

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT
DALLAS CITY COUNCIL COMMITTEE AGENDA

RECEIVED

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CITY SECRETARY
DALLAS, TEXAS

MONDAY, APRIL 2, 2018
CITY HALL
COUNCIL BRIEFING ROOM, 6ES
1500 MARILLA STREET
DALLAS, TEXAS 75201
2:00 P.M. – 3:30 P.M.

Chair, Councilmember Jennifer S. Gates
Vice-Chair, Councilmember Scott Griggs
Councilmember Sandy Greyson
Councilmember Lee M. Kleinman
Councilmember Philip T. Kingston
Councilmember Tennell Atkins
Councilmember Kevin Felder

Call to Order

1. Consideration of Minutes from the March 19, 2018 Government Performance & Financial Management Committee meeting
2. Consideration of Upcoming Agenda Items for April 11, 2018 City Council Meeting

BRIEFINGS

3. Texas Water Development Board - Low Cost Financial Assistance Programs
Richard Wagner, PE, Assistant Director *Dallas Water Utilities*

Adjourn



Jennifer S. Gates, Chair
Government Performance & Financial Management Committee

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

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex. Govt. Code §551.089]

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."

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

Meeting Record

Meeting Date: March 19, 2018

Convened: 2:01 pm

Adjourned: 3:12 pm

Committee Members Present:

Jennifer S. Gates, Chair
Scott Griggs, Vice Chair
Kevin Felder

Philip Kingston
Tennell Atkins
Lee Kleinman

Committee Members Absent:

Sandy Greyson

Other Council Members Present:

Staff Present:

Elizabeth Reich
Akilah McLaughlin
Jack Ireland
Edward Scott
Corrine Steeger

Mike Frosch
Stephanie Cooper
Rowena Zhang
Craig Kinton
Don Knight

Jody Puckett
Errick Thompson
Terry Lowery
Bill Finch
Barbara McAninch

Angela Finley-Everett
Heather Knowlton
Rasheedah Wazeerud-Din
Douglas Hildebrand
Sean McGrew

Wanda Moreland
David Coatney
Obeng Opoku-
Acheampong
Zarin D. Gracey

Others Present:

AGENDA:

Call to Order

1. Consideration of the February 20, 2018 Minutes

Presenter(s): N/A

Information Only: _

Action Taken/Committee Recommendation(s): *Approved*

A motion was made to approve the February 20, 2018 minutes. Motion passed unanimously.

Motion made by: Kevin Felder

Motion seconded by: Lee Kleinman

2. Consideration of Upcoming Agenda Items for March 28, 2018 City Council Meeting

Presenter(s): N/A

Information Only: _

Action Taken/Committee Recommendation(s): *Approved*

Motion was made without recommendations to move items forward to the City Council on March 28, 2018. Motion passed unanimously.

Motion made by: Scott Griggs

Motion seconded by: Tennell Atkins

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

Meeting Record

Briefings

3. **Dallas Fleet Management Efficiency Study**

Presenter(s): Errick Thompson, Director, *Equipment and Building Services*

Information Only:

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

4. **Procurement: Recommended Changes to Chapter 2 and 15B of Dallas City Code**

Presenter(s): Mike Frosch, Director, *Office of Procurement Services*

Information Only:

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

FYI

5. **Local Preference – Upcoming Agenda Items 40 & 41 on the March 28, 2018 Council Agenda**

Presenter(s):

Information Only:

Action Taken/Committee Recommendation(s): Approved

A recommendation of the local preference option was made regarding item 40. Motion passed unanimously.

