



# City of San Antonio

## Legislation Details (With Text)

**File #:** 15-3413

**Type:** Purchase - Annual Contract

**In control:** City Council A Session

**On agenda:** 6/18/2015

**Title:** An Ordinance authorizing the following contracts establishing unit prices for goods and services for an estimated annual cost of \$11,823,000.00: (A) Siddons-Martin Emergency Group, LLC. for fire apparatus preventive maintenance inspections (\$75,000 annually), (B) Toter, LLC. for refuse containers & replacement parts (\$11,730,000 annually), and (C) Swank Motion Pictures, Inc. d/b/a Movie Licensing USA for public performance site license (\$18,000 annually). [Ben Gorzell, Chief Financial Officer; Troy Elliott, Director, Finance]

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. TOC, 2. 61-5739 Fire Preventive Inspections-CSS, 3. Bid Tab, 4. 61-5840 Refuse Containers, 5. Bid Tab, 6. 61-5831 Public Performance Lic-CSS, 7. Bid Tab, 8. COE, 9. Draft Ordinance, 10. Ordinance 2015-06-18-0534

Date	Ver.	Action By	Action	Result
6/18/2015	1	City Council A Session	adopted	Pass

**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** City Wide

**SUBJECT:**

6/18/2015 Annual Contracts

**SUMMARY:**

An ordinance awarding three contracts to provide the City with commodities and services on an annual basis for the terms of the contract, for an estimated annual cost of \$11,823,000.00. This ordinance provides the procurement of the following items, as needed, and dependent on the Department's available budget, for the terms of the contract:

A. Siddons-Martin Emergency Group, LLC for Fire Apparatus Preventive Maintenance Inspections, \$75,000.00 annually (1 contract, San Antonio Fire Department)

B. Toter, LLC for Refuse Containers & Replacement Parts, \$11,730,000.00 annually  
(1 contract, Solid Waste Management Department)

C. Swank Motion Pictures, Inc. d/b/a Movie Licensing USA for Public Performance Site License, \$18,000.00 annually; \$90,000.00 contract period  
(1 contract, San Antonio Public Library Department)

### **BACKGROUND INFORMATION:**

The City of San Antonio utilizes annual contracts for procuring high volume repetitive purchases. Annual contracts are an efficient method of securing the best prices through volume purchasing and reducing large amounts of work related to the bid process. Utilization of annual contracts allows the City to procure numerous different commodities in support of the normal daily operations.

### **Contracts procured on the basis of low bid:**

A. Siddons-Martin Emergency Group, LLC. for Fire Apparatus Preventive Maintenance Inspections \$75,000.00 annually, July 1, 2015 through December 31, 2018 with two, one year renewal options - will provide the San Antonio Fire Department (SAFD) with a contract to provide annual preventive maintenance inspections of fire apparatus vehicles including front line and reserve vehicles. The SAFD's fleet inventory includes 95 fire apparatus vehicles. This contract augments SAFD staff to complete necessary inspections to remain in compliance with the National Fire Protection Association (NFPA) 1911 standard.

### **Contracts procured on the basis of cooperative purchasing:**

B. The FY 2015 Adopted Budget provides funding to buy additional carts to have available for FY 2016 implementation of Variable Rate Pricing (VRP) program. Conversion to VRP will be a major driver in achieving the 60% residential recycling goal by 2025 as approved by City Council. Residents will select from three garbage cart sizes, and monthly service rates will vary according to cart size. The larger a garbage (brown) cart a resident desires, the higher their rate will be. The new rate structure will incentivize residents to divert more waste to the organics (green) and recycling (blue) carts. The rate structure also will create equity between solid waste customers by having customers who throw away less trash pay a lower monthly rate. VRP will roll out beginning October 2015 to the first 30,000 residential customers. In March 2016, the roll out will continue with an additional 160,000 homes and the final roll out of the remaining 160,000 homes will begin in October 2016.

This annual contract with Toter, LLC., is for Refuse Containers & Replacement Parts. The contract will provide the City of San Antonio Solid Waste Management Department (SWMD) with a contractor to procure various sizes of carts (96, 64 or 48 gallon) and various colors (brown, blue or green) for the collection of refuse, recycling and organic material for the residents of San Antonio. This annual contract is for \$11,730,000.00 with an award through January 30, 2016 and will include two, one-year renewal options. This contract includes cart assembly, delivery, radio frequency identification (RFID) tags and spare parts. These refuse containers are covered by a manufacturer's direct warranty of ten years to be free of defects on material and workmanship. In addition, this contract will also provide replacement parts to repair carts that are out of warranty.

