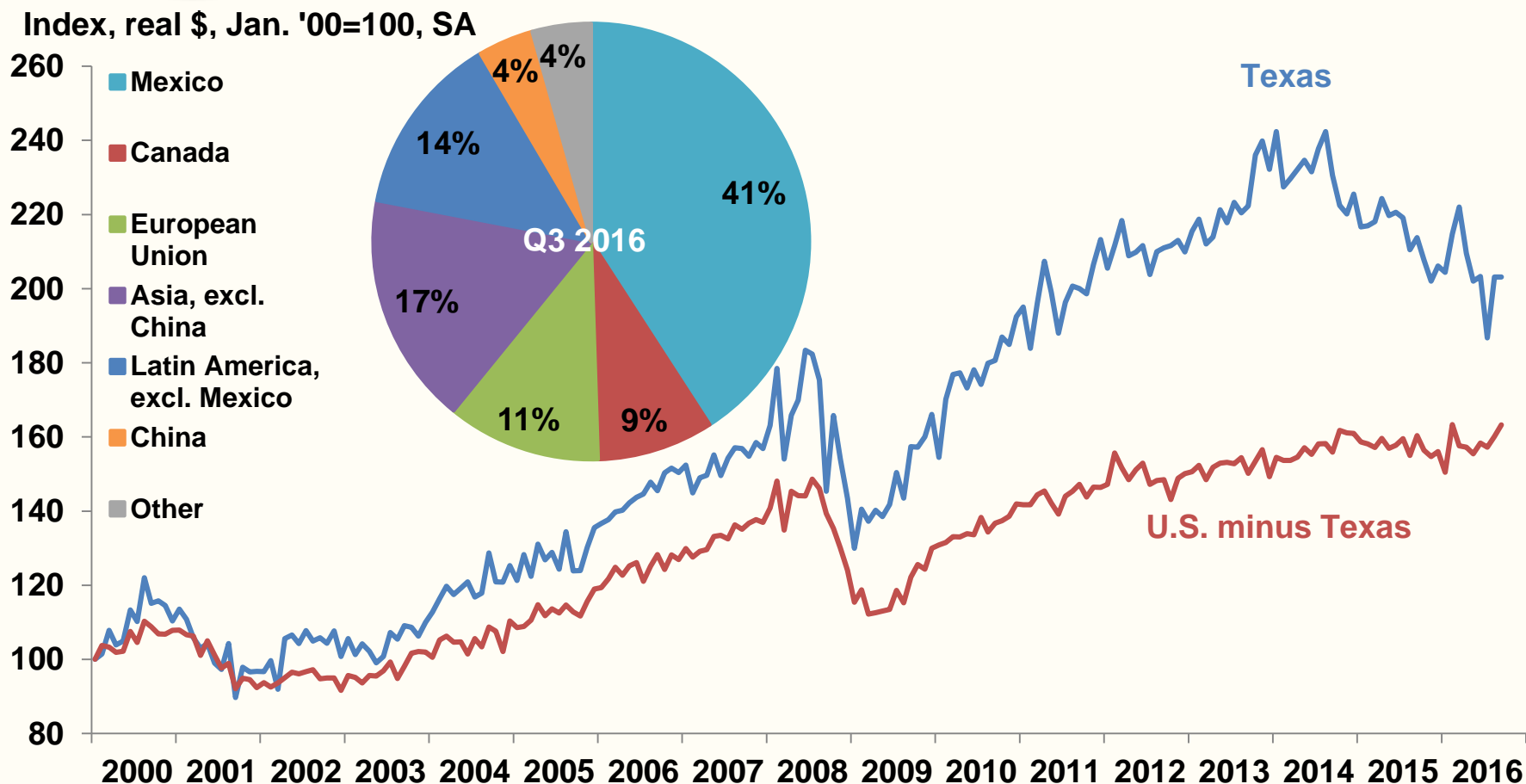
Billions real \$, 5MMA, SA



NOTE: Last data point is October.
SOURCE: Federal Reserve Bank of Dallas

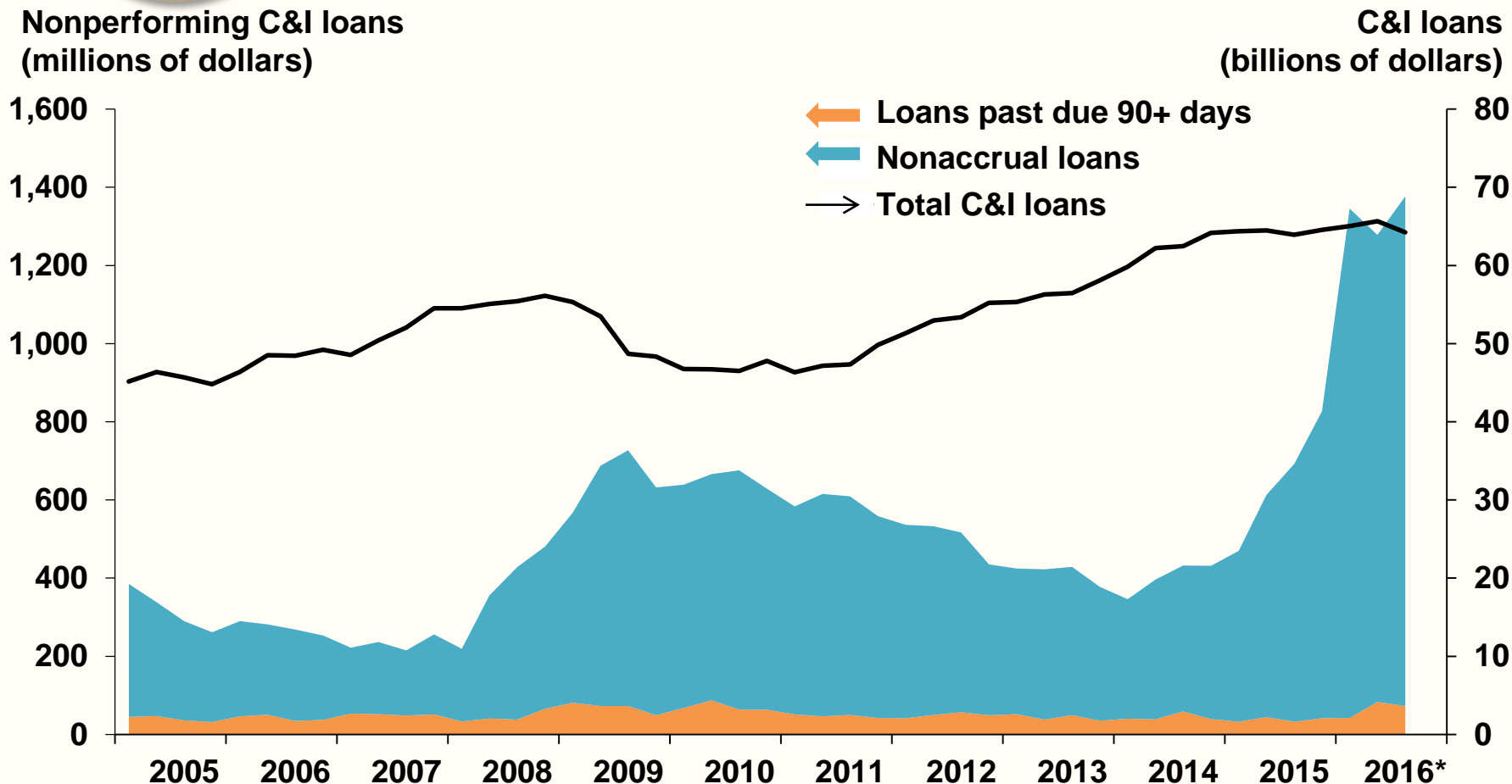


Texas exports off oil boom highs due to slowing demand, dollar, lower oil prices





Signs of trouble in banks...commercial & industrial loan quality worsens in Texas



NOTE: Data through 9/30/16.

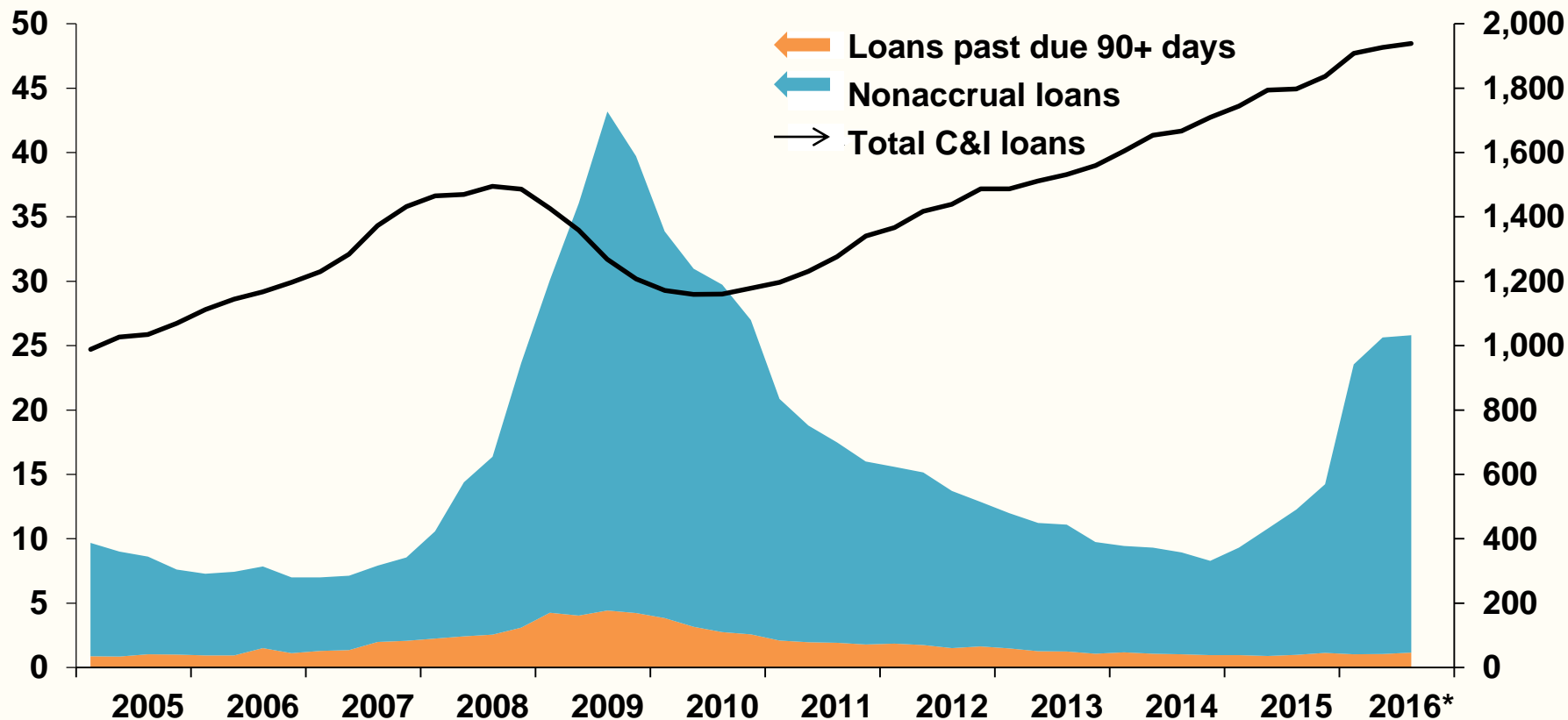
SOURCES: Quarterly Reports of Condition and Income; Federal Financial Institutions Examination Council.



...while U.S. C&I loan quality remains relatively stable

Nonperforming C&I loans
(billions of dollars)

C&I loans
(billions of dollars)



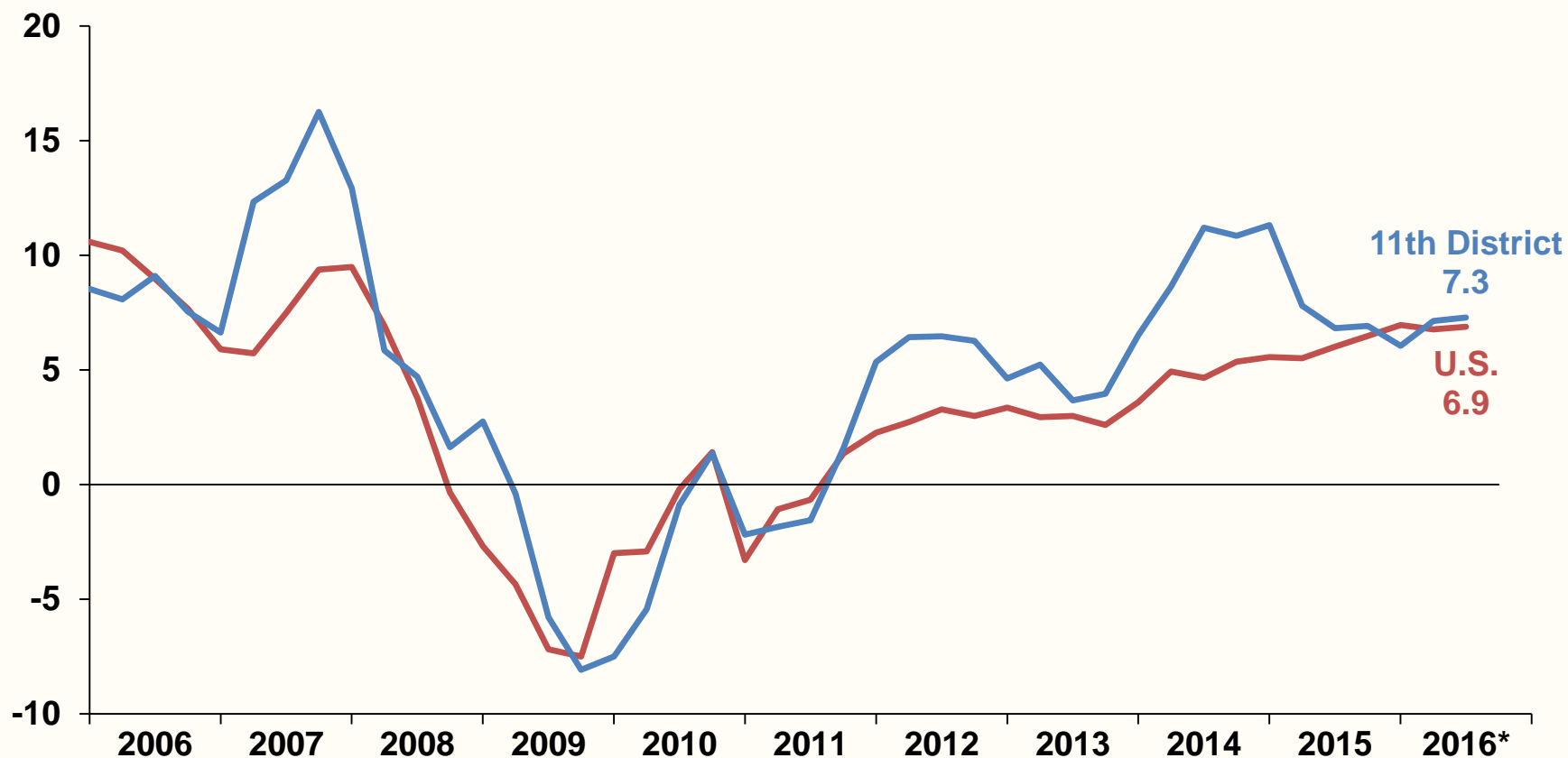
NOTE: Data through 9/30/16.

SOURCES: Quarterly Reports of Condition and Income; Federal Financial Institutions Examination Council.



District loan growth slowed, moved down to national level

Y/Y percent growth



NOTE: Data through 9/30/16.

SOURCES: Quarterly Reports of Condition and Income; Federal Financial Institutions Examination Council.

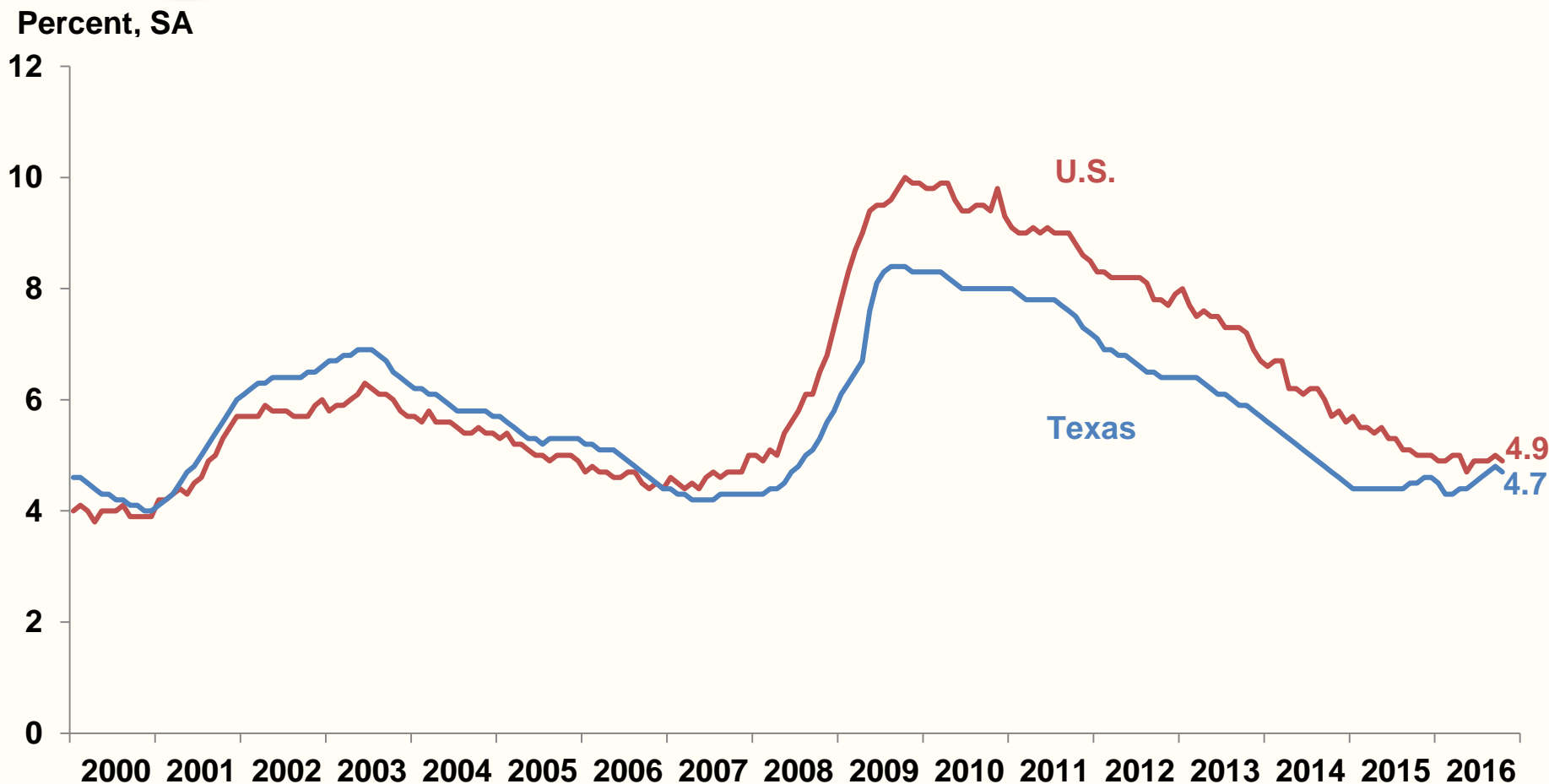


What are the bright spots?

