



City of San Antonio

Agenda Memorandum

File Number:13-853

Agenda Item Number: 6.

Agenda Date: 11/21/2013

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: All

SUBJECT:

11/21/2013 Annual Contracts

SUMMARY:

An ordinance awarding eight contracts to provide the City with commodities and services on an annual basis for the terms of the contracts, for an estimated annual cost of \$892,000.00. This ordinance provides the procurement of the following items, as needed, and dependent on the Department's available budget, for the terms of the contracts:

- A. Municipal Emergency Services, Inc. for Fire Hoses, \$192,000.00 annually (1 contract, Fire)
- B. Saeco Electric & Utility, Ltd. for Drilling Wood & Steel Pole Foundations, \$234,000.00 annually (1 contract, Department of Public Works)
- C. GlaxoSmithKline, LLC, Novartis Vaccines & Diagnostics, Regimed Medical and Sanofi Pasteur, Inc. for Vaccines and Biologicals, \$101,000.00 annually (4 contracts, San Antonio Metro Health District)
- D. WebQA, Inc. for Open Records Module Support for Freedom of Information Act (FOIA), \$30,000.00 year one; \$94,000.00 contract period (1 contract, Communications & Public Affairs)
- E. Frio Nevada Corporation d/b/a Go Professional Environmental Mgt. for Janitorial, Supplemental Conversion/Labor, and Rigging Services at the Alamodome, \$335,000.00 contract period (1 contract, Convention & Sports Facilities)

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:

Fire Hoses, \$192,000.00 annually, upon award through December 31, 2014 with two, one year renewal options - will provide the San Antonio Fire Department (SAFD) with a vendor that can provide fire hoses and couplings meeting the required specifications of the National Fire Protection Agency (NFPA). The SAFD utilizes fire hoses for hazardous incidences including residential, commercial, industrial, and grass fires; fuel spills and hazardous materials events. Specifically, the vendor will provide redline booster fire hoses, double jacket rubber lined and thermoplastic lined fire hoses, and wildland forestry fire hoses.

The fire hose evaluation and field-testing conducted by the Fire Logistics/Services Division found that 55% of fire hoses currently in SAFD's inventory failed inspection and do not meet required standards set by NFPA. Additionally, multiple hoses exceed ten years of age and will be replaced under this contract. NFPA regulations recommend that fire hoses be depreciated over a ten-year cycle. The fire hoses and couplings provided for in this contract meet both the standards of the SAFD and the rigorous standards of the NFPA.

Drilling Wood & Steel Pole Foundations, \$234,000.00 annually, upon award through December 31, 2016 with two, one year renewal options - will provide the Department of Public Works, Traffic Management Division, with the supply and installation of wood poles and down-guy anchor rods at traffic signal intersections located throughout the City. The contractor will furnish equipment and labor to drill cylinder holes, set and tamp wood poles and anchor rods and remove drilling debris from the work site. The contractor will also be responsible for obtaining underground and overhead utility clearances and surface break-up.

Contract procured on the basis of cooperative purchasing:

Vaccines and Biologicals, \$101,000.00 annually, upon award through December 31, 2014 with three, one year renewal options - will provide the San Antonio Metro Health District (SAMHD) with a supplier for vaccines and biologicals. These items are utilized at various health department centers throughout the City for the purpose of immunizing infants, children, adults and college students. This purchase is being made in accordance with the State Cooperative Program passed on Resolution No. 91-39-53 dated 9/12/1991; Texas Procurement and Support Services (TPASS) Managed Contract # 269-M1, Vaccines and Biologicals.

Contract procured on the basis of sole source:

Open Records Module Support for FOIA, \$30,000.00 year one; \$94,000.00 contract period, November 25, 2013 through November 24, 2014 with two, one year renewal options - will provide the Department of Communications & Public Affairs with maintenance and support of its advanced open records tracking system. Each City department will have access to this FOIA for tracking their open record requests.

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.