Motion made by: Philip Kingston

Motion seconded by: Tennell Atkins

6. **Dallas Central Appraisal District (DCAD) Proposed 2018-19 Budget**

Presenter(s):

Information Only:

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

7. **Financial Forecast Report Information as of January 2018**

Presenter(s):

Information Only:

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

8. **December Quarterly Investment Report**

Presenter(s):

Information Only:

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

Meeting Record

Adjourn

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

DRAFT

AGENDA ITEM # 6

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: April 11, 2018

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Department of Equipment and Building Services

CMO: Jody Puckett, 670-3390

MAPSCO: N/A

SUBJECT

Authorize **(1)** a consultant contract for a fleet management efficiency study with Alvarez & Marsal Public Sector Services, LLC, through the U.S. Communities Government Purchasing Alliance cooperative agreement; and **(2)** an increase in appropriations in an amount not to exceed \$475,209, from \$52,652,059 to \$53,127,268 in the Equipment Services Current Fund - Not to exceed \$475,209 - Financing: Equipment Services Current Funds

BACKGROUND

The City of Dallas (City) has approximately 6,654 fleet vehicle units, of which 82 percent are currently managed by the Department of Equipment and Building Services (EBS). The remaining units are managed by the Departments of Aviation, Sanitation Services, Sustainable Development and Construction, Transportation, Water Utilities Department and Fire-Rescue Department.

The City's fleet is aging, resulting in increased cost maintenance activities and funding for replacement vehicles has been inconsistent. Staff recognizes the role fleet management plays in service delivery to citizens, and recommends this study of fleet management operations. This study will assess fleet management in all seven departments who perform fleet asset management roles. The project is anticipated to be completed in approximately three to four months.

The objective of the study is to confirm and identify opportunities to enhance efficiency and effectiveness of fleet management throughout the City. The study will have five major components to include:

BACKGROUND (continued)

1. Utilization Study - A study on fleet utilization, including maintenance and managing surplus assets
2. Replacement criteria - Analysis and recommendations to the replacement criteria policy
3. Cost of service - Assessment of the rates charged internally, including benchmarking with other municipalities, review of large dollar amount contracts, and lease/buy analysis
4. Fleet right-sizing - Recommendation of fleet vehicle units based on the utilization study and replacement criteria
5. Organizational Structure and Performance

This action will authorize a consultant contract with Alvarez & Marsal Public Sector Services, LLC, through the U.S. Communities Government Purchasing Alliance’s cooperative agreement. Their proposal includes a partnership with Paul Quinn College students and faculty.

The U.S. Communities Government Purchasing Alliance agreements are authorized by Chapter 791 of the Texas Government Code and Subchapter F, Chapter 271, Texas Local Government Code. Section 271.102 of the Texas Local Government Code authorizes a local government to participate in a Cooperative Purchasing Program with another local government or a local cooperative organization.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee was briefed on this item on March 19, 2018.

City Council will be briefed by memorandum regarding this item on March 30, 2018.

FISCAL INFORMATION

Equipment Services Current Funds - \$475,209.00

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

<u>Contract Amount</u>	<u>Category</u>	<u>M/WBE Goal</u>	<u>M/WBE %</u>	<u>M/WBE \$</u>
\$475,209.00	CO-OP	N/A	N/A	N/A

- The Business Inclusion and Development Plan does not apply to Cooperative Purchasing Agreements (CO-OPs)

OWNER

Alvarez & Marsal Public Sector Services, LLC

Antonio Alvarez, Owner

Bryan Marsal, Owner

Marsal Family 2006 Trust, Owner

STRATEGIC PRIORITY: Quality of Life

AGENDA DATE: April 11, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Park & Recreation Department

CMO: Elizabeth Reich, 670-7804
Willis Winters, 670-4071

MAPSCO: N/A

SUBJECT

Authorize **(1)** a three-year service contract for scoreboard parts, repairs, and replacement services - Texas Scoreboard Services, LLC in the amount of \$49,725, only bidder; and **(2)** a three-year service contract for scoreboard parts, repairs, and replacement services with Daktronics, Inc. in the amount of \$149,750 through the Texas Association of School Boards cooperative agreement - Total not to exceed \$199,475 – Financing: General 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 be used by the Park and Recreation Department (PKR) to service and repair all indoor and outdoor scoreboards located within the various PKR facilities including recreation centers, sports complexes, athletic fields, and the Cotton Bowl Stadium at Fair Park.