- Conditions are improving in the most recent data
 - Employment, activity, rig count, loan growth
- State's diverse economy benefits from U.S. growth, has own advantages
 - Business climate, low cost of living attract firms, people
- Some slowing was welcome
 - Labor markets still tight
 - Single-family housing markets tight

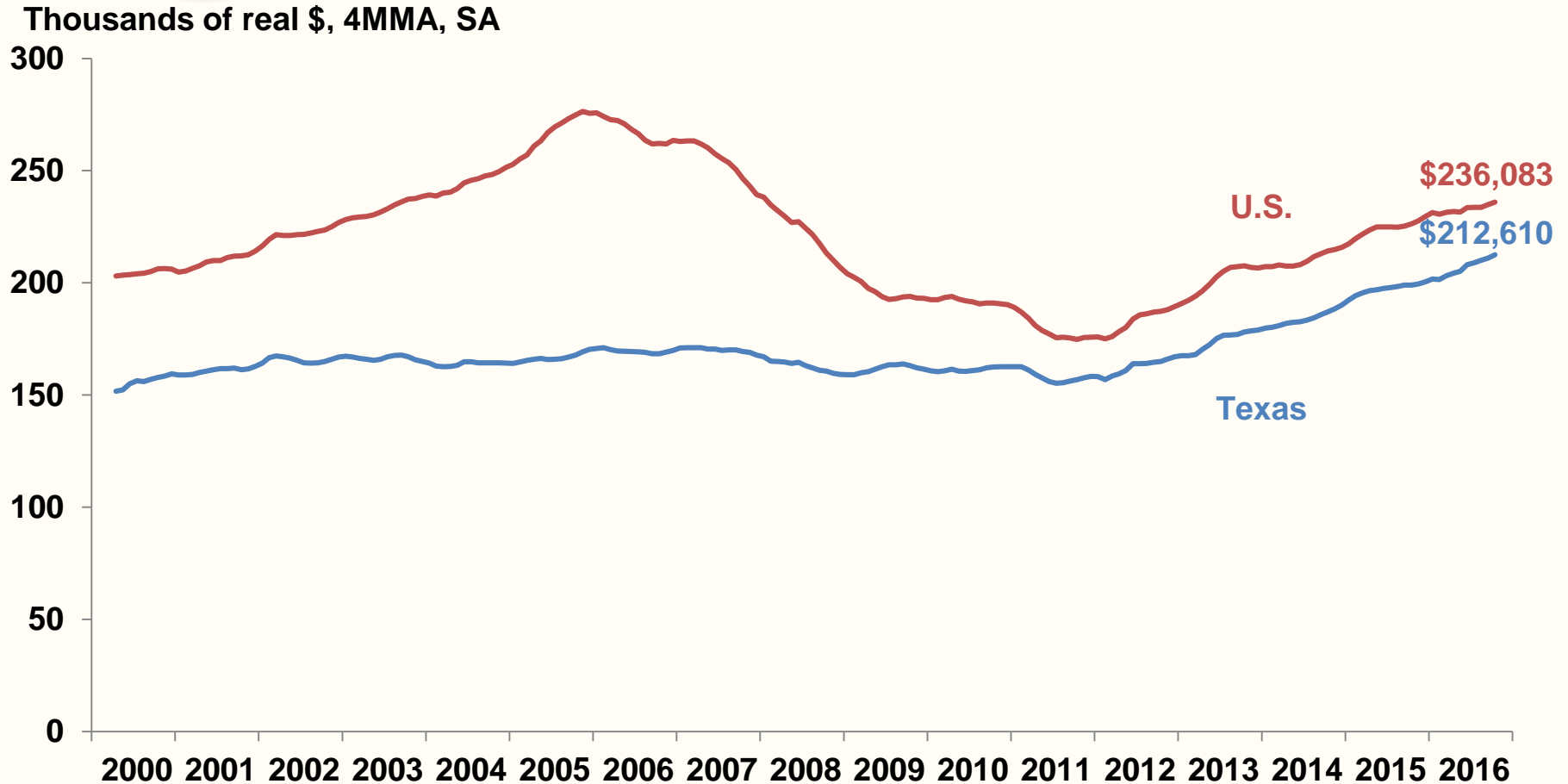


Unemployment rate still lower in Texas, although gap with U.S. has narrowed





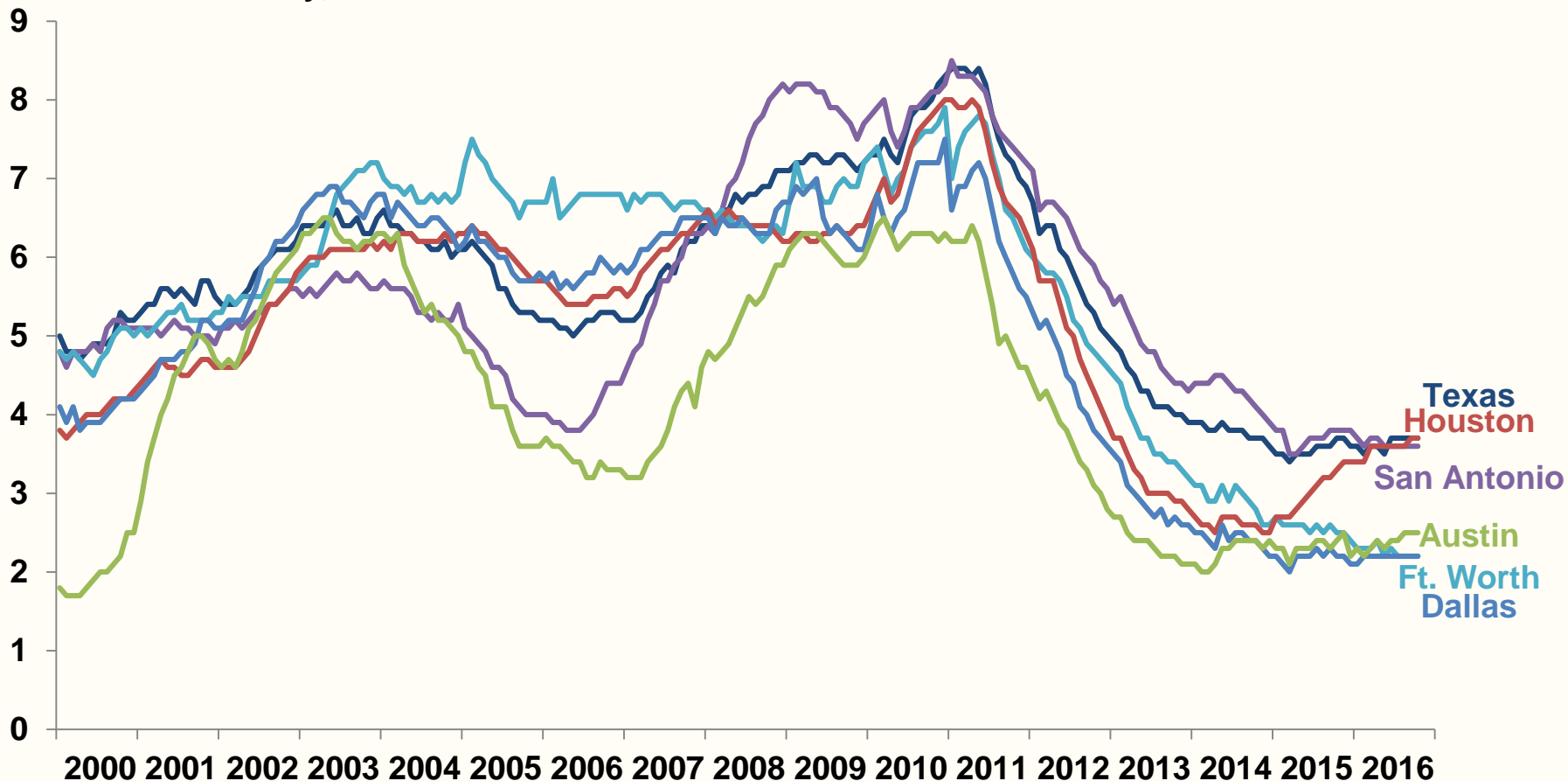
House prices still rising...





Texas home inventories at historic lows but Houston trending up

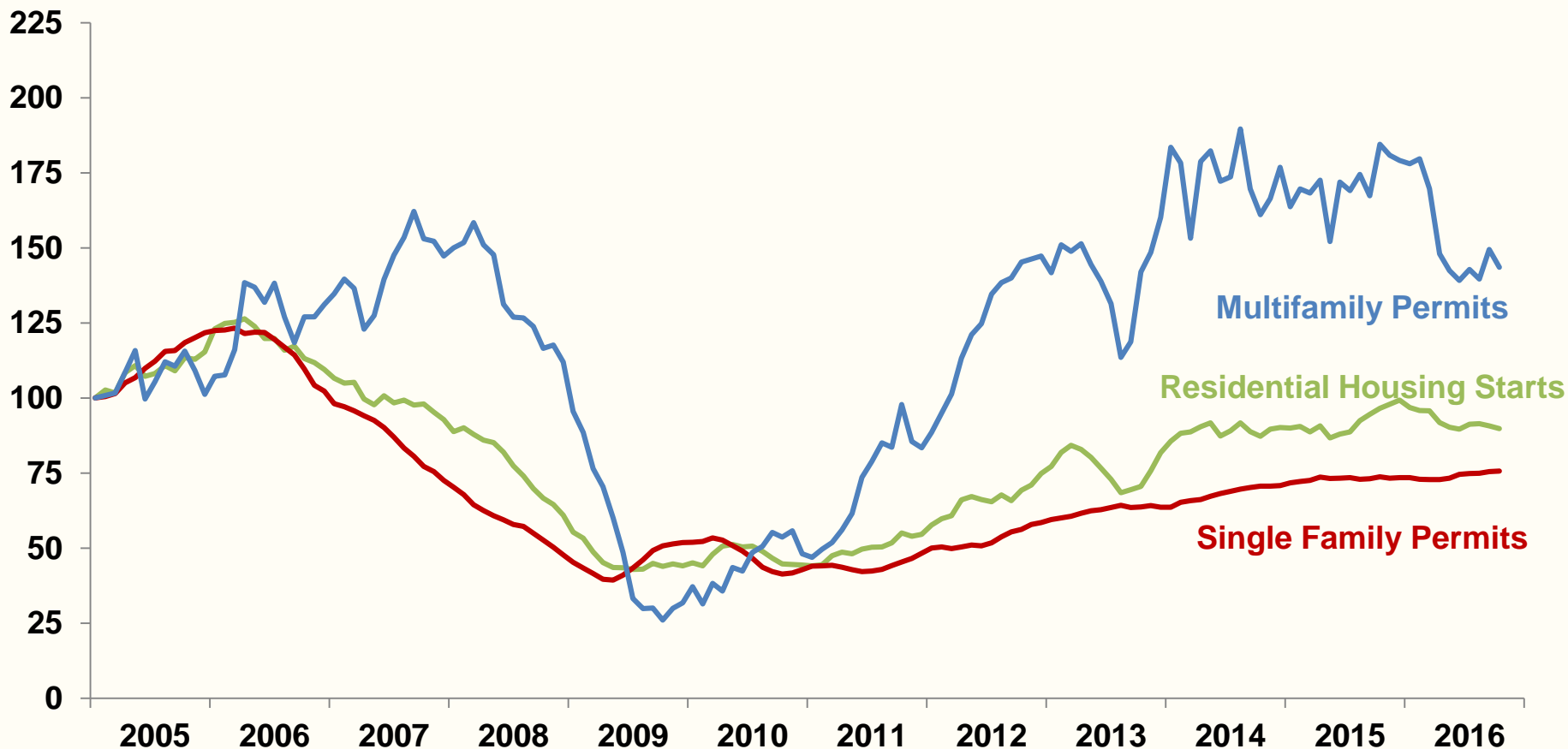
Months in Inventory, SA





Apartment construction robust but off its highs; single-family still relatively flat

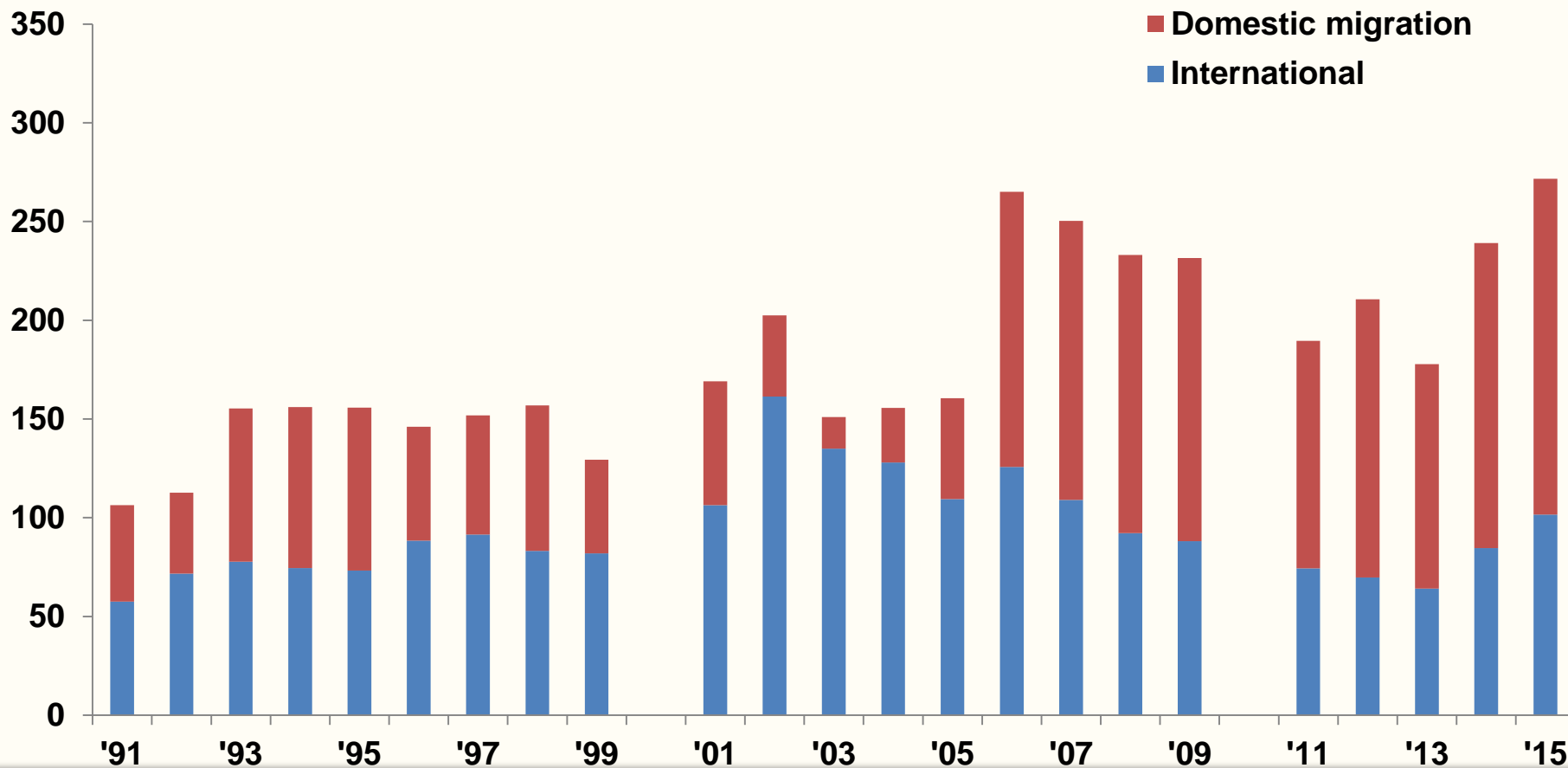
Index, 5MMA, Jan. '05=100, SA





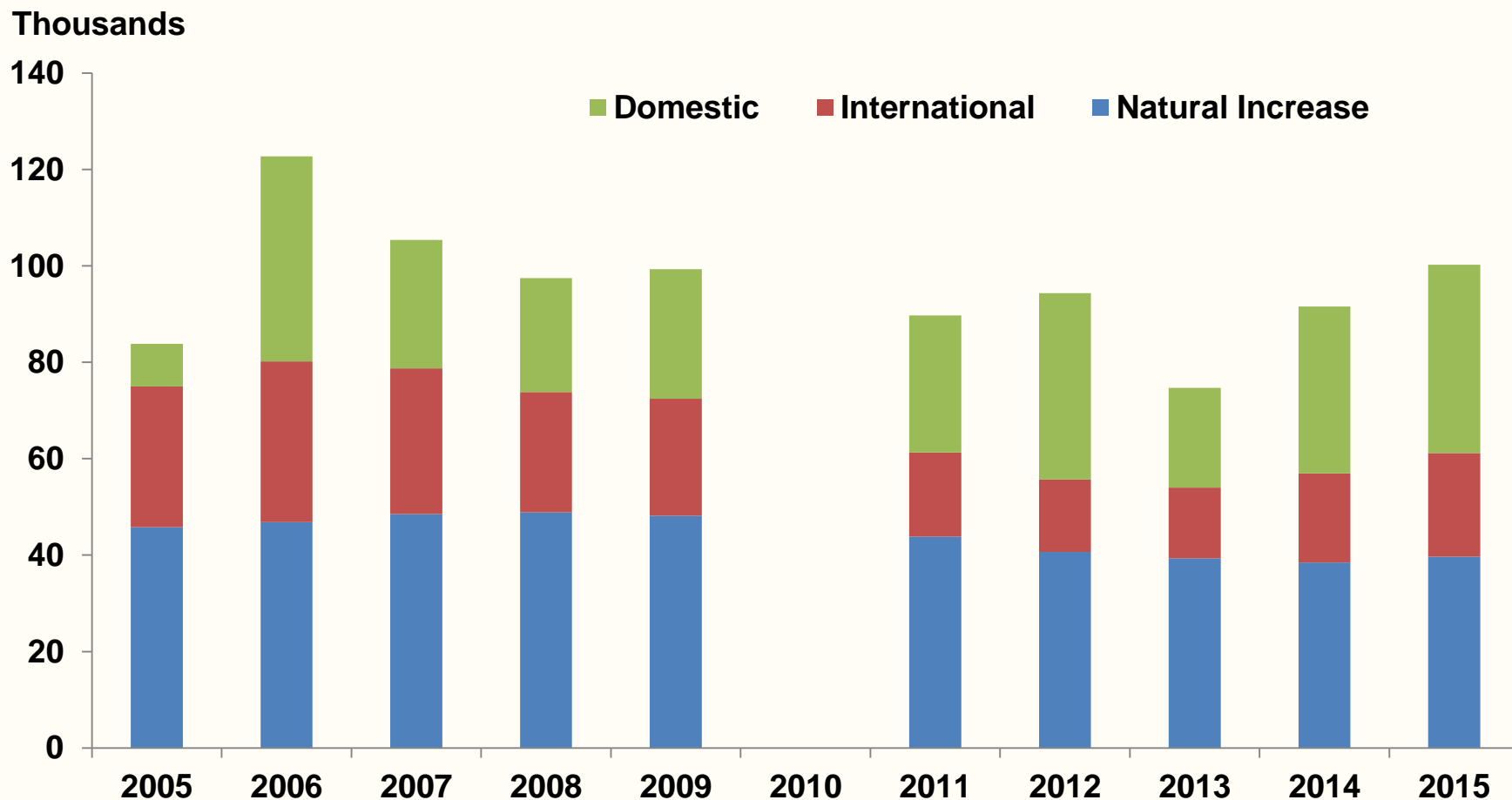
State in-migration has yet to turn down...

