



# City of San Antonio

## Agenda Memorandum

**File Number:** 18-3044

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**Agenda Item Number:** 9.

**Agenda Date:** 5/31/2018

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

5/31/2018 Annuals

### **SUMMARY:**

An ordinance awarding two contracts to provide the City with commodities and services on an annual basis for the term of the contracts, for an estimated annual cost of \$2,544,000.00. This ordinance provides the procurement of the following items, as needed, and dependent on the Department's available budget, for the term of the contracts:

- A. Toter, LLC for Refuse Containers & Replacement Parts, \$2,400,000.00 annually (1 contract, Solid Waste Management Department)
- B. MedWheels, Inc. for Lucas Device Accessories, \$144,000.00 annually (1 contract, San Antonio Fire 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.

**Cooperative:**

A. Toter, LLC for Refuse Containers & Replacement Parts, \$2,400,000.00 annually, upon award through January 31, 2019, with four, one year renewal options - will provide the Solid Waste Management Department (SWMD) with various sizes of roll-out carts for the collection of recyclables, organic materials, and refuse for the residents of San Antonio, including cart assembly, delivery, RFID Identification Tags and spare parts. This contract will allow for the purchasing of carts for the transition to the Pay As You Throw model for charging fees to residents for garbage service. The Pay As You Throw program was initiated in October 2015. In addition, this contract will also allow for the purchase of replacement parts to repair carts that are no longer under warranty. These carts are provided to the residents that receive automated collection service. This contract will also allow the City to keep an inventory of carts in order to replenish those that are lost, damaged, or stolen.

**Public Health or Safety Exemption:**

B. MedWheels, Inc. for Lucas Device Accessories, \$144,000.00 annually, upon award through September 30, 2021, with two, one year renewal options - will provide the San Antonio Fire Department with the purchase and delivery of Lucas 3 Accessories. The Lucas 3 device is an automated piece of equipment that first responders will use to conduct CPR on patients during emergency medical responses. The accessories are needed to replace broken, worn or compromised pieces of the Lucas 3 device.

**ISSUE:**

This contract represents 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. Refuse Containers & Replacement Parts - The Small Business Economic Development Advocacy (SBEDA) Ordinance requirements were waived due to the lack of small, minority, and/or women businesses available to provide these goods and services.

This award is an exception to the Local Preference Program.

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

B. Lucas Device Accessories - This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program. MedWheels, Inc. is a small, minority, women-owned firm that will be self-performing the 13% Small Business Enterprise (SBE) subcontracting goal.

The recommended award is to the lowest responsive bidder, who is also a local business. Therefore, application of the Local Preference Program was not applied.

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

**ALTERNATIVES:**

A. Refuse Containers & Replacement Parts - Should this contract not be approved, SWMD will be required to procure carts for the collection of recyclables, organic materials, and refuse for the residents of San Antonio, including cart assembly, delivery, RFID Identification Tags and spare parts on an as-needed basis which may result in higher pricing and delays in providing new carts and repairing existing equipment.

B. Lucas Device Accessories - Should the contract not be approved, the Fire department will have to source the needed accessories through alternative methods, which could result in delays in receiving critical accessories and potentially higher costs.

**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 these two 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 cooperative purchasing and Public Health or Safety Exemption and Contract Disclosure Forms are not required.