PKR currently has approximately 110 scoreboards in operation servicing numerous recreational sports events and programs throughout the year. These programs consist of several sports (basketball, baseball, soccer, tennis, etc.) that incorporate various youth clinics, camps, and leagues across the City. The Cotton Bowl Stadium at Fair Park is home to annual events such as the State Fair Classic and the Red River Showdown. In addition, the Cotton Bowl Stadium hosts several international sporting events annually.

BACKGROUND (continued)

Due to the heavy all-year round schedule of these programs and events, continued reliable operation of the scoreboards is essential to PKR and Recreation to provide leisure services to the competitive leagues of Dallas.

Services covered under this contract include, but are not limited to:

- Scoreboard equipment, installation, and related products
- Repair and maintenance of scoreboards

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 8,068 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

The Texas Association of School Boards (BuyBoard), 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, BuyBoard receives bids from manufacturers and dealers throughout the United States.

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

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On March 22, 2018, the Park and Recreation Board authorized a three-year service contract with Texas Scoreboard Services, LLC and Daktronics, Inc.

The Government Performance & Financial Management Committee will receive this item for consideration on April 2, 2018.

FISCAL INFORMATION

General Funds - \$199,475.00 (subject to annual appropriations)

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

<u>Contract Amount</u>	<u>Category</u>	<u>M/WBE Goal</u>	<u>M/WBE %</u>	<u>M/WBE \$</u>
\$199,475.00	CO-OP	N/A	N/A	N/A

- The Business Inclusion and Development Plan does not apply to Cooperative Purchasing Agreements (CO-OPs)

BID INFORMATION

The Office of Procurement Services received the following bid from solicitation number BX1724. We opened it on November 10, 2017. We recommend the City Council award this service contract to the only bidder.

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
Texas Scoreboard Services, LLC	113921 Hwy. 105W Box #220 Conroe, TX 77304	\$ 49,725.00

The below vendor is recommended for award through the Texas Association of School Boards (BuyBoard).

Daktronics, Inc.	201 Daktronics Dr. Bookings, SD 57006	\$149,750.00
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Note: A single bid review process has been conducted and no exceptions have been found.

OWNERS

Texas Scoreboard Services, LLC

Dion Burns, Chief Executive Officer

Daktronics, Inc.

Reece Kurtenbach, President
Brad Wiemann, Vice President

AGENDA ITEM # 31

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: April 11, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Department of Aviation
Department of Convention and Event Services
Department of Trinity Watershed Management
Water Utilities Department

CMO: Elizabeth Reich, 670-7804
Jody Puckett, 670-3390
Joey Zapata, 670-3009
Majed Al-Ghafry, 670-3302

MAPSCO: N/A

SUBJECT

Authorize a three-year master agreement for general and sewer hoses, repair clamps, parts, and accessories - Powerseal Pipeline Products Corp. in the amount of \$517,716, Ferguson Enterprises, Inc. in the amount of \$505,444, and 4-Star Hose & Supply, Inc. in the amount of \$403,505, lowest responsible bidders of six - Total not to exceed \$1,426,665 - Financing: General Funds (\$46,260), Convention and Event Services Current Funds (\$408,672), Water Utilities Current Funds (\$962,732), Aviation Current Funds (\$6,955), and Stormwater Drainage Management Current Funds (\$2,046)

BACKGROUND

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

This master agreement will provide for the purchase of general and sewer hoses, repair clamps, parts, and accessories. Hoses purchased under this master agreement are vital to several city services due to their operational functions. Hoses utilized by departments often require valves, fittings, and nozzles to be used in conjunction with the hoses to meet their operational needs. General hoses purchased under this master agreement will be for the cleaning of equipment/vehicles, distribution, and discharging of water and are used with power tools. Clamps will be used to seal pipes, connect hoses, mount, and tighten equipment.