Net Migration (Thousands)





Domestic Migration to Dallas Accelerates After 2005

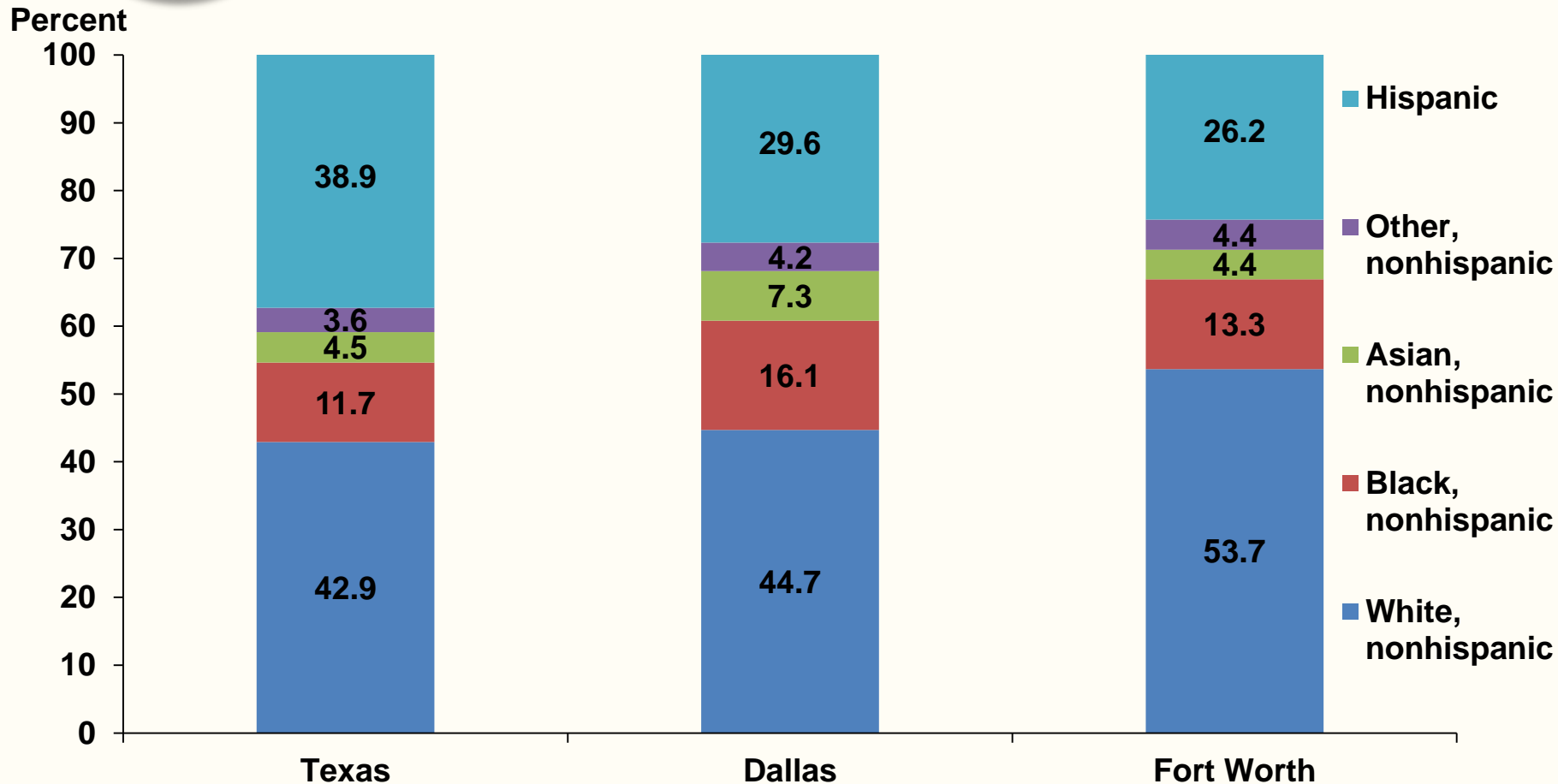


NOTE: Estimates not available for Census years.

SOURCE: U.S. Census Bureau.



Dallas More Diverse Than its Sister City





Texas economic outlook

- 2016 growth forecast is for 1.5 percent job growth
 - 2nd half likely to grow 2.2 percent
 - Houston, other energy metros will lag the rest of state
- Unemployment rate should peak soon, then improve
- 2017 better; forecast for 1.5 to 2.0 percent growth
 - Stronger U.S. and global economy; weaker/stable dollar
 - Oil markets closer to balance?
 - But some fiscal tightening relative to current cycle



Thank you!

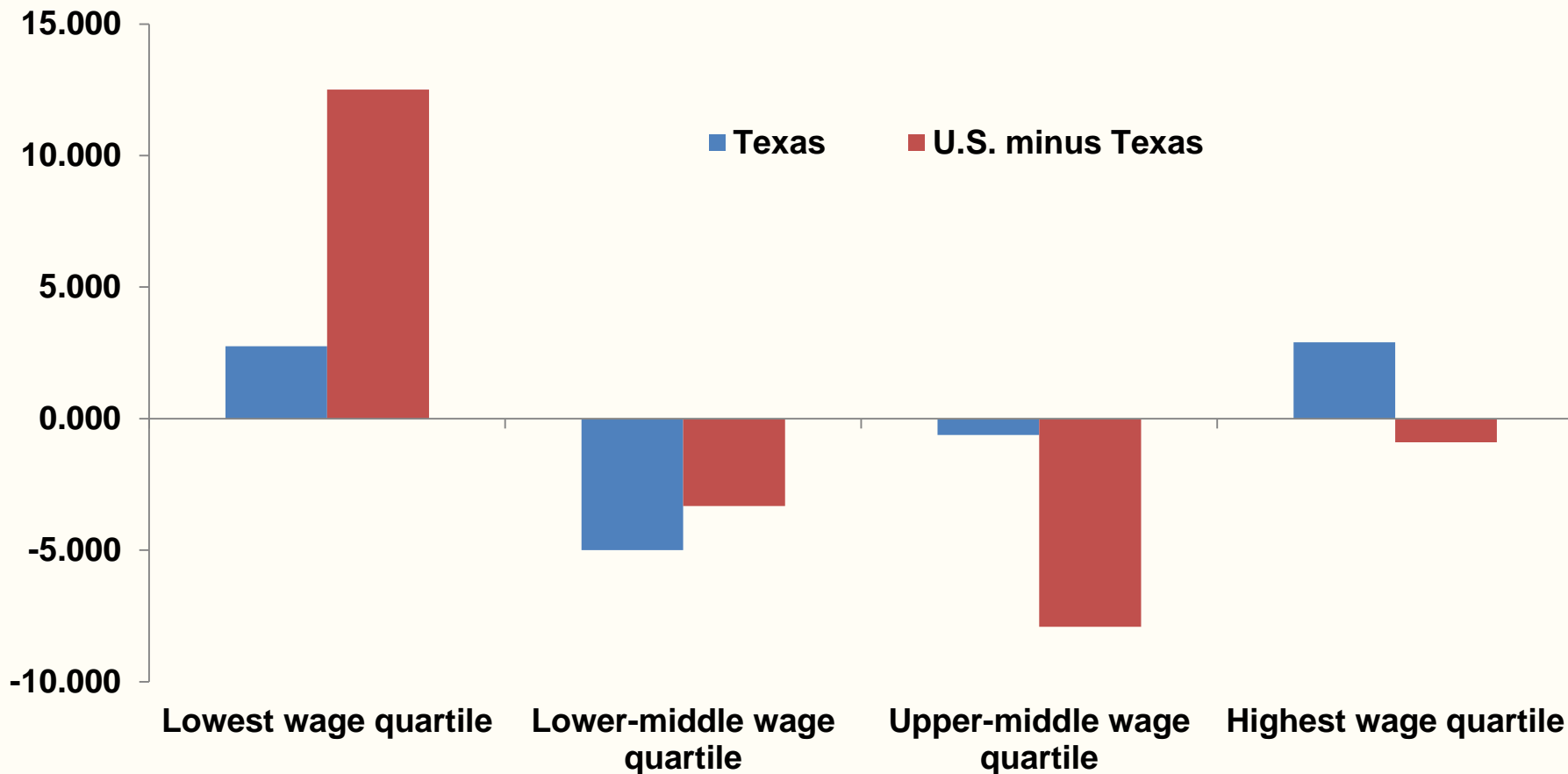
**For more information, visit
www.dallasfed.org**





Despite robust job growth, high-wage jobs in Texas are not growing as a share of total jobs

Percent change in the quartile, 2005-2015



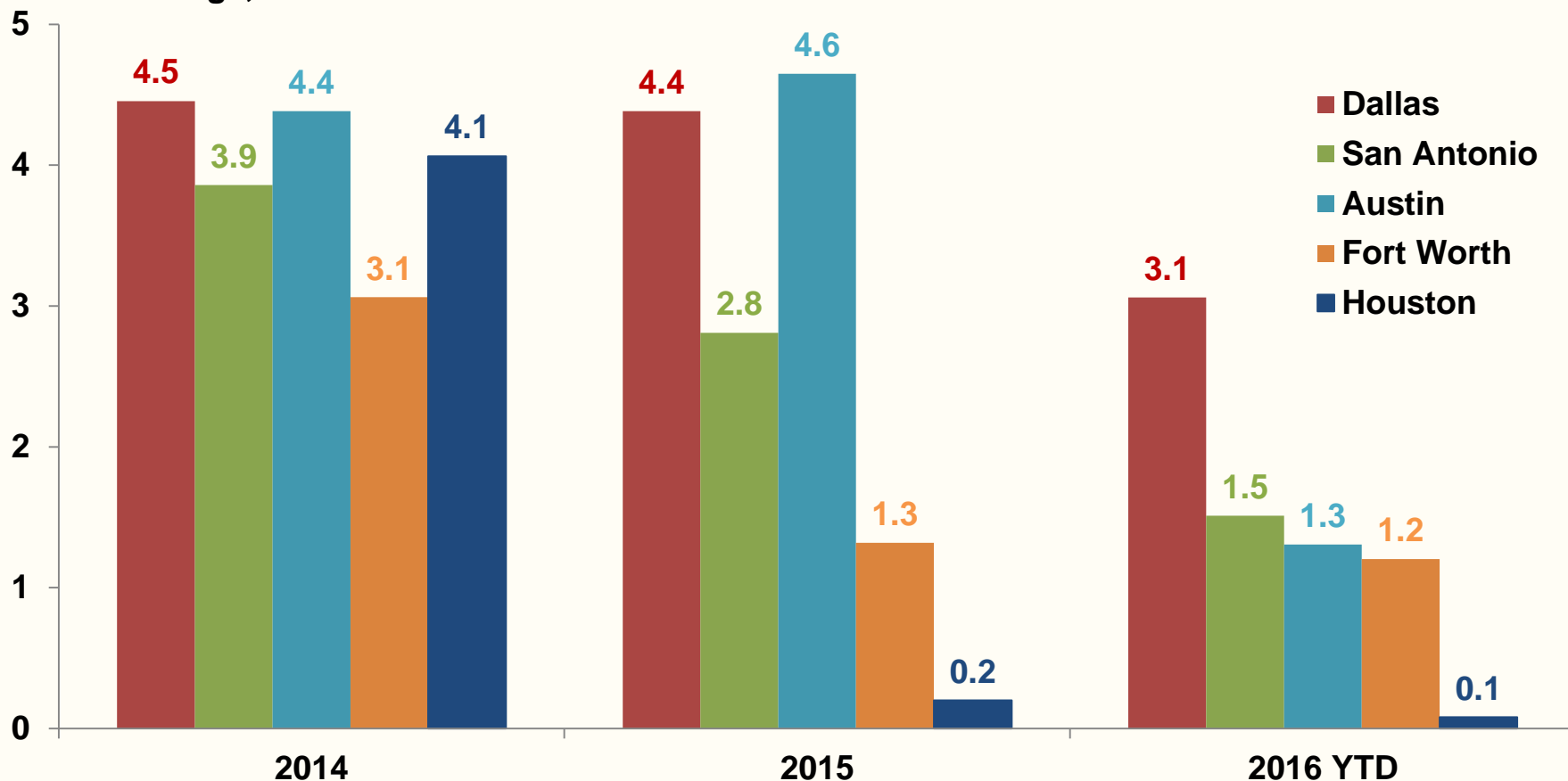
NOTES: Calculations include workers over age 15 but exclude the self-employed. Wage quartiles and employment growth based on the Texas and U.S. wage distributions from the 2005 and 2015 American Community Survey (ACS).

SOURCES: 2005 and 2015 ACS.



Dallas Stronger than Major Texas Metros in 2016

Percent change, YTD SAAR

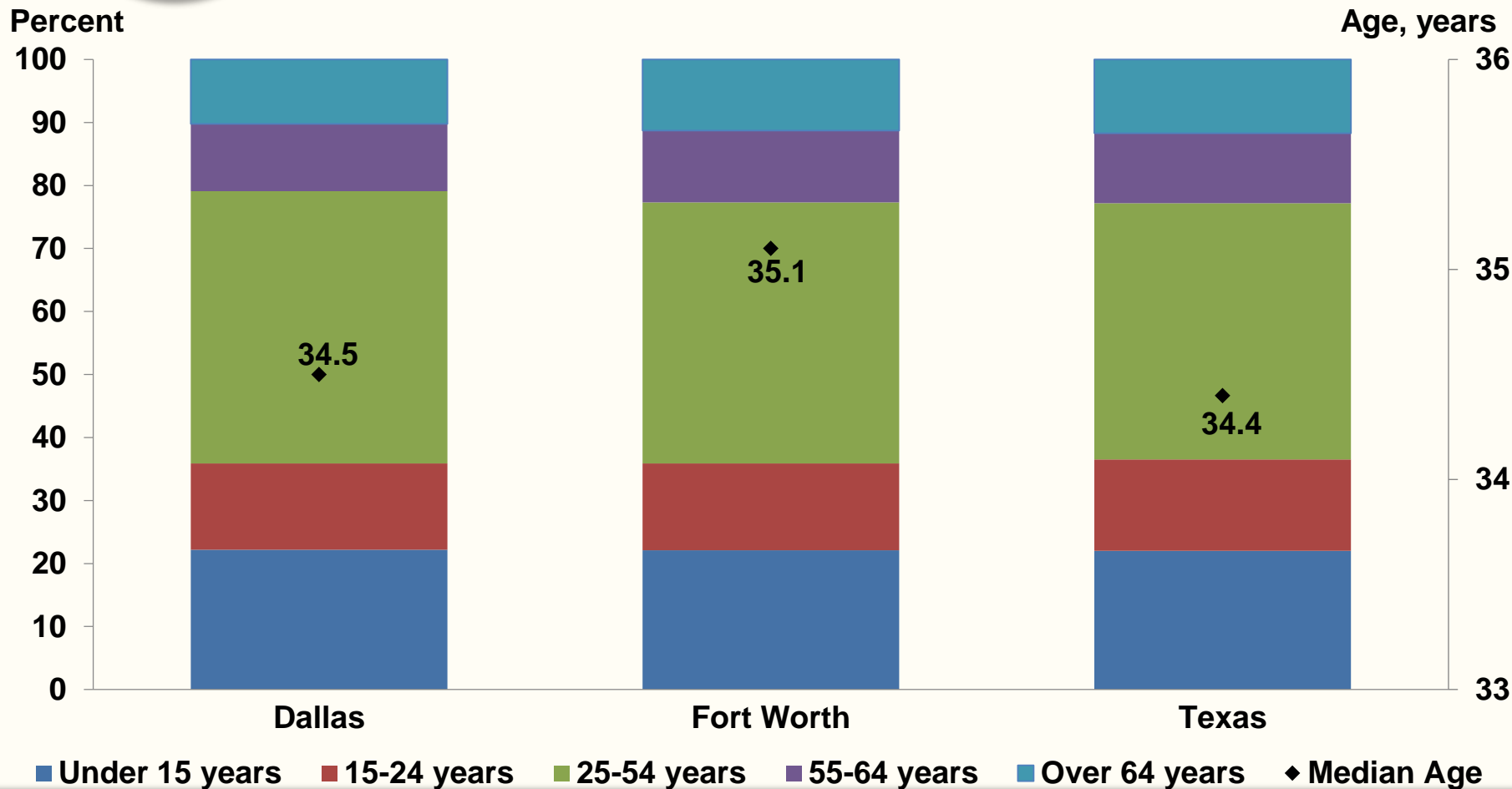


NOTES: Data show seasonally adjusted annualized percentage employment growth December 2014–October 2016.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by the Dallas Fed.