### **Contracts procured on the basis of sole source:**

C. Swank Motion Pictures, Inc. d/b/a Movie Licensing USA. for Public Performance Site License, \$18,000.00

annually; \$90,000.00 contract period; June 1, 2015 through September 30, 2016 with four, one year renewal options - will provide the San Antonio Public Library (SAPL) with continuation of Public Performance Annual Site License which legally allows an unlimited number of exhibitions of copyrighted movies within the SAPL facilities. The Federal Copyright Act governs how copyrighted materials, such as movies, may be used. Neither the rental nor the purchase of a movie carries with it an inherent right to show the movie publicly, outside the home, unless the site where the movie is used is properly licensed for public exhibition. Continuation of this license will allow SAPL to exhibit any movies secured from a legal source such as a video rental store, an online rental store, or from SAPL's collection to use as part of the summer reading programs, educational programs, and senior programs. Some of the studios covered include Walt Disney Pictures, Touchstone Pictures, Hollywood Pictures, Columbia Pictures, Tri-Star Pictures, Paramount Pictures, Metro-Goldwyn-Mayer, United Artists, Miramax Films, Warner Bros., Sony Pictures as well as any studios added in the future.

These items are being purchased as Sole Source according to the provisions of Texas Statutes Local Government Code 252.022.07. No other source can supply the items listed nor can any comparable item fulfill the same requirements. Vendor acknowledges, with his/her signature, that all items offered are considered a sole source.

#### **ISSUE:**

These contracts represent a portion of approximately 250 annual contracts that will be brought before City Council throughout the fiscal year. These products and services are used by city departments in their daily operations.

A. Fire Apparatus Preventive Maintenance Inspections - This contract is within the scope of the Small Business Economic Development Advocacy (SBEDA) Program. Due to the lack of small, minority, and/or women businesses available to provide these goods, the SBEDA Program did not apply to this solicitation.

There were no bids submitted from local bidders for this contract; therefore, the Local Preference Program was not applied.

The Veteran-Owned Small Business Preference Program does not apply to goods/supplies contracts, so no preference was applied to this contract.

B. Refuse Containers & Replacement Parts - This contract is within the scope of the Small Business Economic Development Advocacy (SBEDA) Program. Due to the lack of small, minority, and/or women businesses available to provide these goods, the SBEDA Program did not apply to this solicitation.

This contract is an exception to the Local Preference Program.

The Veteran-Owned Small Business Preference Program does not apply to goods/supplies contracts, so no preference was applied to this contract.

C. Public Performance Site License - This contract is an exemption to the Small Business Economic Development Advocacy (SBEDA) program.

This contract is an exception to the Local Preference Program.

The Veteran-Owned Small Business Preference Program does not apply to goods/supplies contracts, so no preference was applied to this contract.

**ALTERNATIVES:**

A. Fire Apparatus Preventive Maintenance Inspections - Should this contract not be approved, the SAFD would be required to contract with another contractor on an as needed basis in order to be in compliance with the annual required NFPA 1911 standard. Obtaining inspections on an as needed basis could increase the inspection costs due to non-contract buying. Lack of a contract could affect the operational status of the fire apparatus vehicles which could negatively impact the availability of emergency services to the residents of San Antonio.

B. Refuse Containers & Replacement Parts - Should this contract not be approved, the implementation of the Variable Rate Pricing Program adopted in the FY2015 Budget could be impacted.

C. Public Performance Site License - Should this contract not be approved, the San Antonio Public Library staff and patrons would not be able to legally allow for an unlimited number of movie showings throughout the SAPL system. Instead, SAPL would be required to purchase a license for each movie showing as required at the current cost of \$150 per movie/per showing.

**FISCAL IMPACT:**

Funds are not encumbered by this ordinance. All expenditures will be in accordance with the Department's adopted budget approved by City Council. Purchases made by the Department are as needed and dependent upon available funds within their adopted budget.

**RECOMMENDATION:**

Staff recommends the acceptance of three contracts submitted through this ordinance to provide the City with specified services on an annual contract basis. These annual contracts are critical to the City's daily operations.

These contracts were procured on the basis of low bid, cooperative and sole source and Contracts Disclosure Forms are not required.