BACKGROUND (continued)

Below are examples of the types of hoses, fittings, and clamps departments will be able to purchase using this master agreement:

- PVC pressure, suction, and discharge hose sizes ranging from 1" to 3"
- Sewer hose sizes ranging from 1/2" to 1"
- Air hose sizes ranging from 3/4" to 1"
- General purpose hose sizes ranging from 1/2" to 5/8"
- Various types of hose clamps and couplings ranging in size from 9/16" to 2 1/2"
- Stainless steel emergency pipe clamp sizes ranging from 1/2" to 3"
- Various types of stainless steel repair clamp sizes ranging from 1/2" to 36"

In this solicitation, the Office of Procurement Services required bidders to submit a response using unit pricing. This bid resulted in a 1.51 percent increase over comparable unit prices for the bid awarded in 2015.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 240 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 12, 2015, City Council authorized a two-year master agreement for general and sewer hoses, repair clamps, parts and accessories with Mueller Company, LLC, Fortiline, Inc., 4-Star Hose & Supply, Inc., JGB Enterprises, Inc., Powerseal Pipeline Products Corp. and Stuart Hose & Pipe Co., Inc. by Resolution No. 15-1342.

The Government Performance & Financial Management Committee will receive this item for consideration on April 2, 2018.

FISCAL INFORMATION

General Funds - \$46,259.67

Water Utilities Current Funds - \$962,731.46

Convention and Event Services Current Funds - \$408,671.80

Aviation Current Funds - \$6,955.10

Stormwater Drainage Management Current Funds - \$2,046.19

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

<u>Contract Amount</u>	<u>Category</u>	<u>M/WBE Goal</u>	<u>M/WBE %</u>	<u>M/WBE \$</u>
\$1,426,664.22	Goods	18.00%	0.00%	\$0.00

- This contract does not meet the M/WBE goal of 18.00%, but complies with good faith efforts

BID INFORMATION

The Office of Procurement Services received the following bids from solicitation number BM1804. We opened them on January 5, 2018. 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>
*Powerseal Pipeline Products Corp.	701 Pleasant View Dr. Wichita Falls, TX 76306	Multiple Lines
*Ferguson Enterprises, Inc.	7982 N. Highway 69 Tyler, TX 75706	Multiple Lines
*4-Star Hose & Supply, Inc.	10704 Composite Dr. Dallas, TX 75220	Multiple Lines
JGB Enterprises, Inc.	115 Metropolitan Dr. Liverpool, NY 13088	Multiple Lines
Texas Underground, Inc.	1617 Garden Rd. Pearland, TX 77581	Multiple Lines
CLS Sewer Equipment Co., Inc.	726 S. Sherman St. Richardson, TX 75081	Multiple Lines

OWNERS

Powerseal Pipeline Products Corp.

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

Ferguson Enterprises, Inc.

Kevin Murphy, President
Bill Thees Jr., Vice President

4-Star Hose & Supply, Inc.

Keith Culhane, President
Brent Culhane, Vice President
Kelly Culhane, Secretary

AGENDA ITEM # 32

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: April 11, 2018

COUNCIL DISTRICT(S): 2, 3

DEPARTMENT: Office of Procurement Services
Department of Aviation

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

MAPSCO: 34 E 63 L

SUBJECT

Authorize **(1)** Supplemental Agreement No. 1 to exercise the first of two, three-year renewal options, for maintenance and support of an electronic document management system for the Department of Aviation in the amount of \$30,427 with VP Imaging, Inc. dba DocuNav Solutions through the Texas Association of School Boards (BuyBoard) cooperative agreement; and **(2)** Supplemental Agreement No. 1 to exercise the first of two, three-year renewal options, for hosting services of an electronic document management system for the Department of Aviation in the amount of \$232,200 with M&A Technology, Inc. through the Texas Association of School Boards (BuyBoard) cooperative agreement - Total not to exceed \$262,627 - Financing: Aviation Current Funds (subject to annual appropriations)

BACKGROUND

These Supplemental Agreements will exercise the renewal option for hosting services, maintenance, and support of an electronic document management system for the Department of Aviation.