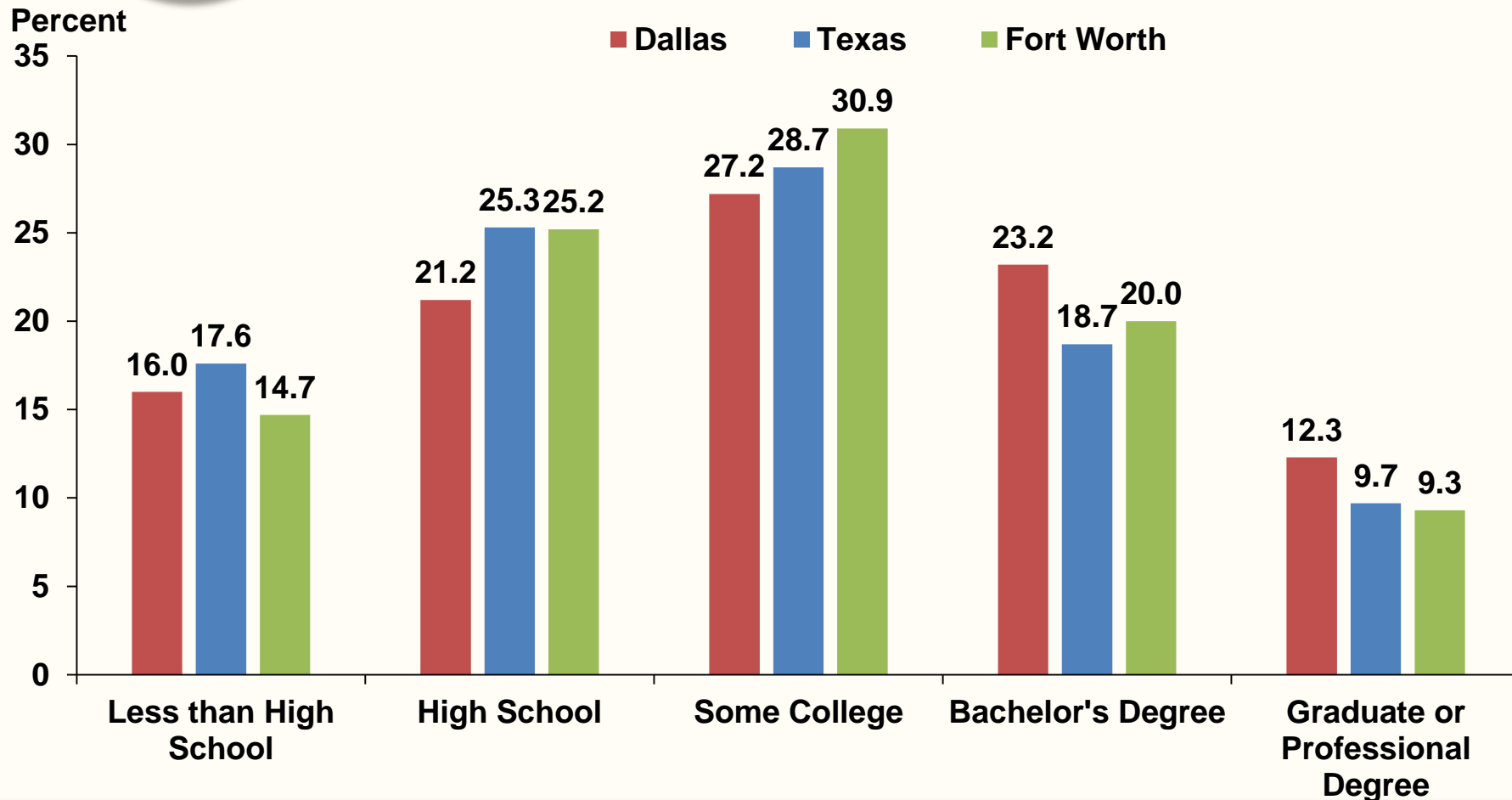


Fort Worth's Median Age Slightly Higher than Dallas and Texas



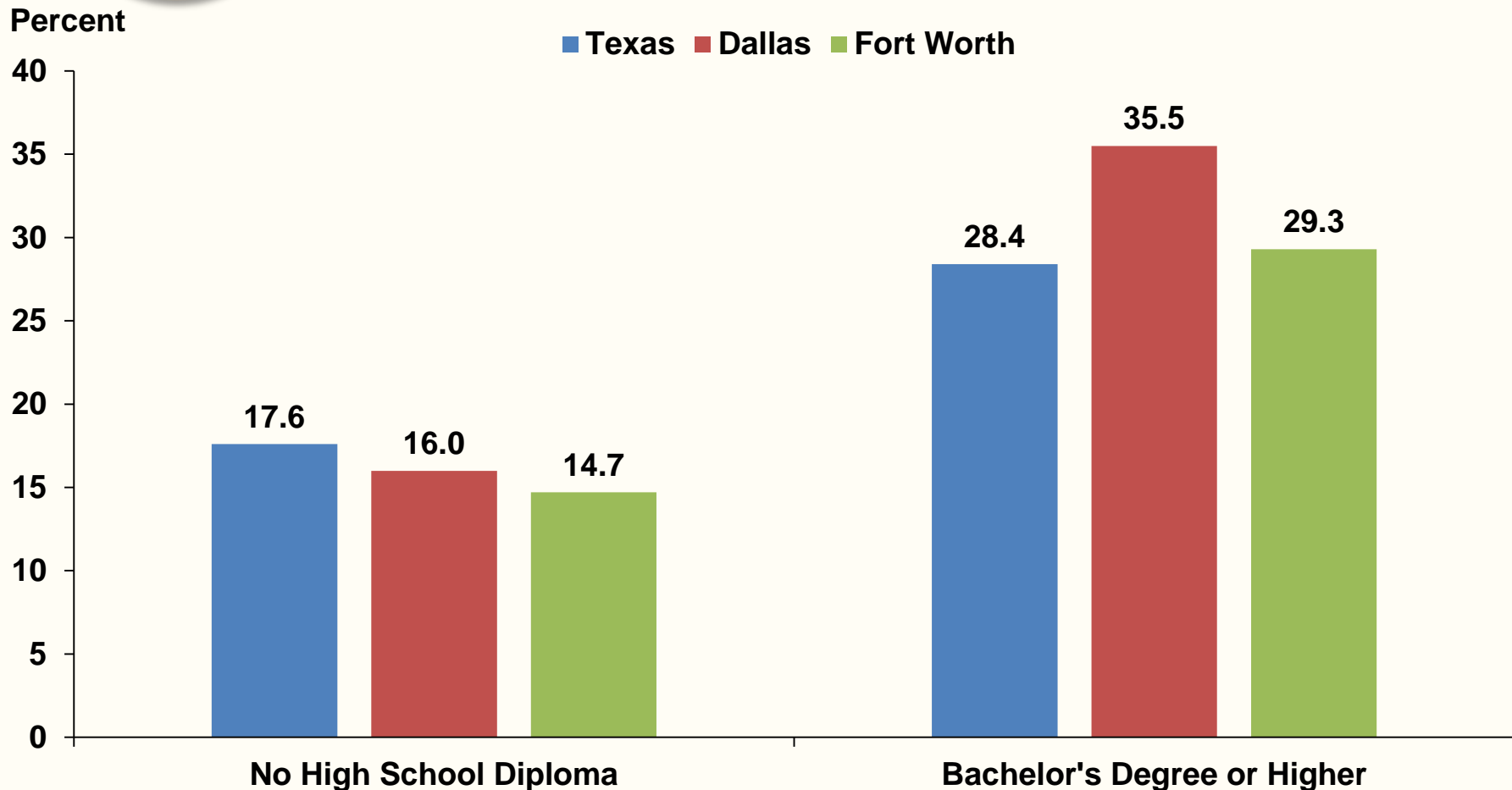


Share of College Graduates Higher in Dallas Relative to Fort Worth and Texas



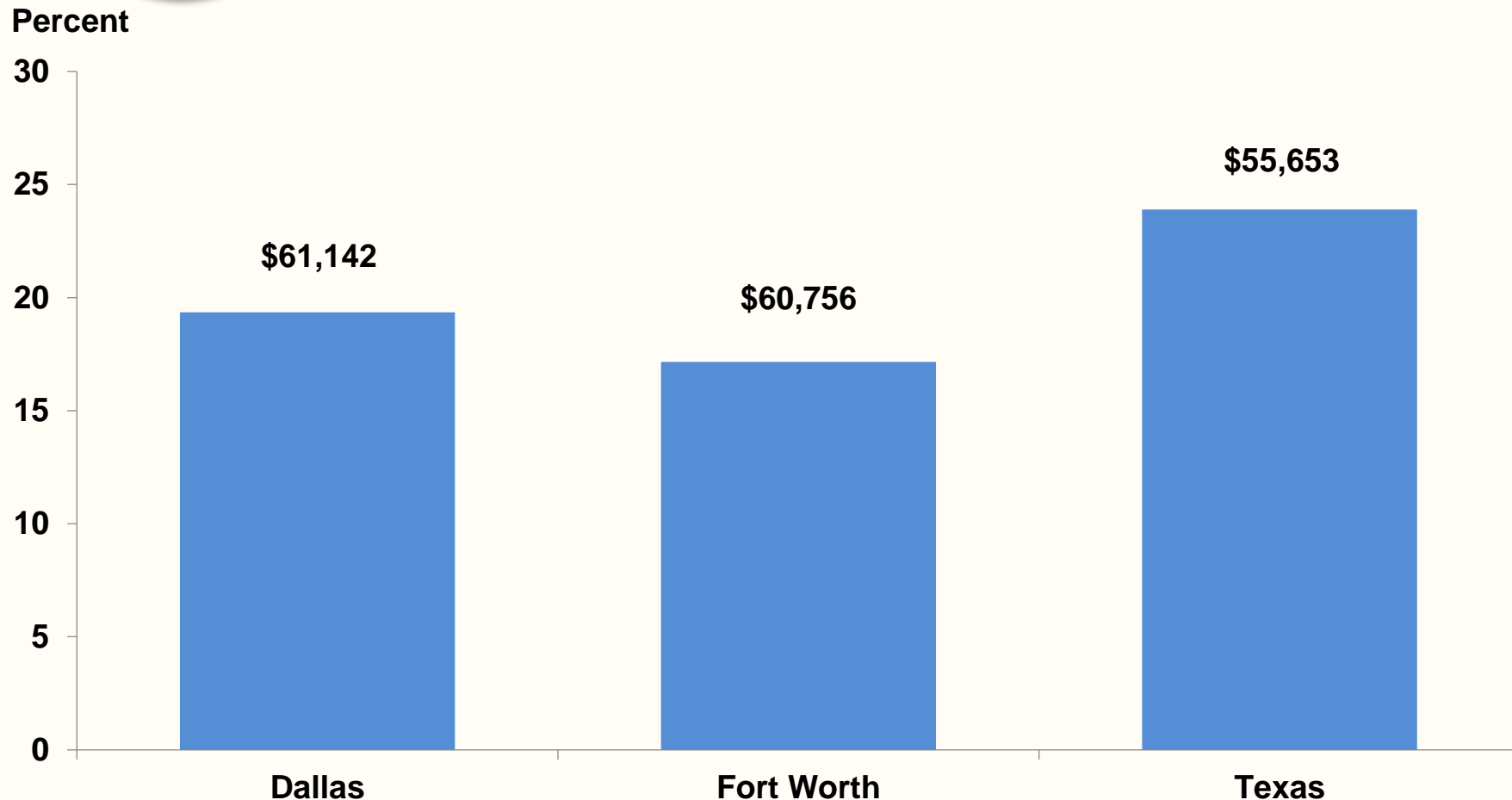


Share of College Graduates Higher in Dallas Relative to Fort Worth and Texas





Dallas Median Household Income Growth Slower, but Higher 2015 Income than Texas



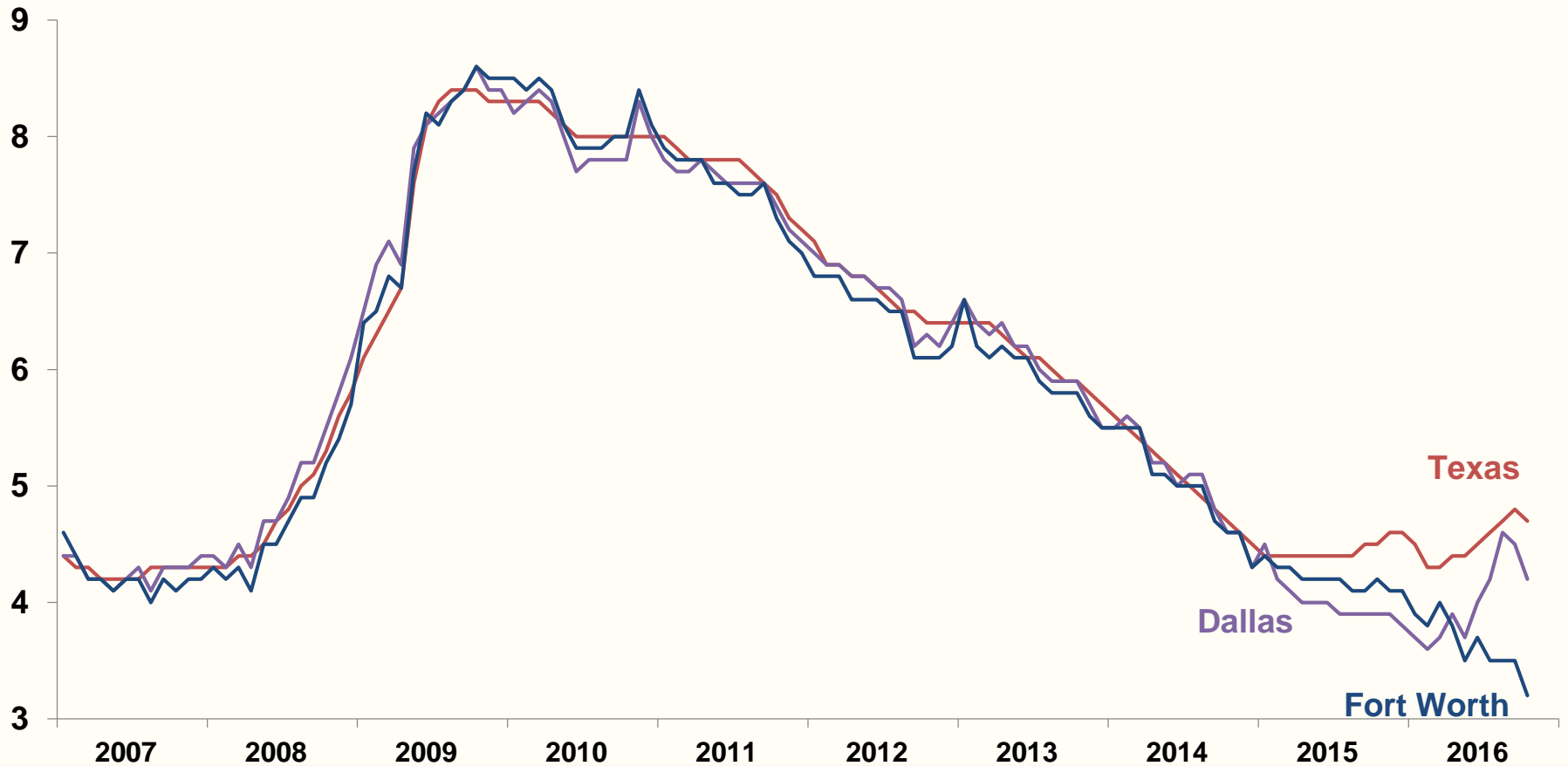
NOTE: Bars represent nominal median household income growth from 2006 to 2015. Values above bars represent nominal median household income in 2015.

SOURCE: U.S. Census Bureau, 2006 and 2015 American Community Surveys.



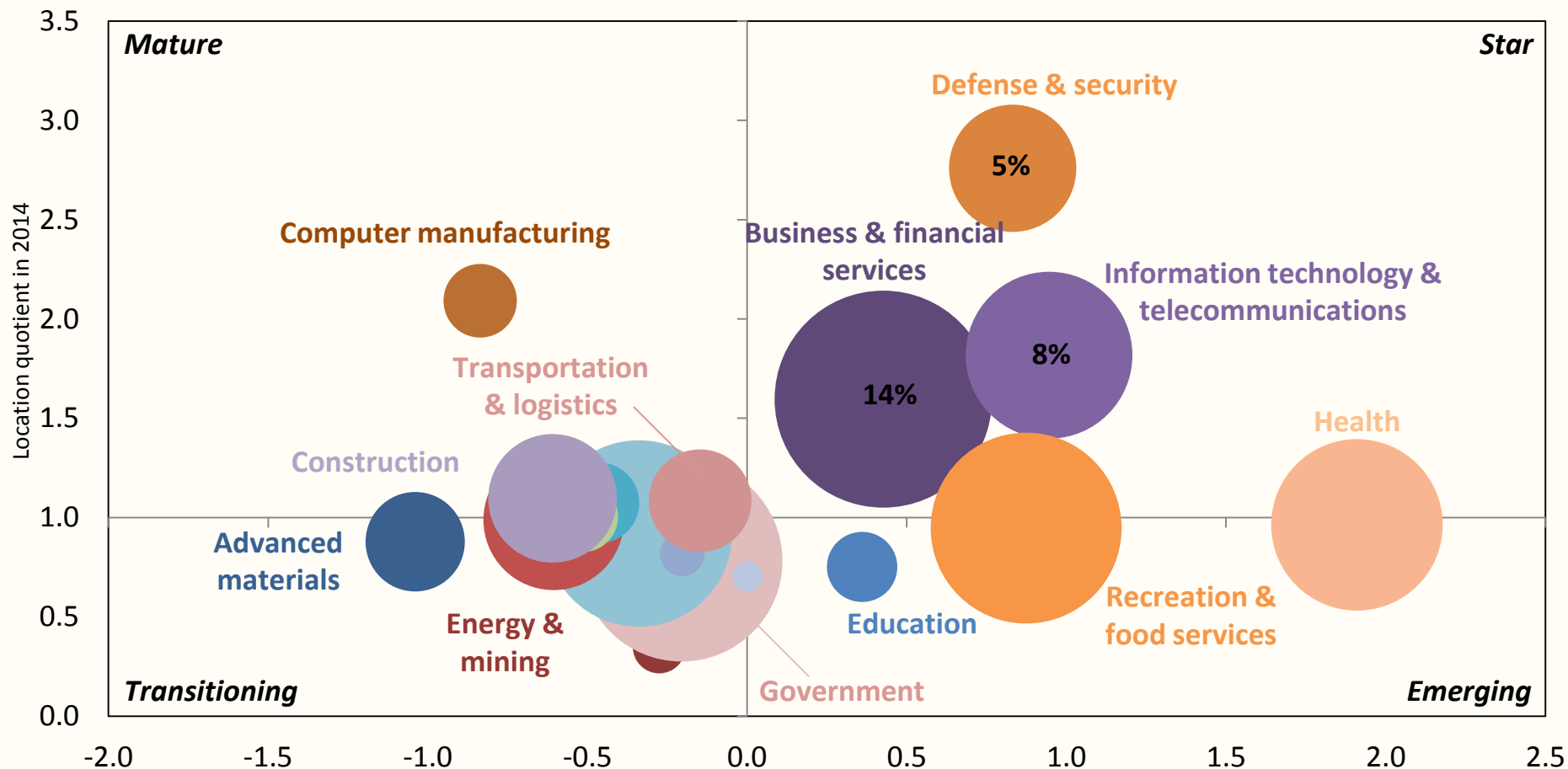
Dallas Unemployment Dips in October

Percent





Business and Finance, and IT and Telecom Big in Dallas



Percentage-point change in employment share, 2006-14

NOTE: Bubble size represents industry share of metropolitan statistical area employment.

SOURCES: Texas Workforce Commission; Bureau of Labor Statistics; authors' calculations.

Memorandum



DATE: December 2, 2016

TO: Honorable 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: **Dallas Water Utilities: Water & Wastewater Retail Cost of Service Rate Study**

On Monday, December 5, 2016, the Budget, Finance, & Audit Committee will be briefed on Dallas Water Utilities: Water & Wastewater Retail Cost of Service Rate Study. The briefing is attached for your review.

Should you have any questions, please contact me at 214-670-3296.



