



# City of San Antonio

## Agenda Memorandum

**File Number:** 16-3789

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**Agenda Item Number:** 7.

**Agenda Date:** 8/18/2016

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPUTY CHIEF FINANCIAL OFFICER:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

8/18/2016 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 \$1,178,662.00. 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. Texdoor, LTD. for Overhead Door Preventive Maintenance, Repairs and Parts for the San Antonio Airport System, \$133,000.00 annually (1 contract, Aviation Department)

B. Diiio, LLC for Airline Business Data Subscription for the San Antonio International Airport, \$46,000.00 annually; \$230,000.00 contract period (1 contract, Aviation Department)

C. Honeywell Building Solutions for Amendment III to Annual Contract for Maintenance Agreement for Convention and Sports Facilities Enterprise Building Integrator (EBI) System, \$999,662.00 annually (1 contract, Convention and Sports Facilities 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.

**Contract procured on the basis of low bid:**

A. Texdoor, LTD. for Overhead Door Preventive Maintenance, Repairs and Parts for the San Antonio Airport System, \$133,000.00 annually, upon award through December 31, 2019 with two, one year renewal options - will provide the Aviation Department with an annual contract for Preventive Maintenance, Repairs and Parts of Overhead Door at the San Antonio Airport System. This contract will also include an initial door inventory and assessment.

**Contract procured on the basis of sole source:**

B. Diio, LLC for Airline Business Data Subscription for the San Antonio International Airport, \$46,000.00 annually; \$230,000.00 contract period, upon award through December 30, 2019 with two, one year renewal options - will provide the Aviation Department with a subscription to Diio, LLC a web-based aviation data portal, to provide domestic and international market data that is critical to the Airport's efforts to attract new flights. The subscription will provide access to airline schedule data, domestic/international market data, and a forecasting tool. Diio, LLC has a naturally occurring monopoly based on proprietary copyrighted material using specialized algorithm searches and is the only provider that brings all datasets and tools together in a single one-stop service.

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.

**Amendment:**

C. Honeywell Building Solutions for Amendment III to Annual Contract for Maintenance Agreement for Convention and Sports Facilities Enterprise Building Integrator (EBI) System, \$999,662.00 annually, October 1, 2016 through September 30, 2017 - will extend a contract with Honeywell Building Solutions to provide Convention and Sports Facilities with an additional one year of maintenance and repair services of the facility's Enterprise Building Integrator (EBI) system for a total cost of \$999,662.00. These services are required to maintain the safety and functionality of the system which controls the CSF Departments' life safety fire alarm system, automatic temperature controls, digital video and surveillance cameras, electrical equipment, lighting and associated equipment. This contract includes parts, labor and fire alarm testing, preventative maintenance, and 24/7 service for the Henry B. Gonzalez Convention Center, Lila Cockrell Theater, Building 277, Lonesome Dove, Institute of Mexican Culture and the University of Mexico buildings.

Honeywell Building Solutions is the sole source provider of the Enterprise Building Integrator (EBI) system. These items are being purchased under the Sole Source exemption to the provision 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 that all items offered are considered proprietary and therefore qualifies as 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. Overhead Door Preventive Maintenance, Repairs and Parts for the San Antonio Airport System - This contract is within the scope of the SBEDA Program. However, due to lack of available firms and/or subcontracting opportunities, the Goal Setting Committee was unable to apply a SBEDA tool to this contract.

The Local Preference Program does not apply to non-professional services contracts of \$500,000 or more, so no preference was applied to this contract.

The Veteran-Owned Small Business Preference Program does not apply to non-professional service contracts, so no preference was applied to this contract.

B. Airline Business Data Subscription for the San Antonio International Airport - This contract is exempt from competitive bidding and is excluded from the scope of the SBEDA Program.

This contract is an exception to the Local Preference Program.

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

C. Amendment III to Annual Contract for Maintenance Agreement for Convention and Sports Facilities Enterprise Building Integrator (EBI) System - This contract is exempt from competitive bidding and is excluded from the SBEDA program.

The Local Preference Program does not apply to this amendment since it was solicited prior to May 1, 2013, the effective date of the program.

The VOSBPP does not apply to this amendment since it was solicited prior to January 15, 2014, the effective date of this program.

#### **ALTERNATIVES:**

A. Overhead Door Preventive Maintenance, Repairs and Parts for the San Antonio Airport System - Should this contract not be approved, the Aviation Department will be required to procure overhead doors, parts and preventive maintenance on an as needed basis. Lack of a contract could result in delaying repairs, resulting in an inefficient and less cost effective method of servicing critical overhead doors at airport facilities.

B. Airline Business Data Subscription for the San Antonio International Airport - Should this contract not be awarded, it would prevent the Airport from obtaining the market data that is critical to the Airport's efforts to attract new flights. Diio, LLC is the only provider that brings all airline and market data and tools together in a single one-stop service.

C. Amendment III to Annual Contract for Maintenance Agreement for Convention and Sports Facilities

Enterprise Building Integrator (EBI) System - Should this contract not be approved, the Convention Sports and Entertainment Facilities Department may process individual procurements as equipment problems arise. However, processing purchases as equipment malfunctions will force Convention and Sports Entertainment Facilities to pay non-contract rates as well as compromise the integrity and functionality of the building's automated control system.

**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, sole source and contract amendment and Contract Disclosure Forms are not required.