This web-based system provides an effective method of importing hard copy document into electronic files from scanners and other digital formats while saving the files in a searchable database for easy access. Documents stored in this system include but are not limited to:

- Engineering and schematic drawings, specifications, and building plans
- Electronic submission of forms such as badge requests, access control, training and internal procurement requests, permits, and permit applications for vendors operating out of Love Field, such as taxi drivers

BACKGROUND (continued)

In addition, the Department of Aviation utilizes this system to comply with ISO9001 by enforcing internal work processes and correct forms, internal standard operating procedures, and to implement a secure means for delivering documents as required by the Federal Aviation Administration and Transportation Security Administration. The records management module supports record retention policies, as well as provides an efficient tool for responding to open records request.

The hosting services provide hardware, software maintenance, technical support, high-level secure storage, web hosting, and backup of all data associated with the electronic document management system. The service provides a 24-hour network operations center to respond to all City customer needs.

The Texas Association of School Boards (BuyBoard) 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, the BuyBoard receive bids from manufacturers and dealers throughout the United States.

On November 10, 2015, City Council authorized the wage floor rate of \$10.94, by Resolution No. 15-2141; the selected vendors meet this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 11, 2015, City Council authorized an acquisition contract for the purchase and implementation of an electronic document management system for the Aviation Department with V.P. Imaging, Inc. dba DocuNav Solutions; a three-year service contract, with two three-year renewal options, for maintenance and support of an electronic document management system with V.P. Imaging, Inc. dba DocuNav Solutions, through the Texas Association of School Boards (BuyBoard); and a three-year service contract, with two three-year renewal options, for hosting service of an electronic document management system for the Aviation Department with M&A Technology, Inc., through the Texas Association of School Boards (BuyBoard) by Resolution No. 15-0268.

The Government Performance & Financial Management Committee will receive this item for consideration on April 2, 2018.

FISCAL INFORMATION

Aviation Current Funds - \$262,626.10 (subject to annual appropriations)

<u>Council District</u>	<u>Amount</u>
2	\$231,110.97
3	<u>\$ 31,515.13</u>
Total	\$262,626.10

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

<u>Contract Amount</u>	<u>Category</u>	<u>M/WBE Goal</u>	<u>M/WBE %</u>	<u>M/WBE \$</u>
\$262,626.10	CO-OP	N/A	N/A	N/A

- The Business Inclusion and Development Plan does not apply to Cooperative Purchasing Agreements (CO-OPs), however, one of the prime contractors is a certified M/WBE

OWNERS

VP Imaging, Inc. dba DocuNav Solutions

Cody Bettis, President

M&A Technology, Inc.

Magdy Elwany, President
Donna Shepard, Vice President

AGENDA ITEM # 33

STRATEGIC PRIORITY:

Government Performance and Financial Management

AGENDA DATE:

April 11, 2018

COUNCIL DISTRICT(S):

All

DEPARTMENT:

Office of Procurement Services
Department of Communication and Information Services
Water Utilities Department
Department of Aviation
Department of Code Compliance
Fire-Rescue Department

CMO:

Elizabeth Reich, 670-7804
Jody Puckett, 670-3390
Majed Al-Ghafry, 670-3302
Raquel Favela, 670-3309
Jon Fortune, 670-1204

MAPSCO:

N/A

SUBJECT

Authorize Supplemental Agreement No. 4 to exercise the first of two, two-year renewal options to the service contract with Paymetric, Inc. for credit card payment processing services for numerous departments, managed by the Water Utilities Department - Not to exceed \$229,488, from \$1,157,757 to \$1,387,245 - Financing: Water Utilities Current Funds (subject to annual appropriations)

BACKGROUND

This Supplemental Agreement No. 4 will provide continuous credit card payment processing services for the Water Utilities Department (utility invoices, permits, and fees), Fire-Rescue Department (permits and alarms), Department of Aviation (rental fees and fuel), Department of Code Compliance (liens and permits), Air Quality (fees), and Vital Statistics (birth and death certificates). The contract also addresses anticipated changes in banking and credit card services in response to the evolution of technological and security requirements for which the City must comply. This service continues Payment Card Industry Data Security Standard (PCI-DSS-12) compliance and ensures continuous credit card services through face-to-face, Interactive Voice Response, and ePay channels for City customers.