Ryan S. Evans
First Assistant City Manager

[Attachment]

cc: Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Larry Casto, 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
M. Elizabeth Reich, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council
Jo M. (Jody) Puckett, Director, Dallas Water Utilities

Dallas Water Utilities:

Water & Wastewater Retail Cost of Service Rate Study

Budget, Finance & Audit Committee

December 5, 2016



Purpose

- Provide background on City of Dallas Water Utilities current retail rate structure
- Seek Council Committee recommendation to support award of December 14, 2016 agenda item to perform a comprehensive retail water and wastewater cost of service rate study

Outline

- Background
- Current Retail Rate Structure
- Retail Cost of Service and Rate Study
- Timeline and Summary
- Appendix



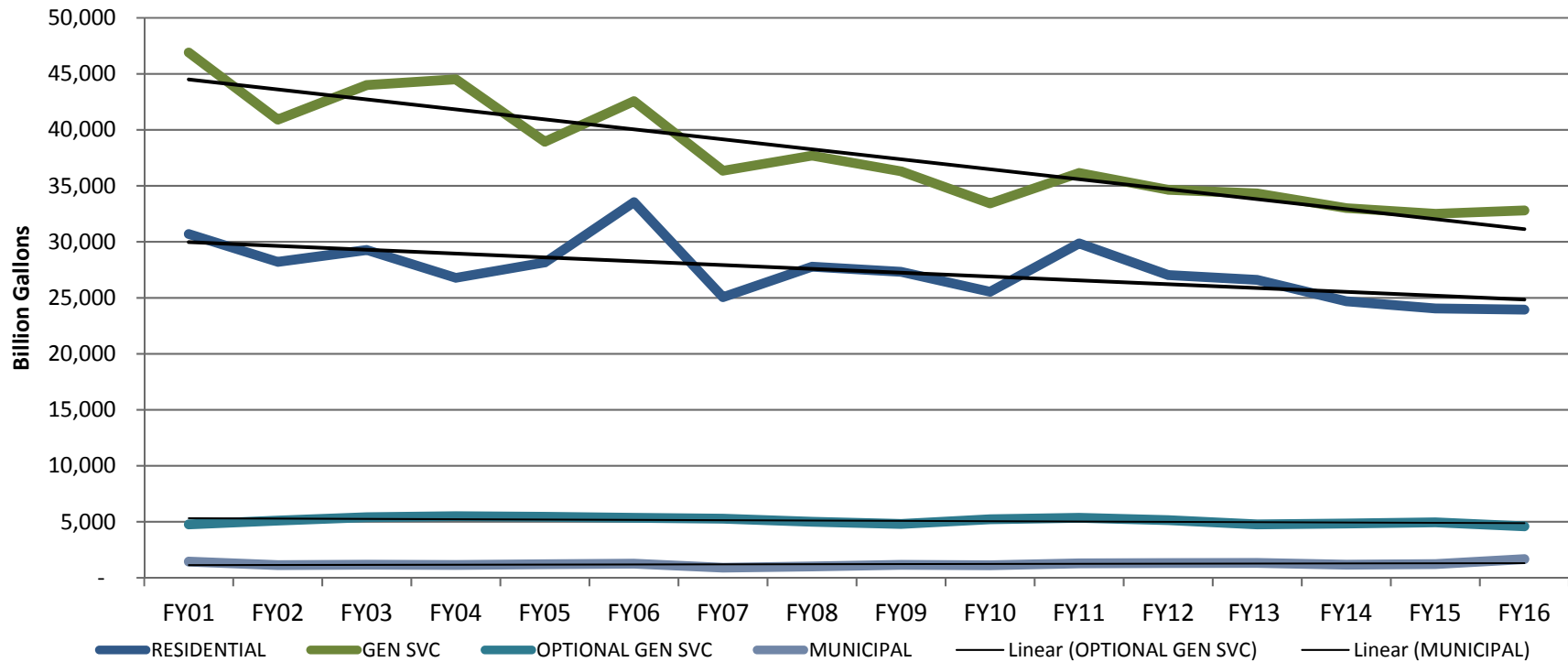
Background

Retail Cost of Service and Rate Study



- The last comprehensive retail water and wastewater retail cost of service study was performed in 2002
 - 2012 review of residential rate structure
 - 2014 review of commercial rate structure
- A new initiative for the 2016 Water Conservation Work Plan included an update to the retail cost of service and rate model including:
 - An evaluation of current cost allocations between customer classes
 - An evaluation of additional customer classes
 - An examination of rate structure including additional tiers for some or all customer classes

Historical Water Use By Customer Class



- Since Fiscal Year 2002, Dallas Water Conservation Programs have impacted water consumption patterns and customer demands
- Recognizing the changing usage patterns, DWU has reduced budgeted retail sales by over 20% from 84.5 BG in Fiscal Year 2006 to 66.5 BG in Fiscal Year 2017

Current Retail Rate Structure

Rate Setting Parameters and Objectives

- City Council has exclusive original jurisdiction to adopt rates within City limits that are *fair, just and reasonable* [Texas Water Code 13.042 (a)]
- Rates shall not be unreasonably preferential, prejudicial or discriminatory, but shall be *sufficient, equitable, and consistent in application to each class of customers* [Texas Water Code 13.182]
- Burden of proof is on the City to demonstrate *just and reasonable* [Texas Water Code 13.184(c)]
- Additional objectives include:
 - Measure of affordability
 - Conservation price signal for customers to use less water
 - Tiers based on peak use and price signals
 - Contracts
 - Customer understanding/Complexity of structure

Rate Structure Components

- Typical billing for utilities include:
 - Water and Wastewater Customer Charge
 - Recovers fixed costs based on meter size for:
 - Meter reading, billing and collection
 - Capital costs for meter maintenance and replacement
 - Pricing the same for all customer classes
 - Water Volume Charge
 - Recovers costs for supply, treatment, distribution and fire protection
 - Pricing structures vary by customer class
 - Price signals for conservation purposes
 - Wastewater Volume Charge
 - Recovers costs for wastewater collection, treatment and disposal
 - Pricing structure varies by customer class
 - Residential pricing is based on four month winters' average water use
 - Commercial is based on actual water use per month

Current Retail Customer Classes

- Residential – single family residences
- General Services – commercial and multi-family
- Optional General Services (OGS) – large commercial or industrial customers using more than one million gallons a month
- Municipal – City of Dallas facilities such as parks, libraries, Convention Center, and Aviation

Dallas Water Utilities Monthly Retail Rates

Effective October 1, 2016

Customer Charge		Water	Sewer
5/8	Inch Meter	\$5.25	\$4.70
3/4	Inch Meter	\$7.26	\$6.44
1	Inch Meter	\$10.56	\$9.35
1 1/2	Inch Meter	\$19.66	\$17.99
2	Inch Meter	\$31.98	\$28.35
3	Inch Meter	\$74.90	\$68.52
4	Inch Meter	\$124.44	\$109.56
6	Inch Meter	\$247.11	\$215.64
8	Inch Meter	\$411.31	\$359.97
10	Inch Meter or larger	\$631.58	\$565.59

Usage Charge per 1,000 gallons*

	Water	Sewer
Residential		
Up to 4,000 gallons	\$1.90	\$5.31
4,001 to 10,000 gallons	4.25	5.31
10,001 to 15,000 gallons	6.03	5.31
Above 15,000 gallons	8.55	5.31
General Services		
Up to 10,000 gallons	\$3.65	\$4.08
Above 10,000 gallons	3.91	4.08
Above 10,000 gallons & 1.4 times annual average monthly usage	5.94	4.08
Optional General Services		
1st million gallons or less (minimum)	\$2,192.92	\$3.65
Above 1 million gallons (per 1,000 gallons)	3.03	3.65
Sewer Metered Separately		3.73
Municipal	2.42	2.58

Retail Cost of Service and Rate Study

Retail Cost Study Scope of Work

- Perform a comprehensive water and wastewater retail cost of service study to evaluate the following for appropriateness and provide alternatives:
 - Allocation of fixed and variable costs (customer charge/volume charge)
 - Allocation of costs between retail classes to reflect current system usage
 - Existing rate structures including
 - Number of water rate tiers and current volumetric thresholds
 - Wastewater rate structure including an overall unit rate for all classes
 - Current customer classes to include consolidation or addition of one or more classes

Retail Cost Study Scope of Work

- Calculate the impacts to customers and revenue recovery from alternative rate structures to ensure equitable recovery of costs from different customer classes
- Benchmarking as a basis of comparison of selected metrics
- Develop a cost of service and rate model compatible with DWU's existing wholesale cost of service model
- Implementation of rates into the City's billing system if applicable

COS Study – Proposal Evaluations

- Interviews and formal proposals were conducted on August 31, 2016
- Proposals were evaluated based on the following:
 - Consultant’s pertinent experience 17%
 - Capabilities, resources and responsiveness 20%
 - Consultant’s approach to project 35%
 - Consultant’s current contracts 10%
 - Litigation 3%
 - Business Inclusion and Development Plan 15%
- The highest scorer was recommended to Water Utilities and was accepted unanimously

<u>Vendor</u>	<u>Score:</u>
Raftelis Financial Consulting, Inc.	89.25
Arcadis U.S., Inc.	86.25
HDR, Inc.	80.00

Timeline and Summary

Proposed Timeline

- January 2017 – Award contract and begin study
- June 2017 – Update Council on progress
- Fall 2017 – Brief Council on final recommendations and proposed implementation schedule
- December 2017 – Seek Council support for final report and recommendations

Summary

- A comprehensive water and wastewater retail cost of service study has not been performed since 2002
- The impacts of the City of Dallas Water Conservation Program's success have resulted in changes in water consumption patterns and customer demands
- Seeking Council Committee recommendation to approve December 14, 2016 Agenda Item 43 authorizing a service contract with Raftelis Financial Consultants, Inc. to perform a water and wastewater retail cost of service rate study in an amount not to exceed \$399,320

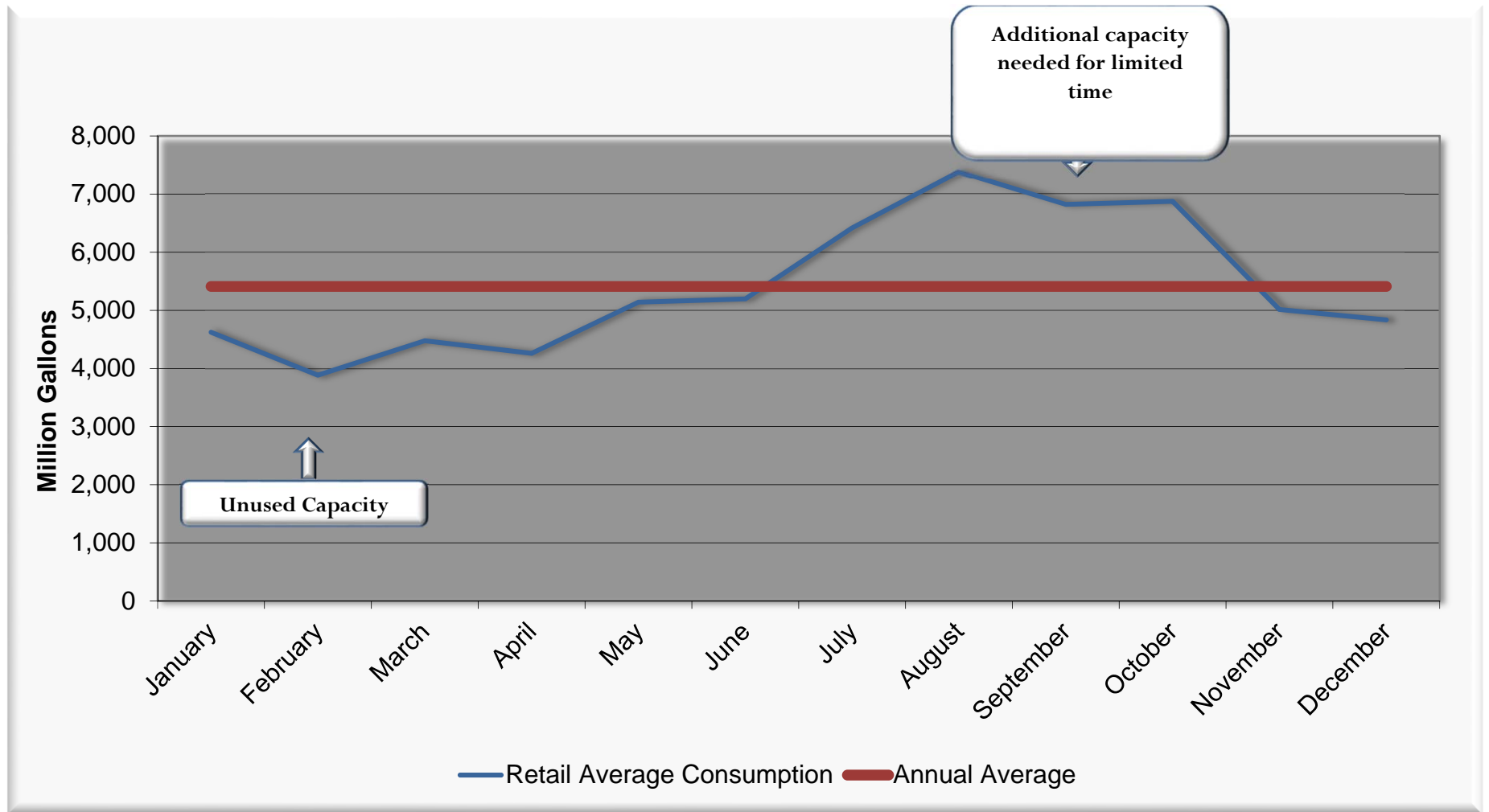
Appendix

Retail Cost of Service Study Request for Services

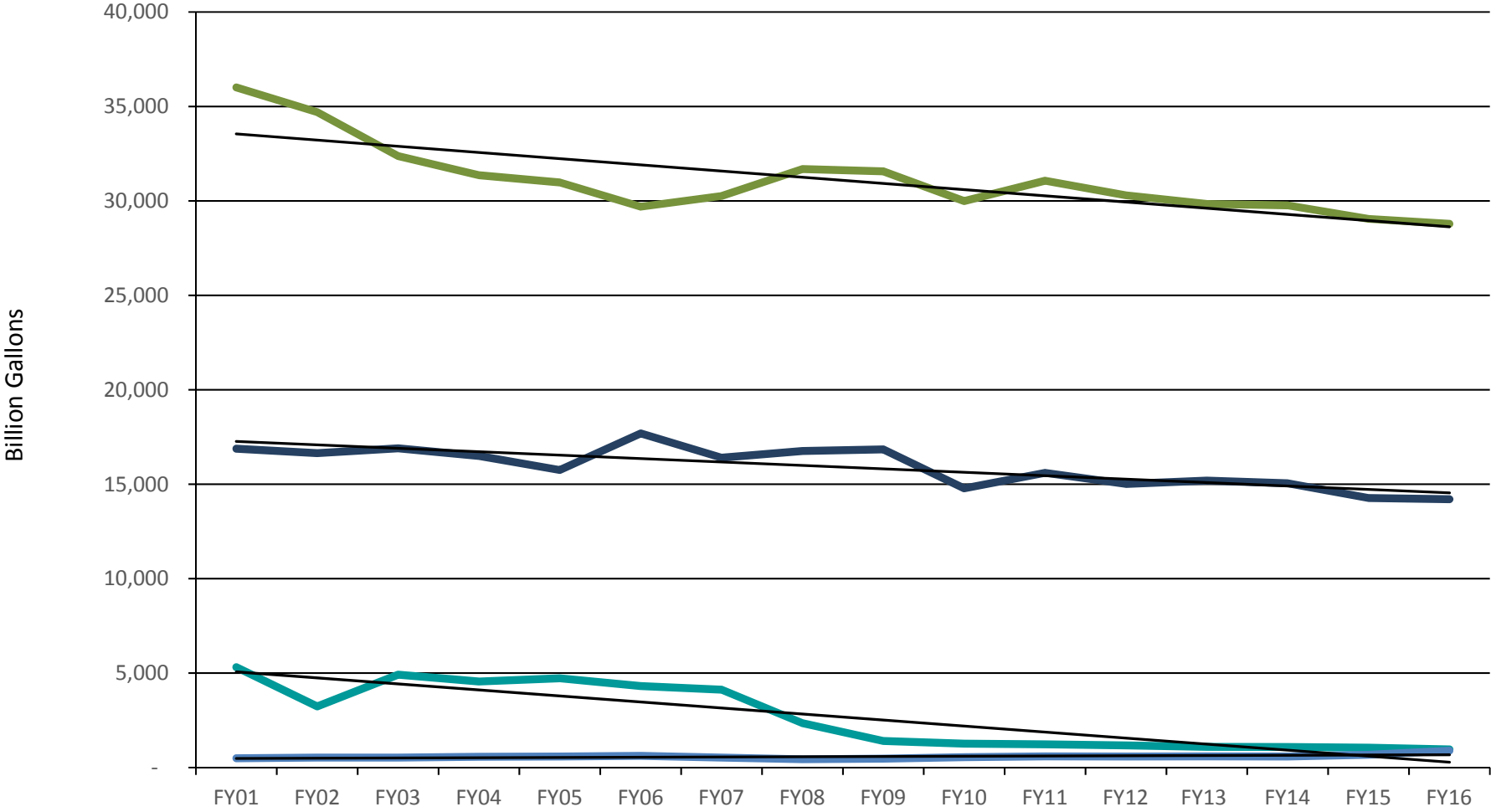
- Dallas Water Utilities solicited a Request for Statement of Qualification (RFQ) for Professional Services in June 2016
- Three firms submitted a proposal:
 - Arcadis, U.S., Inc.
 - HDR Inc.
 - Raftelis Financial Consulting, Inc.
- A rating committee was established consisting of four members and a committee chair (non-voting member)
 - Water Utilities – One voting and one non-voting
 - Communication Information Services - One
 - Dallas Convention Center - One
- Committee members reviewed proposal from each consulting firm
- All firms were determined as qualified based on required criteria set forth in the RFQ