Change Order:

Janitorial, Supplemental Conversion/Labor, and Rigging Services at the Alamodome, \$335,000.00 contract period, December 1, 2013 through November 30, 2015 - will provide an increase in the estimated contract

value to continue to provide the Convention & Sports Facilities Department with a contractor, Frio Nevada Corporation dba Go Professional Environmental Mgt., to furnish the labor, materials and equipment for Janitorial, Supplemental Conversion/Labor, and Rigging Services at the Alamodome. These services are needed to maintain the facilities on a daily and event basis and provide additional labor to augment City staff in the conversion or transition from one type of event to another at the Facility, and for any other special projects or maintenance and repair tasks in which supplemental labor may be required at the Facility.

On November 1, 2007, City Council approved and issued Ordinance 2007-11-01-1136 authorizing the City to execute a four year contract for the labor, materials and equipment for Janitorial, Supplemental Conversion/Labor, and Rigging Services at the Alamodome with Go Professional Environmental Mgt. for Convention & Sports Facilities for an estimated contract value of \$670,000.00 annually. The ordinance allowed for two, two year renewals options without further action by the San Antonio City Council, subject to and contingent upon appropriations therefore.

The change order for this contract is in the amount of \$335,000.00, which is 25% of the original estimated annual contract value, \$670,000.00, multiplied by the remaining two year term. The change order is in accordance with Local Government Code 252.048 and is necessary for continuation of Janitorial, Supplemental Conversion/Labor, and Rigging Services at the Alamodome. These services have been outsourced since September 4, 1997, authorized on ordinance 86560 in order to help offset significant workers compensation claims expense and administrative costs associated with the operation and management with City staff.

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.

Fire Hoses - This contract is within the scope of the Small Business Economic Development Advocacy (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.

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

Drilling Wood & Steel Pole Foundations - This contract is within the scope of the SBEDA Program. However, due to the type of commodities/services being procured and value of the contract, no SBEDA tool is available.

In accordance with LPP, no local preference was applied, since the local bidder is not within 3% of the recommended lowest non-local bidder.

Vaccines and Biologicals - The SBEDA Ordinance requirements were waived due to the lack of qualified SMWBE's available to provide the goods and services.

The recommended award is an exception to LPP.

Open Records Module Support for Freedom of Information Act (FOIA) - This contract is exempt from competitive bidding and is excluded from the scope of the SBEDA Program.

The recommended award is an exception to LPP.

Janitorial, Supplemental Conversion/Labor, and Rigging Services at the Alamodome - This is a change order to a contract awarded in 2007 prior to the implementation of the revised SBEDA ordinance.

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

ALTERNATIVES:

Fire Hoses - Should this contract not be approved, the SAFD's operational activities would be unfavorably impacted. The department will be required to procure fire hoses on an as needed basis, which could lead to inconsistent pricing and delivery delays. Delivery delays could put first responders and the residents of San Antonio at risk.

Drilling Wood & Steel Pole Foundations - Should this contract not be approved, the City would have to solicit quotes on an as needed basis, potentially resulting in increased costs and possible delays in completion of City projects.

Vaccines and Biologicals - Should this contract not be approved, SAMHD will be required to purchase the vaccines and biologicals on an as needed basis wherein increased costs due to non-contract buying could be realized. The lack of contracts could also affect delivery times of required vaccines and biologicals.

Open Records Module Support for FOIA - Should this contract not be approved, the City would have to use a less advanced and limited tracking system developed in house.

Janitorial, Supplemental Conversion/Labor, and Rigging Services at the Alamodome -Should this contract not be approved, the City would be required to purchase these supplemental services on an as needed basis, where increased costs due to non-contract purchasing could be realized and cause delay's scheduled facility events.

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. The combined estimated cost for the contracts listed on this ordinance is approximately \$892,000.00. Purchases made by the Departments are as needed and dependent upon available funds within their adopted budgets.

RECOMMENDATION:

Staff recommends the acceptance of eight 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 purchasing, amendment and a change order and Contract Disclosure Forms are not required.