BACKGROUND (continued)

The City invoices approximately 331,000 utility and non-utility accounts on a monthly basis. Approximately 30 percent of the overall payments were received through credit card payment transactions, totaling over 972,000 payments processed and \$202 million in generated revenue in Fiscal Year 2016-17. Credit card payments are accepted from five credit card types: American Express, Visa, Mastercard, Diners Card and Discover.

These services also provide the City with a mechanism to monitor transaction totals and advance to the appropriate price tier level, to avoid per-transaction fees above the agreed level. This effort will allow the City to proactively manage the growth of credit card payment transactions.

On November 10, 2015, City Council authorized the wage floor rate of \$10.94, by Resolution No. 15-2141; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 25, 2009, City Council authorized the purchase and installation of payment card processing and tokenized encryption security; and a thirty-six-month service agreement for application hosting services, for securing all payment card authorization transactions by Resolution No. 09-0584.

On April 25, 2012, City Council authorized Supplemental Agreement No. 1 to extend the service agreement with Paymetric, Inc. for application hosting services, securing all payment credit card transactions for a nine-month term beginning June 1, 2012 through February 28, 2013, by Resolution No 12-1231.

On February 13, 2013, City Council authorized a five-year service contract, with two, two-year renewal options for credit card payment processing services for Water Utilities with Paymetric, Inc. by Resolution No. 13-0287.

The Government Performance & Financial Management Committee will receive this item for consideration on April 2, 2018.

FISCAL INFORMATION

Water Utilities Current Funds - \$229,488.00 (subject to annual appropriations)

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

<u>Contract Amount</u>	<u>Category</u>	<u>M/WBE Goal</u>	<u>M/WBE %</u>	<u>M/WBE \$</u>
\$229,488.00	Other Services	23.80%	0.00%	\$0.00

- This contract does not meet the M/WBE goal of 23.80%, but complies with good faith efforts.

OWNER

Paymetric, Inc.

Asif Ramji, General Manager

**STRATEGIC
PRIORITY:**

Government Performance and Financial Management

AGENDA DATE:

April 11, 2018

COUNCIL DISTRICT(S):

N/A

DEPARTMENT:

Office of Procurement Services

CMO:

Elizabeth Reich, 670-7804

MAPSCO:

N/A

SUBJECT

An ordinance amending Chapter 2, "Administration," and Chapter 15B, "Equal Employment Opportunity Contract Compliance," of the Dallas City Code by amending Sections 2-17.3, 2-27, 2-29, 2-30, 2-31, 2-32, 2-33, 15B-1, and 15B-3 to **(1)** clarify changes to the city's nondiscrimination provisions; **(2)** add and delete definitions; **(3)** update state law references; **(4)** clarify that the city manager may approve purchases made utilizing a cooperative purchase program if under a certain amount; **(5)** add alternative delivery method as another form of procurement; **(6)** change the amount from \$1,000 to \$3,000 for the requirement to obtain three price quotations for certain expenditures; **(7)** authorize the director to use a service order to approve payment for minor services under \$3,000; **(8)** provide a decision making process for facility construction procured through an alternative delivery method; and **(9)** make other grammatical and structural changes – Financing: No cost consideration to the City

BACKGROUND

This ordinance is to authorize an amendment to Chapter 2 and 15B of the Dallas City Code to conform to State statutes and to provide procurement and contracting operational efficiencies. This amendment resulted from a comprehensive review of the Administrative Directive 4-5 by the Office of Procurement Services and the City Attorney's office. The objective of the review was to update, simplify, and add procurement and contracting operational efficiencies.