Monthly Retail Water Consumption Profile

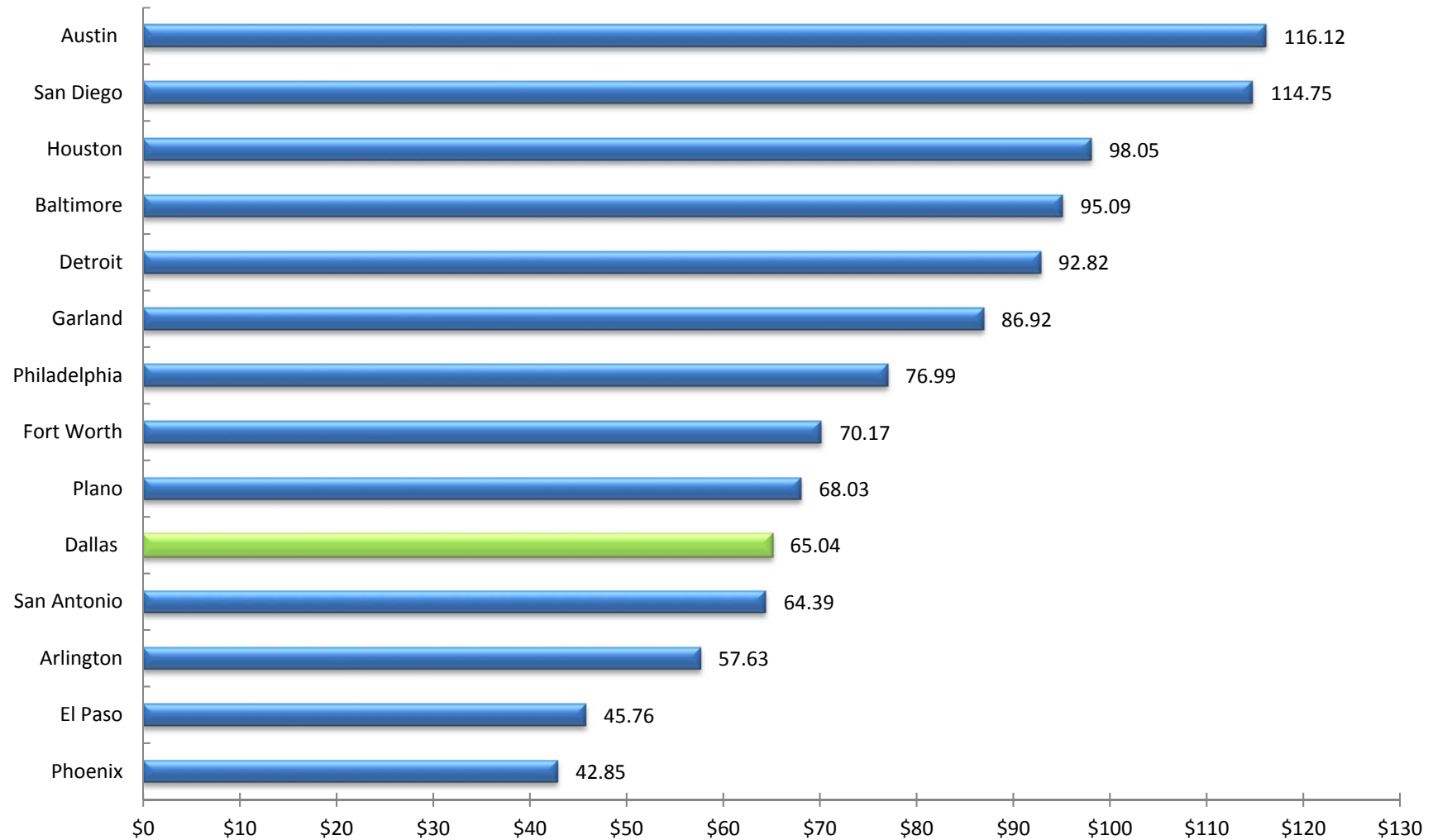
Five Year Average for FY12-16



Historical Wastewater Flows By Customer Class

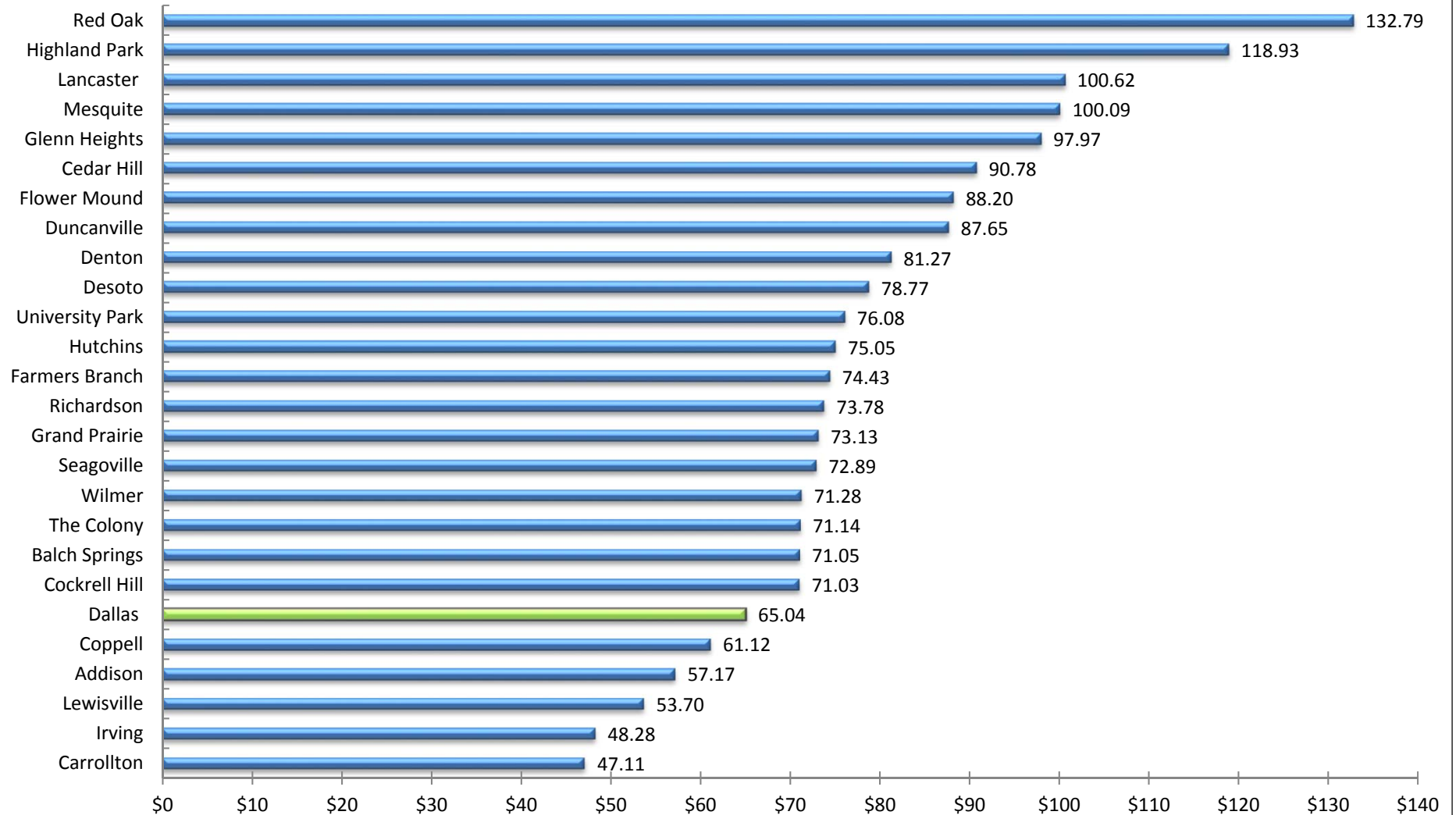


Index Cities Comparison of Average Monthly Water & Sewer Residential Bills



Note: Bill comparison based on rates effective July 2016; water consumption of 8,300 gallons; and 5,500 gallon Winter Months Average for sewer

Customer Cities Comparison of Average Monthly Water & Sewer Residential Bills



Memorandum



CITY OF DALLAS

Date: December 2, 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: Texas Water Development Board: Low Cost Financial Assistance Programs

On December 5, 2016 the Budget, Finance & Audit Committee will be briefed on Texas Water Development Board: Low Cost Financial Assistance Programs. The briefing is attached for your review.

Should you have any questions, please contact me at 214-670-3296.

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

Ryan S. Evans
First Assistant City Manager

Attachment

c: Honorable Mayor and Members of City Council
A.C. Gonzalez, City Manager
Larry Casto, 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
M. Elizabeth Reich, Chief Financial Officer
Sana Syed, Public Information Officer
Jo M. (Jody) Puckett, Director, Dallas Water Utilities
Elsa Cantu, Assistant to the City Manager – Mayor and Council

Texas Water Development Board: Low Cost Financial Assistance Programs

Budget, Finance & Audit Committee
December 5, 2016



Purpose

- Provide details on the Texas Water Development Board (TWDB) – Drinking Water (DWSRF) and Clean Water (CWSRF) State Revolving Funds
- Discuss how participating in these programs can save Dallas Water Utilities significant financing costs while implementing its pipeline replacement program
- Seek Council Committee recommendation to support December 14, 2016 agenda items to submit loan applications to the Texas Water Development Board for low cost financial assistance to fund DWU's annual pipeline replacement program

Outline

- TWDB Drinking Water and Clean Water Programs
- How These Programs Will Benefit DWU
- Application Process and Timeline
- Summary

TWDB - State Revolving Funds

- Drinking Water State Revolving Fund (DWSRF) and Clean Water State Revolving Fund (CWSRF) are both authorized under the Safe Drinking Water Act
- DWSRF provides approximately \$250M annually in low cost financing for water related projects throughout Texas
- CWSRF provides approximately \$500M annually in low cost financing for wastewater related projects throughout Texas
- Each year, projects are ranked and invitations are sent based on available funding.

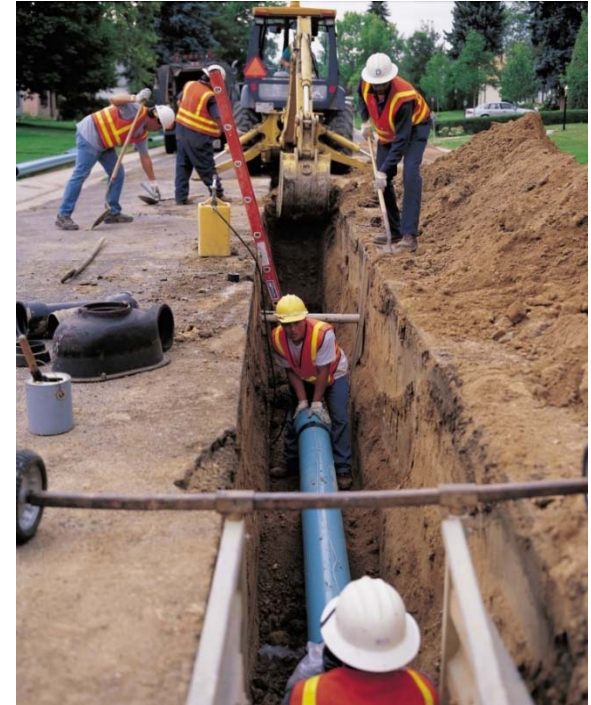
DWSRF and CWSRF Benefits

- Below market interest rates
 - DWSRF (125 basis point reduction)
 - CWSRF (155 basis point reduction)
- No maximum funding limits
- Multi-year commitments
- Flexible repayment periods



How These Programs Will Benefit DWU

- In March 2016, DWU submitted project information forms to the TWDB to fund its small diameter pipeline replacement program for the next 5 years
- Annual pipeline replacement budget (engineering and construction) –
 - \$44 million for water
 - \$22 million for wastewater
- Total funds DWU would be applying for –
 - \$220 million for water
 - \$110 million for wastewater



How These Programs Will Benefit DWU (cont'd)

- Financial analysis shows DWU could reduce its annual average debt service payment by \$4M dollars per year over the life of the 30 year loans (Present Value Difference of \$75M).
- Loans will be issued in installments over the 5-year commitment
- Coverages and reserve requirements are the same as current revenue bonds
- Loan subsidies are locked for the 5-year commitment
- First principal payment is not due until 12 months after the completion of construction

Application Process and Timeline

- March 2016 – Submitted project information forms
- October 2016 – Invitation to submit loan applications received
- December 14, 2016 – Seek Council authorization to apply for loans
- January to April 2017 – Finalize loan applications
- May 2017 – Seek Council authorization to accept funds

Summary

- DWU has been invited by the TWDB to submit loan applications for DWSRF and CWSRF funding for its annual pipeline replacement program for the next five years.
- And participating in these programs has the potential to reduce DWU's debt service payment by \$4M dollars per year over the next thirty years. (Present Value Difference of \$75M)
- Seeking Council Committee recommendation to approve December 14, 2016 Agenda Items 40 and 41 authorizing the submittal of loan applications to the TWDB for low cost financial assistance to fund DWU's annual pipeline replacement program

Questions?

KEY FOCUS AREA: E-Gov
AGENDA DATE: December 14, 2016
COUNCIL DISTRICT(S): All
DEPARTMENT: Business Development & Procurement Services
Water Utilities
CMO: Elizabeth Reich, 670-7804
Ryan S. Evans, 671-9837
MAPSCO: N/A

SUBJECT

Authorize a three-year service contract for emergency repair of large concrete pipe - Forterra Pressure Pipe, Inc., most advantageous proposer of two - Not to exceed \$619,905 - Financing: Water Utilities Current Funds (subject to annual appropriations)

BACKGROUND

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

This service contract will provide for emergency repair services for large concrete pipe. Water Utilities uses pre-stressed concrete cylinder pressurized pipe within raw and potable water systems. This service contract will be used to repair large diameter pipe sections ranging from 20”–96” in diameter and lengths from 16’–24’ linear feet. Water Utilities maintains approximately 4,900 miles of water mains throughout the water distribution system.

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

- Park & Recreation (1)
- Water Utilities (1)
- Mobility and Street Services (1)
- Business Development & Procurement Services (2)*

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

BACKGROUND (Continued)

The committee selected the successful proposer on the basis of the following criteria:

- Cost 35 points
- Experience 30 points
- Business Inclusion and Development Plan 15 points
- Approach 10 points
- Functional match 10 points

On October 26, 2016, the City Council awarded 7 of the 10 groups for purchase of large pipe and emergency repair services. The emergency repair services are the last three groups in the purchase of large pipe and emergency repair services.

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 936 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, BDPS' ResourceLINK Team (RLT) sent notifications 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 April 27, 2011, City Council authorized a three-year master agreement for concrete pipe by Resolution No. 11-1109.

On October 26, 2016, City Council authorized a three-year master agreement for large concrete water pipes and accessories by Resolution No. 16-1728.

Information about this item will be provided to the Budget, Finance, and Audit Committee on December 5, 2016.

FISCAL INFORMATION

\$619,905.00 - Water Utilities Current Funds (subject to annual appropriations)

M/WBE INFORMATION

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

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

Forterra Pressure Pipe, Inc.

White Male	292	White Female	13
Black Male	18	Black Female	2
Hispanic Male	315	Hispanic Female	12
Other Male	15	Other Female	0

PROPOSAL INFORMATION

Business Development and Procurement Services received the following proposals from solicitation number BMZ1615. We opened them on May 20, 2016. We recommend the City Council award this service contract to the most advantageous proposer by group. Information related to this solicitation is available upon request.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Amount</u>
*Forterra Pressure Pipe, Inc.	1003 N. MacArthur Blvd. Grand Prairie, TX 75050	Multiple Groups
Forterra Pipe & Precast, LLC	1000 N. MacArthur Blvd. Grand Prairie, TX 75050	Multiple Groups

OWNER

Forterra Pressure Pipe, Inc.

Jeff Bradley, President
Ken Primavera, Vice President
Jeff Nelson, Treasurer

December 14, 2016

WHEREAS, on April 27, 2011, City Council authorized a three-year master agreement for concrete pipe by Resolution No. 11-1109; and

WHEREAS, on April 1, 2014, Administrative Action No. 14-5696 authorized to extend the master agreement for twelve-months from April 26, 2014 to April 26, 2015 with Hanson Pipe Products, Inc.; and

WHEREAS, on April 2, 2015, Administrative Action No. 15-5737 authorized to extend the master agreement for twelve-months from April 26, 2015 to April 25, 2016 with Hanson Pipe Products, Inc.; and

WHEREAS, on October 26, 2016, City Council authorized a three-year master agreement for large concrete water pipes and accessories by Resolution No. 16-1728;

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 Forterra Pressure Pipe, Inc. (VC15523) for emergency repair of large concrete pipe for a term of three years in an amount not to exceed \$619,905.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed basis, unit price basis for performance of specified tasks, payment to Forterra Pressure Pipe, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Forterra Pressure Pipe, Inc. under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$619,905.00 (subject to annual appropriations) from Master Agreement number BMZ1615.

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.

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year service contract for emergency repair of large concrete pipe - Forterra Pressure Pipe, Inc., most advantageous proposer of two - Not to exceed \$619,905 - Financing: Water Utilities Current Funds (subject to annual appropriations)

Forterra Pressure Pipe, Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$619,905.00	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	\$619,905.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

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

AGENDA ITEM # 5

KEY FOCUS AREA:	E-Gov
AGENDA DATE:	December 14, 2016
COUNCIL DISTRICT(S):	All
DEPARTMENT:	Business Development & Procurement Services Communication and Information Services Water Utilities
CMO:	Elizabeth Reich, 670-7804 Mark McDaniel, 670-3256 Ryan S. Evans, 671-9837
MAPSCO:	N/A

SUBJECT

Authorize **(1)** a four-year service contract for maintenance and support for the integrated billing system software in the amount of \$2,363,902; and **(2)** an acquisition contract for the purchase of additional licenses in the amount of \$387,630 - SAP Public Services, Inc., sole source – Total not to exceed \$2,751,532 – Financing: Water Utilities Current Funds (\$2,363,902) (subject to annual appropriations) and Water Capital Construction Funds (\$387,630)

BACKGROUND

These agreements will continue maintenance and support of the integrated billing system software, currently utilized by 13 City departments, purchase new SAP certified software for the implementation of mobile field work order and inventory functionalities, and purchase additional SAP Business Object user licenses.

This integrated billing system produces approximately 20,000 documents daily, ranging from invoices and past due notices, to service requests, permit renewals, consumer applications, and fee statements. It bills in excess of \$575 million in utilities revenue and \$100 million for other departments' revenue annually.

The functionality of this system includes:

- Monthly billing for water, wastewater, sanitation, and stormwater service fees
- Capture, dispatch, and/or resolution of all water and wastewater customer service requests
- Participating departments' collection activities for delinquent receivables
- Monthly contractual billing for Aviation landing and baggage fees, and cashiering for security badges

BACKGROUND (Continued)

- Permit applications/renewals and fees for security alarms, fire/medical alarms, and Air Quality
- Fees for high risk fire inspection, HazMat services and training, non-owner occupied rental property and multi-family tenant registration, consumer protection and land base receivable fees, hotel-motel and short term vehicle fees, and lien/loan statements

SAP is a mission critical system used 24 hours per day making it essential that a maintenance and support agreement be in place for timely and technical response should unplanned malfunctions or services disruptions occur. This agreement will also provide periodic software upgrades, system patches, and “break/fix” solutions.

New and upgraded software purchased through these agreements will enable future business-driven initiatives such as utilities mobile field services, inventory management, and reporting for end users.

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 December 14, 2011, City Council authorized an acquisition contract for the purchase of additional licenses, software and upgrade services to upgrade the existing integrated billing system and a five-year service contract for maintenance and support for the integrated billing system by Resolution No. 11-3221.

Information about this item will be provided to the Budget, Finance, and Audit Committee on December 5, 2016.

FISCAL INFORMATION

\$2,363,901.76 – Water Utilities Current Funds (subject to annual appropriations)

\$ 387,630.00 – Water Capital Construction Funds

M/WBE INFORMATION

Business Development and Procurement Services did not contact any M/WBE or other vendors for this item because the recommend awardee has the exclusive licensing rights for the SAP system and is the sole source provider.

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

SAP Public Services, Inc.

White Male	241	White Female	80
Black Male	7	Black Female	7
Hispanic Male	21	Hispanic Female	7
Other Male	117	Other Female	15

BID INFORMATION

<u>Bidder</u>	<u>Address</u>	<u>Amount of Bid</u>
SAP Public Services, Inc.	1300 Pennsylvania Ave. Washington, DC 20004	\$2,751,531.76

Note: A sole source review process has been conducted by Business Development and Procurement Services and no exceptions have been found.

OWNER

SAP Public Services, Inc.

Jennifer Morgan, President
Brian Roach, Vice President

December 14, 2016

WHEREAS, on December 14, 2011, City Council authorized an acquisition contract for the purchase of additional licenses, software and upgrade services to upgrade the existing integrated billing system and a five-year service contract for maintenance and support for the integrated billing system by Resolution No. 11-3221;

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 SAP Public Services, Inc. (VS0000081943) for maintenance and support for the integrated billing system software for a term of four years in an amount not to exceed \$2,363,901.76, 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 SAP Public Services, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by SAP Public Services, Inc. under the contract.

Section 2. That the purchase of additional licenses is authorized with SAP Public Services, Inc. (VS0000081943) in an amount not to exceed \$387,630.00.

Section 3. That the Purchasing Agent is authorized, upon appropriate requisition, to issue a purchase order for the purchase of additional licenses. If a formal contract is required for this purchase instead of a purchase order, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

Section 4. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$2,751,531.76 (subject to annual appropriations) from Service Contract number MASCDWU7019A1725M.

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

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** a four-year service contract for maintenance and support for the integrated billing system software in the amount of \$2,363,902; and **(2)** an acquisition contract for the purchase of additional licenses in the amount of \$387,630 - SAP Public Services, Inc., sole source – Total not to exceed \$2,751,532 – Financing: Water Utilities Current Funds (\$2,363,902) (subject to annual appropriations) and Water Capital Construction Funds (\$387,630)

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

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$0.00	0.00%
Total non-local contracts	\$2,751,531.76	100.00%
TOTAL CONTRACT	\$2,751,531.76	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

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

KEY FOCUS AREA: E-Gov

AGENDA DATE: December 14, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Trinity Watershed Management

CMO: Elizabeth Reich, 670-7804
Mark McDaniel, 670-3256

MAPSCO: N/A

SUBJECT

Authorize **(1)** a five-year service contract for parts and repair of hardware for the automated local evaluation in real time system for monitoring of flood incidents in the amount of \$79,500 - HydroLynx Systems, Inc.; and **(2)** a five-year service contract for the operating system software maintenance and support of the automated local evaluation in real time system for monitoring of flood incidents in the amount of \$186,000 - TriLynx Systems, LLC, most advantageous proposers of two - Total not to exceed \$265,500 - Financing: Stormwater Drainage Management 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.