Chapter 2 was last amended by Ordinance No. 28705, passed on June 27, 2012. The recommended changes, within Chapter 2, incorporate changes to conform to State statutes associated with the three most recent legislative sessions (2013, 2015, and 2017).

Changes to the Dallas City Code are provided herein as an attachment.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee received this item for consideration on March 19, 2018.

FISCAL INFORMATION

No cost consideration to the City.

Memorandum



CITY OF DALLAS

DATE March 27, 2018

Honorable Members of the Government Performance & Financial Management
TO Committee: Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson,
Lee M. Kleinman, Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT **Texas Water Development Board – Low Cost Financial Assistance Programs**

On Monday, April 2, 2018, Dallas Water Utilities will brief the Government Performance & Financial Management Committee on Texas Water Development Board - Low Cost Financial Assistance Programs. I have attached the briefing for your review.

Please let me know if you need additional information.

A handwritten signature in blue ink that reads "M. Elizabeth Reich".

M. Elizabeth Reich
Chief Financial Officer

Attachment

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Billierae Johnson, City Secretary (Interim)
Daniel F. Solis, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Jo M. (Jody) Puckett, Assistant City Manager (Interim)
Nadia Chandler Hardy, Chief of Community Services
Raquel Favela, Chief of Economic Development & Neighborhood Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors

Texas Water Development Board - Low Cost Financial Assistance Programs

**Government Performance and
Financial Management
Committee**

April 2, 2018

**Richard Wagner, PE
Assistant Director
Dallas Water Utilities**



Purpose

- Provide details on the Texas Water Development Board (TWDB) – Drinking Water and Clean Water State Revolving Funds
- Discuss how these programs can save Dallas Water Utilities money
- Seek Committee support for April 11, 2018 - Bond Ordinance agenda item



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 - \$250M annually for water projects
- CWSRF - \$525M annually for wastewater
- Projects are ranked and invitations 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



DWU Pipeline Replacement Program

- DWU has nearly 8,000 miles of small diameter water and wastewater mains
- Average age of entire system is 43 years old
- Current replacement rate to maintain assets and service reliability is 0.9% per year (72 miles)



TWDB Funding for DWU Pipeline Program

- In March 2016, DWU submitted project information forms to assist in funding five years of its pipeline replacement program
- Projected annual budget
 - \$44 million for water
 - \$22 million for wastewater
- Total amount DWU applied for
 - \$220 million for water
 - \$110 million for wastewater



DWU / TWDB Timeline

- October 2016 – TWDB invited DWU to submit applications
- December 5, 2016 – Briefed the Budget, Finance and Audit Committee
- December 14, 2016 – Council authorized application submission
- May 2017 – Funding commitment received from TWDB



Funding Commitment Details

- DWU will receive \$66M in financial assistance with a loan repayment period of 30 years
- Average annual debt payments will be reduced by about \$550k, totaling nearly \$16.5M for the life of the loan
- Four additional years at \$66M annually have been committed to by the TWDB
- Subsequent bond sales will be presented to Council annually for the next four years
- Total savings from the five year commitment could total approximately \$82.5M dollars

DWU / TWDB Moving Forward

- April 2, 2018 – Brief Government Performance and Financial Management Committee
- April 11, 2018 – Council approval of bond sale to TWDB
- May 14, 2018 – Loan closing and receipt of funds
- Begin awarding engineering and construction contracts for pipeline replacement



Conclusion

- DWU is seeking Committee support for Agenda Item #44 on the April 11, 2018 Council Agenda authorizing the issuance of bonds to the Texas Water Development Board for low cost financing in support of DWU's pipeline replacement program



Texas Water Development Board - Low Cost Financial Assistance Programs

**Government Performance and
Financial Management
Committee**

April 2, 2018

**Richard Wagner, PE
Assistant Director
Dallas Water Utilities**