These service contracts will provide Trinity Watershed Management Flood Control Operations division with parts, telephone technical support, and server upgrades for the flood incident monitoring system. This system has 88 remote sensor locations throughout the City that measure and report, in real time, air temperature, stream level, wind speed and direction, barometric pressure, humidity, status of small underpass stormwater lift stations, and bridge temperature. The system automatically notifies City personnel, by email, of alarms or faults such as:

- Power failures
- System failure
- High water
- Failure of a pump to start
- High rainfall rates

Additionally, the system can produce real-time reports on the City's internal and public websites.

BACKGROUND (Continued)

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

- Trinity Watershed Management (1)
- Water Utilities (1)
- Mobility and Street Services (1)
- Business Development and Procurement Services (2)*

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

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

- Cost 70%
- Experience and capability 15%
- Business Inclusion and Development Plan 15%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 1,682 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, BDPS' ResourceLINK Team (RLT) sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

The recommended vendors meet 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 September 11, 2013, City Council authorized a three-year service contract for parts, support and upgrades of the flood incident monitoring and control system by Resolution No. 13-1547.

Information about this item will be provided to the Budget, Finance, and Audit Committee on December 5, 2016.

FISCAL INFORMATION

\$265,500.00 - Stormwater Drainage Management Current Funds (subject to annual appropriations)

M/WBE INFORMATION

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

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

HydroLynx Systems, Inc.

White Male	25	White Female	2
Black Male	0	Black Female	0
Hispanic Male	4	Hispanic Female	1
Other Male	5	Other Female	1

TriLynx Systems, LLC

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

PROPOSAL INFORMATION

Business Development and Procurement Services received the following proposals from solicitation number BUZ1607. We opened them on May 20, 2016. We recommend the City Council award these service contracts to the most advantageous proposers by group.

PROPOSAL INFORMATION (Continued)

*Denotes successful proposers

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*HydroLynx Systems, Inc.	26227 Research Rd. Hayward, CA 94545	87%	Group 1 - No Bid Group 2 - \$79,500.00
*TriLynx Systems, LLC	320 E. Vine Dr. Suite 212 Ft. Collins, CO 80528	93%	Group 1 - \$186,000.00 Group 2 - No Bid

OWNERS

HydroLynx Systems, Inc.

Kimberly Blair, President
David Leader, Vice President

TriLynx Systems, LLC

Markus Ritsch, President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** a five-year service contract for parts and repair of hardware for the automated local evaluation in real time system for monitoring of flood incidents in the amount of \$79,500 - HydroLynx Systems, Inc.; and **(2)** a five-year service contract for the operating system software maintenance and support of the automated local evaluation in real time system for monitoring of flood incidents in the amount of \$186,000 - TriLynx Systems, LLC, most advantageous proposers of two - Total not to exceed \$265,500 - Financing: Stormwater Drainage Management Current Funds (subject to annual appropriations)

HydroLynx Systems, Inc. and TriLynx Systems, 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	\$0.00	0.00%
Total non-local contracts	\$265,500.00	100.00%
TOTAL CONTRACT	\$265,500.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

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

December 14, 2016

WHEREAS, on September 11, 2013, City Council authorized a three-year service contract for parts, support and upgrades of the flood incident monitoring and control system by Resolution No. 13-1547;

NOW, THEREFORE,

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

Section 1. That the City Manager is authorized to execute **(1)** a five-year service contract with HydroLynx Systems, Inc. (354937) in the amount of \$79,500.00 for parts and repair of hardware for the automated local evaluation in real time system for monitoring of flood incidents; and **(2)** a five-year service contract with TriLynx Systems, LLC (VS87995) in the amount of \$186,000 for the operating system software maintenance and support of the automated local evaluation in real time system for monitoring of flood incidents, in a total amount not to exceed \$265,500.00, 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 HydroLynx Systems, Inc. and TriLynx Systems, LLC shall be based only on the amount of the services directed to be performed by the City and properly performed by HydroLynx Systems, Inc. and TriLynx Systems, LLC under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$265,500.00 (subject to annual appropriations) from Service Contract number BUZ1607.

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: December 14, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Communication and Information Services

CMO: Elizabeth Reich, 670-7804
Mark McDaniel, 670-3256

MAPSCO: N/A

SUBJECT

Authorize an acquisition contract for the purchase of hardware, software, and installation for an upgrade to the current Vesta 9-1-1 telephone system infrastructure - AT&T Communications, Inc. through the Houston-Galveston Area Council of Governments - Not to exceed \$1,372,074 - Financing: Current Funds

BACKGROUND

This contract will allow for the purchase of hardware, software, and installation to upgrade the Vesta 9-1-1 telephone system infrastructure. The Vesta system allows 9-1-1 call agents to answer calls from their computer. The system collects and provides location information of a call when dispatching emergency responders.

The Vesta system feeds critical 9-1-1 call information, such as caller location and phone number, to the Computer Aided Dispatch (CAD) system, which ensures the City dispatches appropriate emergency services. Additionally, the system enables call takers to provide incident reporting to first responders and allows more efficient access to retrieve and review 9-1-1 recordings.

This purchase will allow for upgrading existing hardware and software, which has reached end of life, and professional services to assist with implementation and training. Enhancements include, but are not limited to, advance call routing, advance mapping capabilities, data management, and analytics.

The Vesta 9-1-1 system receives in excess of 2 million calls per year. Maintaining the City's 9-1-1 telephone system infrastructure is essential to ensuring public safety.

BACKGROUND (Continued)

The Houston-Galveston Area Council of Governments conforms to the requirements of Texas Statutes that are applicable for competitive bid and proposals, in accordance with the Interlocal Cooperation Act, Chapter 791, Texas Government Code. In addition, the Houston-Galveston Area Council of Governments receives bids from manufacturers and dealers throughout the United States.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Budget, Finance, and Audit Committee on December 5, 2016.

FISCAL INFORMATION

\$1,372,073.27 - Current Funds

ETHNIC COMPOSITION

AT&T Communications, Inc.

White Male	4,789	White Female	2,658
Black Male	1,366	Black Female	2,245
Hispanic Male	483	Hispanic Female	694
Other Male	588	Other Female	299

OWNER

AT&T Communications, Inc.

Ralph De La Vega, President

December 14, 2016

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

Section 1. That the City Manager is hereby authorized to execute an acquisition contract for the purchase of hardware, software, and installation, for an upgrade to the current Vesta 9-1-1 telephone system infrastructure, with AT&T Communications, Inc. (268653) through the Houston-Galveston Area Council of Governments, in an amount not to exceed \$1,372,073.27, 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 AT&T Communications, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by AT&T Communications, Inc. under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds from the following appropriations in an amount not to exceed \$1,372,073.27:

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Object</u>	<u>Encumbrance</u>	<u>Amount</u>
0191	DSV	2911	2731	MASCDSV17VESUPG	\$433,201.37
0191	DSV	2911	2735	MASCDSV17VESUPG	\$429,978.02
0191	DSV	2911	3070	MASCDSV17VESUPG	\$169,901.00
0191	DSV	2911	3110	MASCDSV17VESUPG	\$286,301.08
0191	DSV	2911	4731	MASCDSV17VESUPG	\$ 41,101.80
0191	DSV	2911	4735	MASCDSV17VESUPG	\$ 11,590.00

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: December 14, 2016
COUNCIL DISTRICT(S): 14
DEPARTMENT: Business Development & Procurement Services
Equipment & Building Services
CMO: Elizabeth Reich, 670-7804
Jill A. Jordan, P.E., 670-5299
MAPSCO: 45K

SUBJECT

Authorize an acquisition contract for the purchase and installation of an emergency backup generator for the Dallas Museum of Art - Facility Solutions Group, most advantageous proposer of two - Not to exceed \$149,177 - Financing: Capital Construction Funds

BACKGROUND

This acquisition contract will allow for the purchase and installation of an emergency backup generator for the Dallas Museum of Art (DMA). The generator will provide emergency power to the DMA’s security camera system, emergency lighting, and several elevators in the event of a power outage. The purchase is necessary due to the age of the existing generator and the increased cost of maintenance.

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

- Mobility and Street Services (1)
- Equipment and Building Services (2)
- Business Development and Procurement Services (2)*

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

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

- Cost 60%
- Functional match to the City’s requirements 25%
- Business Inclusion and Development Plan 15%

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 532 email proposal 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 proposals, BDPS' ResourceLINK Team (RLT) sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Budget, Finance, and Audit Committee on December 5, 2016.

FISCAL INFORMATION

\$149,177.00 - Capital Construction Funds

M/WBE INFORMATION

79 - Vendors contacted
79 - No response
0 - Response (Bid)
0 - No response (No Bid)
0 - Successful

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.

PROPOSAL INFORMATION

Business Development and Procurement Services received the following proposals from solicitation number BNZ1615. We opened them on April 22, 2016. We recommend the City Council award this acquisition contract in its entirety to the most advantageous proposer.

PROPOSAL INFORMATION (Continued)

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*Facility Solutions Group	2525 Walnut Hill Ln. #100 Dallas, TX 75229	100.00%	\$149,177.00
Acumen Enterprises, Inc.	1504 Falcon DeSoto, TX 75115	82.56%	\$175,000.00

ETHNIC COMPOSITION

Facility Solutions Group

White Male	185	White Female	3
Black Male	4	Black Female	0
Hispanic Male	113	Hispanic Female	4
Other Male	0	Other Female	0

OWNER

Facility Solutions Group

Bill Graham, President
Stephen Byrne, Vice President
Jack Ball, Treasurer

December 14, 2016

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

Section 1. That the City Manager is hereby authorized to execute an acquisition contract with Facility Solutions Group (VS0000018126) for the purchase and installation of an emergency backup generator for the Dallas Museum of Art in an amount not to exceed \$149,177.00, 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 Facility Solutions Group shall be based only on the amount of the services directed to be performed by the City and properly performed by Facility Solutions Group under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds from the following appropriation in an amount not to exceed \$149,177.00:

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Object</u>	<u>MASC</u>	<u>FY</u>	<u>Amount</u>
0671	EBS	P717	4720	EBS17MASC04	2017	\$149,177.00

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.

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize an acquisition contract for the purchase and installation of an emergency backup generator for the Dallas Museum of Art - Facility Solutions Group, most advantageous proposer of two - Not to exceed \$149,177 - Financing: Capital Construction Funds

Facility Solutions Group 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	\$149,177.00	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	\$149,177.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Tritton Supply	WFDB8407Y1017	\$32,252.00	21.62%
Total Minority - Local		\$32,252.00	21.62%

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$32,252.00	21.62%	\$32,252.00	21.62%
Total	\$32,252.00	21.62%	\$32,252.00	21.62%

AGENDA ITEM # 9

KEY FOCUS AREA:	E-Gov
AGENDA DATE:	December 14, 2016
COUNCIL DISTRICT(S):	N/A
DEPARTMENT:	Business Development & Procurement Services Communication and Information Services
CMO:	Elizabeth Reich, 670-7804 Mark McDaniel, 670-3256
MAPSCO:	N/A

SUBJECT

Authorize the purchase of hardware to conduct searches of the City's intranet and all City owned websites - SADA Systems, Inc. through the General Services Administration - Not to exceed \$67,000 - Financing: Current Funds

BACKGROUND

This action will allow for the purchase of hardware utilized to conduct searches of the City's intranet and City owned websites. The hardware allows internal and external users to quickly locate and access relevant data stored on City owned website and present the results in a consolidated and efficient list. The hardware also allows City employees to search the City's intranet, applications, databases, file servers, and City websites for information regarding City services and information with one search engine.

Additionally, this hardware allows for search results to be filtered by such attributes as author, date, or location. The hardware is configurable to authenticate sources of data to ensure it is provided to users with appropriate security levels.

The General Services Administration (GSA) conforms to the requirements of Texas Statutes that are applicable for competitive bids and proposals, in accordance with the Interlocal Cooperation Act, Chapter 791, Texas Government Code. In addition, GSA receives bids from manufacturers and dealers throughout the United States.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Budget, Finance, and Audit Committee on December 5, 2016.

FISCAL INFORMATION

\$67,000.00 - Current Funds

ETHNIC COMPOSITION

SADA Systems, Inc.

White Male	36	White Female	16
Black Male	2	Black Female	1
Hispanic Male	7	Hispanic Female	1
Other Male	23	Other Female	1

OWNER

SADA Systems, Inc.

Tony Safoian, President
Annie Safoian, Secretary

December 14, 2016

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

Section 1. That the purchase of hardware to conduct searches of the City's intranet and all City owned websites is authorized with SADA Systems, Inc. (VC15909) through the General Services Administration in an amount not to exceed \$67,000.00.

Section 2. That the Purchasing Agent is authorized, upon appropriate requisition, to issue a purchase order of hardware to conduct searches of the City's intranet and all City owned websites. If a formal contract is required for this purchase instead of a purchase order, 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 from the following appropriation in an amount not to exceed \$67,000.00:

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Obj</u>	<u>Amount</u>	<u>FY</u>	<u>Encumbrance</u>
0198	DSV	3717	4731	\$67,000.00	FY17	PODSV00000129595

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

KEY FOCUS AREA: E-Gov

AGENDA DATE: December 14, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Water Utilities

CMO: Elizabeth Reich, 670-7804
Ryan S. Evans, 671-9837

MAPSCO: N/A

SUBJECT

Authorize a three-year master agreement for the purchase of hydrofluosilicic acid to be used for the treatment of potable water - Solvay Fluorides, LLC, lowest responsible bidder of five - Not to exceed \$994,000 - 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 hydrofluosilicic acid (fluoride) for the treatment of potable water as required by Resolution No. 65-4383, on August 9, 1965 to fluoridate drinking water at all three purification plants. Fluoride is a naturally occurring mineral that has been proven to protect against tooth decay throughout a person's lifetime. Dallas adds a small amount to the finished water to achieve the Centers for Disease Control (CDC) optimal level for prevention of tooth decay. Fluoride is added in the treatment process as hydrofluosilicic acid (HFS).

Water Utilities provides water and wastewater service to approximately 2.4 million people in the Dallas service area of 699 square miles.

This solicitation was structured in a manner which required bidders to submit a response using unit pricing. This bid resulted in a 6.30 percent decrease over comparable unit prices for the bid awarded in 2015.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 1,151 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses the internet, and vendor contact information obtained from user departments to contact additional vendors by phone.

BACKGROUND (Continued)

Additionally, in an effort to secure more bids, BDPS’ ResourceLINK Team (RLT) sent notifications 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 January 11, 2012, City Council authorized a three-year master agreement for the purchase of hydrofluosilicic acid to be used for the treatment of potable water by Resolution No. 12-0120.

On January 28, 2015, City Council authorized a three-year master agreement for the purchase of hydrofluosilicic acid to be used for the treatment of potable water by Resolution No. 15-0196.

Information about this item will be provided to the Budget, Finance, and Audit Committee on December 5, 2016.

FISCAL INFORMATION

\$994,000.00 - Water Utilities Current Funds

M/WBE INFORMATION

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

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

Solvay Fluorides, LLC

White Male	33	White Female	10
Black Male	8	Black Female	3
Hispanic Male	4	Hispanic Female	0
Other Male	0	Other Female	0

BID INFORMATION

Business Development and Procurement Services received the following bids from solicitation number BW1613. We opened them on October 7, 2016. We recommend the City Council award this master agreement in its entirety to the lowest responsive and responsible bidder.

*Denotes successful bidder

<u>Bidders</u>	<u>Address</u>	<u>Amount of Bid</u>
*Solvay Fluorides, LLC	3737 Buffalo Speedway Suite 900 Houston, TX 77098	\$ 994,000.00
Mosaic Global Sales, LLC	138 Circa Crossing Drive Lithia, FL 33547	\$1,075,650.00
BHS Holding Company, Inc.	1717 E Fargo Avenue Nampa, ID 83687	\$1,271,681.00
Pennco, Inc.	831 Bartlett Road Sealy, TX 77474	\$1,359,650.00
Univar USA, Inc.	8201 S. 212 th Street Kent, WA 98032	\$3,124,000.00

OWNER

Solvay Fluorides, LLC

Mark E. Looney, President
Roger Jimenez, Vice President
Carlos R. Escobar, Secretary
Mark Dahlinger, Treasurer

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year master agreement for the purchase of hydrofluosilicic acid to be used for the treatment of potable water - Solvay Fluorides, LLC, lowest responsible bidder of five - Not to exceed \$994,000 - Financing: Water Utilities Current Funds

Solvay Fluorides, LLC is a non-local, non-minority firm, has 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	\$0.00	0.00%
Total non-local contracts	\$994,000.00	100.00%
TOTAL CONTRACT	\$994,000.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

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

December 14, 2016

WHEREAS, on January 11, 2012, City Council authorized a three-year master agreement for the purchase of hydrofluosilicic acid to be used for the treatment of potable water by Resolution No. 12-0120; and,

WHEREAS, on January 28, 2015, City Council authorized a three-year master agreement for the purchase of hydrofluosilicic acid to be used for the treatment of potable water by Resolution No. 15-0196;

NOW, THEREFORE,

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

Section 1. That a master agreement for the purchase of hydrofluosilicic acid to be used for the treatment of potable water is authorized with Solvay Fluorides, LLC (VS0000000689) for a term of three years in an amount not to exceed \$994,000.00.

Section 2. That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for hydrofluosilicic acid to be used for the treatment of potable water. If a written contract is required or requested for any or all purchases of hydrofluosilicic acid to be used for the treatment of potable water 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 \$994,000.00 from Master Agreement number BW1613.

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

KEY FOCUS AREA: E-Gov

AGENDA DATE: December 14, 2016

COUNCIL DISTRICT(S): All

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

CMO: Elizabeth Reich, 670-7804
Ryan S. Evans, 671-9837
Mark McDaniel, 670-3256

MAPSCO: N/A

SUBJECT

Authorize a three-year master agreement for plumbing pipe, fittings, fixtures, trim, and parts – Winston Water Cooler LTD in the amount of \$2,407,613, 4-Star Hose & Supply, Inc. in the amount of \$273,295 and HD Supply Waterworks LTD in the amount of \$268,675, lowest responsible bidders of three – Total not to exceed \$2,949,583 - Financing: Current Funds (\$994,378), Water Utilities Current Funds (\$1,734,875), Aviation Current Funds (\$117,027), Convention and Event Services Current Funds (\$79,905), and Stormwater Drainage Management Current Funds (\$23,398)

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 plumbing pipe, fittings, fixtures, trim, and parts for approximately 800 City facilities, including fire stations, recreation centers, libraries, City Hall, and the Jack Evans Police Headquarters. Equipment and Building Services processed approximately 3,500 work orders for plumbing repairs in FY 2015-16.

Additionally this master agreement provides pipes and fittings used primarily by Water Utilities to maintain the City's current infrastructure, and also provides plumbing supplies for any new construction. These supplies are used throughout the City to supply fresh water and aid in the removal of wastewater.

BACKGROUND (Continued)

This agreement will ensure that the City continues to meet minimum standards set by local, state, Federal, and institutional agencies for pipe and pipe fitting installation. Some of these agencies are the National Association of Master Plumbers, International Brotherhood of Plumbers, Environmental Protection Agency, Texas Commission on Environmental Quality, and the American Water Works Association. All plumbing fixtures for fresh water must also meet criteria for lead content that is set by the National Sanitation Foundation 60/61 certification and American National Standards Institute standards.

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 247 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, BDPS' ResourceLINK Team (RLT) sent notifications 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 November 7, 2011, City Council authorized a three-year master agreement for plumbing pipe, fittings, fixtures, trim and parts by Resolution No. 11-2951.

On August 13, 2014, City Council authorized a three-year master agreement for plumbing pipe, fittings, fixtures, trim and parts by Resolution No. 14-1265.

Information about this item will be provided to the Budget, Finance, and Audit Committee on December 5, 2016.

FISCAL INFORMATION

\$ 994,378.24 - Current Funds
\$1,734,874.90 - Water Utilities Current Funds
\$ 117,026.50 - Aviation Current Funds
\$ 79,905.40 - Convention and Event Services Current Funds
\$ 23,397.95 - Stormwater Drainage Management Current Funds

M/WBE INFORMATION

48 - Vendors contacted
47 - No response
1 - Response (Bid)
0 - Response (No bid)
1 - Successful

M/WBE INFORMATION (Continued)

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

Winston Water Cooler LTD

White Male	25	White Female	8
Black Male	3	Black Female	0
Hispanic Male	11	Hispanic Female	0
Other Male	0	Other Female	0

4-Star Hose & Supply, Inc.

White Male	29	White Female	4
Black Male	6	Black Female	0
Hispanic Male	10	Hispanic Female	0
Other Male	2	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	1	Other Female	0

BID INFORMATION

Business Development and Procurement Services received the following bids from solicitation number BM1603. We opened them on April 29, 2016. We recommend the City Council award this master agreement to the lowest responsive and responsible bidders by line. Information related to this solicitation is available upon request.

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Winston Water Cooler LTD	6626 Oakbrook Blvd. Dallas, TX 75235	Multiple Lines

BID INFORMATION (Continued)

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*4-Star Hose & Supply, Inc.	10704 Composite Dr. Dallas, TX 75220	Multiple Lines
*HD Supply Waterworks LTD	4333 Irving Blvd. Dallas, TX 75247	Multiple Lines

OWNERS

Winston Water Cooler LTD

Jane A. Butter, President

4-Star Hose & Supply, Inc.

Keith Culhane, President
Kelly Culhane, Vice President

HD Supply Waterworks LTD

Steve LaClair, President
Donald W. Clayton, Vice President
Judy Barrow, Secretary
Mark R. Witkowski, Treasurer

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year master agreement for plumbing pipe, fittings, fixtures, trim, and parts – Winston Water Cooler LTD in the amount of \$2,407,613, 4-Star Hose & Supply, Inc. in the amount of \$273,295 and HD Supply Waterworks LTD in the amount of \$268,675, lowest responsible bidders of three – Total not to exceed \$2,949,583 - Financing: Current Funds (\$994,378), Water Utilities Current Funds (\$1,734,875), Aviation Current Funds (\$117,027), Convention and Event Services Current Funds (\$79,905), and Stormwater Drainage Management Current Funds (\$23,398)

Winston Water Cooler LTD is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. 4-Star Hose & Supply, Inc. and HD Supply Waterworks LTD are local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces.

PROJECT CATEGORY: Goods

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$2,949,582.99	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	\$2,949,582.99	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Winston Water Cooler LTD	WFWB64249N0217	\$2,407,612.99	81.63%
Total Minority - Local		\$2,407,612.99	81.63%

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$2,407,612.99	81.63%	\$2,407,612.99	81.63%
	-----	-----	-----	-----
Total	\$2,407,612.99	81.63%	\$2,407,612.99	81.63%

December 14, 2016

WHEREAS, on November 7, 2011, City Council authorized a three-year master agreement for plumbing pipe, fittings, fixtures, trim and parts by Resolution No. 11-2951; and

WHEREAS, on August 13, 2014, City Council authorized a three-year master agreement for plumbing pipe, fittings, fixtures, trim and parts by Resolution No. 14-1265;

NOW, THEREFORE,

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

Section 1. That a master agreement for the purchase of plumbing pipe, fittings, fixtures, trim, and parts is authorized with Winston Water Cooler LTD (500437) in the amount of \$2,407,612.99, 4-Star Hose & Supply, Inc. (161103) in the amount of \$273,295.00 and HD Supply Waterworks LTD (VS0000038746) in the amount of \$268,675.00 for a term of three years in a total amount not to exceed \$2,949,582.99.

Section 2. That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for plumbing pipe, fittings, fixtures, trim, and parts. If a written contract is required or requested for any or all purchases of plumbing pipe, fittings, fixtures, trim, and parts 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 \$2,949,582.99 from Master Agreement number BM1603.

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

KEY FOCUS AREA: E-Gov
AGENDA DATE: December 14, 2016
COUNCIL DISTRICT(S): 2
DEPARTMENT: Business Development & Procurement Services
Aviation
CMO: Elizabeth Reich, 670-7804
Ryan S. Evans, 671-9837
MAPSCO: 34E

SUBJECT

Authorize Supplemental Agreement No. 1 to increase the service contract for employee shuttle services at Love Field - Logisticorp Group, LLC in the amount of \$1,017,100, from \$4,068,423 to \$5,085,523 - Financing: Aviation Current Funds (subject to annual appropriations)

BACKGROUND

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

Supplemental Agreement No. 1 will continue to provide shuttle services to transport City and airline employees, contractors, and concessionaires to and from the Love Field Terminal area to the Love Hub Garage 7 days a week, 24 hours per day. With the repeal of the Wright Amendment, the parking demand at Love Field has increased creating a greater demand for parking in the terminal area. To counter this effect, City and contract employees have been relocated from Parking Garages A and B to the newly designated employee parking garage located outside the terminal area. This contract allows the flexibility to meet the demands of employee transportation and requires the contractor to pick up in 20 minute intervals or less. On average, the shuttle contractor will transport 3,000 employees per day.

The increase to the service contract is necessary in order to allow sufficient time to complete a new solicitation.

This supplemental 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 October 8, 2014, City Council authorized a five-year service contract for employee shuttle services at Love Field by Resolution No. 14-1727.

Information about this item will be provided to the Budget, Finance, and Audit Committee on December 5, 2016.

FISCAL INFORMATION

\$1,017,100.00 – Aviation Current Funds (subject to annual appropriations)

ETHNIC COMPOSITION

Logisticorp Group, LLC

White Male	41	White Female	11
Black Male	35	Black Female	21
Hispanic Male	30	Hispanic Female	17
Other Male	3	Other Female	0

OWNER

Logisticorp Group, LLC

Garry Castro, President
Thomas F. Thacker, Vice President
Ed Franco, Secretary
Kevin Ayres, Treasurer

December 14, 2016

WHEREAS, on October 8, 2014, City Council authorized a five-year service contract for employee shuttle services at Love Field by Resolution No. 14-1727;

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 execute Supplemental Agreement No. 1 to increase the service contract with Logisticorp Group, LLC (VS85767) for employee shuttle services at Love Field in an amount not to exceed \$1,017,100.00, increasing the service contract from \$4,068,423.00 to \$5,085,523.00.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$1,017,100.00 (subject to annual appropriations) from Service Contract number BJ1441.

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.

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize Supplemental Agreement No. 1 to increase the service contract for employee shuttle services at Love Field - Logisticorp Group, LLC in the amount of \$1,017,100, from \$4,068,423 to \$5,085,523 - Financing: Aviation Current Funds (subject to annual appropriations)

Logisticorp Group, LLC is a non-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 - THIS ACTION ONLY

	<u>Amount</u>	<u>Percent</u>
Local contracts	\$0.00	0.00%
Non-local contracts	\$1,017,100.00	100.00%
TOTAL THIS ACTION	<u>\$1,017,100.00</u>	<u>100.00%</u>

LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
LogistiCorp Group, LLC.	HMDFW488990617	\$610,260.00	60.00%
GDS Transport	HMDFW25670517	\$406,840.00	40.00%
Total Minority - Non-local		<u>\$1,017,100.00</u>	<u>100.00%</u>

TOTAL M/WBE PARTICIPATION

	<u>This Action</u>		<u>Participation to Date</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$1,017,100.00	100.00%	\$5,085,523.00	100.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	<u>\$1,017,100.00</u>	<u>100.00%</u>	<u>\$5,085,523.00</u>	<u>100.00%</u>

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 14, 2016
COUNCIL DISTRICT(S): Outside City Limits
DEPARTMENT: Water Utilities
CMO: Ryan S. Evans, 671-9837
MAPSCO: Outside City Limits

SUBJECT

Authorize a thirty-year contract with the City of Lewisville to continue providing untreated water supply, from December 17, 2016 through December 16, 2046 - Estimated Annual Revenue: \$1,557,640

BACKGROUND

This item is for authorization to enter into a new untreated water contract with the City of Lewisville, Texas. This entity is currently receiving City of Dallas water services under an existing untreated water contract which will expire on December 16, 2016.

The City of Lewisville is located within Dallas Water Utilities' service area and desires to continue to purchase untreated water services from the City of Dallas under the terms of a standard untreated water customer contract. The untreated water will be taken from diversion points located along Lake Lewisville in Denton County. The City of Dallas has water rights in Lake Lewisville for the purpose of municipal use.

The City of Dallas desires to continue the sale of untreated water to the City of Lewisville as set forth under the terms and conditions. This water will be billed at the ordinance regular rate for untreated water service in accordance with Chapter 49.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 17, 1986, the City Council authorized the untreated water contract with the City of Lewisville, by Resolution No. 86-3930.

Information about this item will be provided to the Budget, Finance, and Audit Committee on December 5, 2016.

FISCAL INFORMATION

Estimated Annual Revenue: \$1,557,640 (at current regular untreated water rate)

MAP

Attached

December 14, 2016

WHEREAS, the City of Lewisville, Texas currently purchases untreated water from the City of Dallas, and Dallas currently provides untreated water supply to Lewisville as set forth under the terms, covenants, and conditions stated in an Untreated Water Contract between the City of Dallas and the City of Lewisville dated December 17, 1986; and,

WHEREAS, Lewisville's current untreated water contract with Dallas will expire on December 16, 2016; and,

WHEREAS, Dallas and Lewisville desire to enter into a new Untreated Water Contract; and,

WHEREAS, the term of the new 30-year Untreated Water Contract will be December 17, 2016 through December 16, 2046; and,

WHEREAS, approval of the new contract would be in the best interest of the City of Dallas as well as the City of Lewisville.

Now, Therefore,

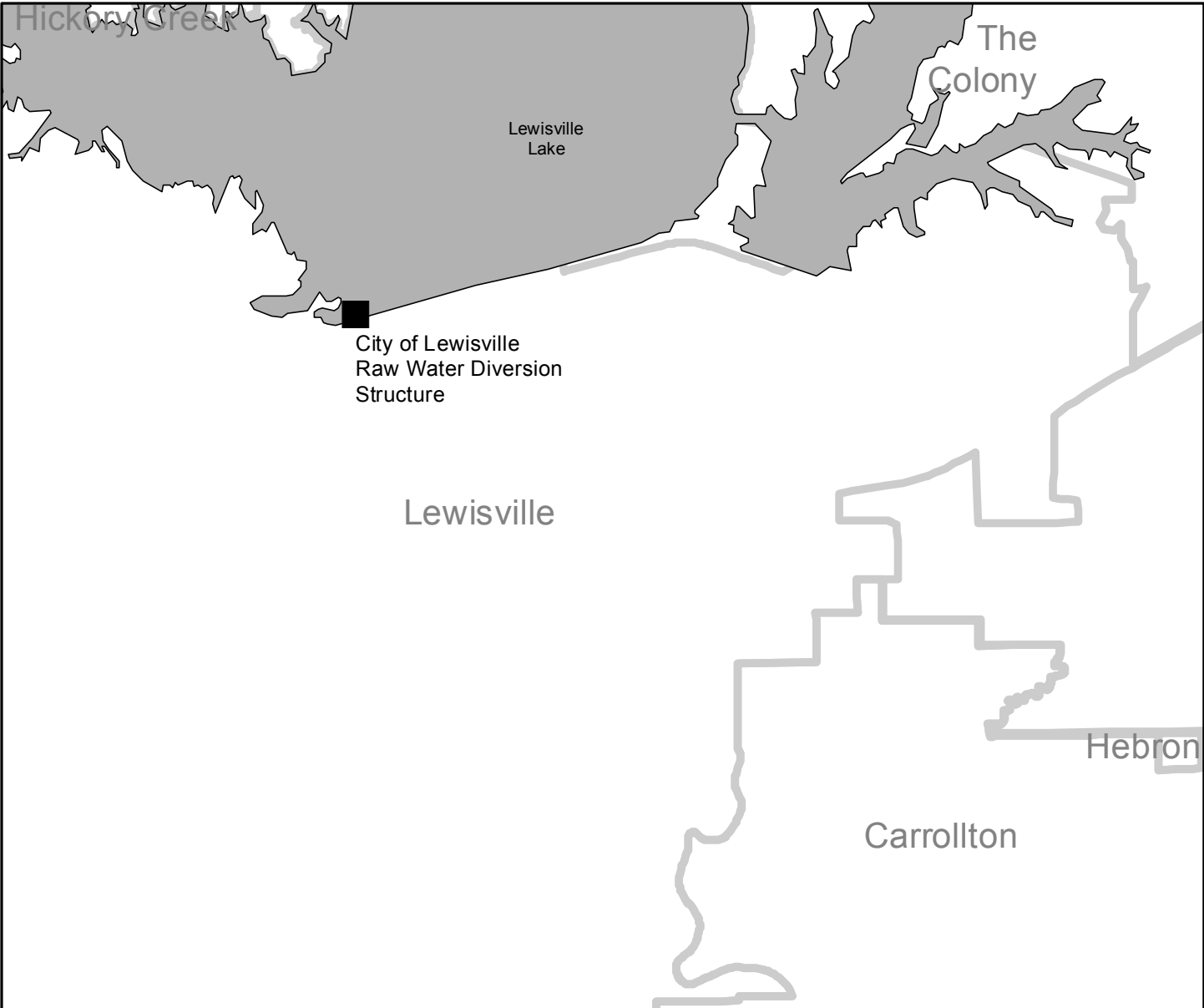
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to enter into a Untreated Water Contract with the City of Lewisville to purchase untreated water from the City of Dallas for the period December 17, 2016 through December 16, 2046 in the estimated annual amount of \$1,557,640 after approval of the contract documents by the City Attorney.

SECTION 2. That the Chief Financial Officer is hereby authorized and directed to deposit receipts for service provided under this contract to the Water Utilities Current Fund as follows:

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>FUNC</u>	<u>RESOURCE REVENUE CODE</u>
0100	DWU	7005	7REV	7849

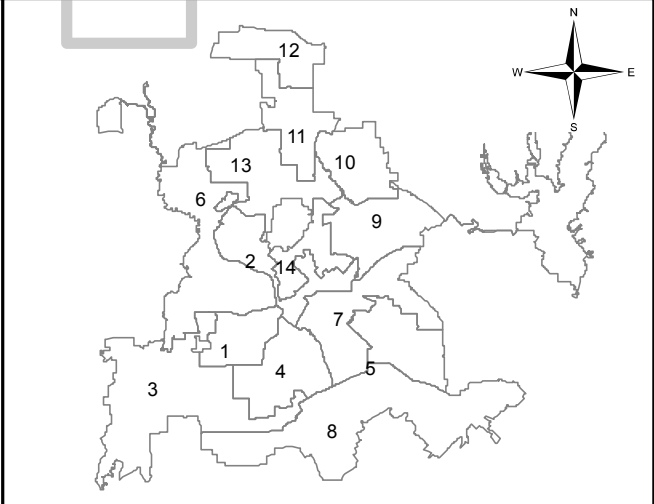
SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Location: Diversion Structure at Lake Lewisville Dam

Council Districts: Outside City of Dallas

Department: DWU



City of Lewisville Wholesale Untreated Water Contract

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 14, 2016
COUNCIL DISTRICT(S): All
DEPARTMENT: Water Utilities
CMO: Ryan S. Evans, 671-9837
MAPSCO: All

SUBJECT

Authorize continuation of the contract with the United States Geological Survey for operation of stream flow and water quality gauging stations in the Trinity River basin, a pharmaceutical and personal care products water quality study, and a Zebra Mussel sampling study and water quality study on each of the reservoirs in Dallas' water supply system from November 1, 2016 through September 30, 2017 – Not to exceed \$688,150 - Financing: Water Utilities Current Funds (subject to annual appropriations)

BACKGROUND

The United States Geological Survey (USGS) provides basic water quality and flow monitoring data collection services throughout the United States. It is recognized as an unbiased agency whose data is unquestionably accepted by state and federal regulatory agencies. The City of Dallas' current contract is a cost-sharing agreement with USGS. Obtaining water quality and flow data through a cost-sharing program provides the most economical method for Dallas to obtain the needed information.

The cost sharing for this agreement has several components. It includes \$35,975 as the City of Dallas' cost share of an agreement between USGS and the cities of Dallas and Fort Worth, and the Trinity River Authority for monitoring of the Trinity River. The total cost to all parties for this portion of the 2016-17 agreement will be \$129,900. The City of Dallas' share is 27.6944 percent of the total costs.

BACKGROUND (Continued)

The agreement also includes \$160,855 as the City of Dallas' share of an agreement between the City of Dallas and USGS for the operation and maintenance of stream flow stations. Dallas is installing three new stream gages to increase the accuracy of lake inflow calculations. The Denton Creek gage near Grapevine is required by the Texas Commission on Environmental Quality's Settlement Order on Lake Grapevine. Dallas County Park Cities Municipal Utility District splits the cost with the City of Dallas for this gage. The USGS provides stream flow data to the City of Dallas that is used in operating Lake Grapevine, Lake Ray Hubbard, Lake Lewisville and Ray Roberts Lake. The City of Dallas also participates in the collection of water quality monitoring at several stream flow and lake stations.

The agreement includes \$44,720 as Dallas' share of water quality monitoring. The City of Dallas' share of stream flow and water quality monitoring is 84.078 percent of these total cost.

In addition to the stream flow and water quality stations, the 2016-17 agreement includes the continuation of a pharmaceutical and personal care products water quality study on the Trinity River, and a Zebra Mussel sampling study and water quality study on Dallas' water supply reservoirs. The City of Dallas' share of the investigative study program is \$446,600. The total cost for this portion of the agreement is \$521,600. Dallas' share is approximately 85.621 percent of these total costs.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Budget, Finance, and Audit Committee on December 5, 2016.

FISCAL INFORMATION

\$688,150.00 – Water Utilities Current Funds (subject to annual appropriations)

December 14, 2016

WHEREAS, the City of Dallas has participated with the United States Geological Survey (USGS) in gauging flows relating to the City’s water supply reservoirs, collection of water quality and the flow data in the Trinity River, a pharmaceutical and personal care products water quality study on the Trinity River; and a Zebra Mussel sampling study and water quality study in Dallas’ water supply reservoirs; and,

WHEREAS, The USGS has submitted a contract to continue the program for the period November 1, 2016 through September 30, 2017, with the City of Dallas' share of the cost at \$688,150. The total program cost of \$824,055 is to be shared between USGS, Fort Worth, Dallas County Park Cities Municipal Utility District, Dallas, and the Trinity River Authority; and,

WHEREAS, a joint funding agreement is the most cost-effective method for the City of Dallas to obtain the required data.

Now, Therefore,

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

Section 1. That the City Manager is hereby authorized to enter into a contract with the United States Geological Survey for operation of stream flow and water quality gauging stations in the Trinity River basin, a pharmaceutical and personal care products water quality study, and a Zebra Mussel sampling study and water quality study on each of the reservoirs in Dallas’ water supply system.

Section 2. That the Chief Financial Officer is hereby authorized to pay the sum of \$688,150 from the Water Utilities Current Fund as follows:

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>OBJ</u>	<u>ENCUMBRANCE</u>	<u>VENDOR</u>
0100	DWU	7030	3070	CTDWU7030L1687	157940

United States Geological Survey - \$688,150

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.