



City of San Antonio

Agenda Memorandum

File Number: 19-2022

Agenda Item Number: 10.

Agenda Date: 3/21/2019

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

3/21/2019 Annuals

SUMMARY:

An ordinance awarding two contracts to provide the City with commodities and services on an annual basis for the term of the contract, for an estimated annual cost of \$331,000.00. This ordinance provides the procurement of the following items, as needed, and dependent on the Department's available budget, for the term of the contract:

- A. Orkin, Inc. for Commercial Pest Control Services, \$155,000.00 annually (1 contract, Citywide)
- B. Graybar Electric Co., Inc. for Lamps and Ballasts, \$176,000.00 annually (1 contract, Citywide)

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. Orkin, Inc. for Commercial Pest Control Services, \$155,000.00 annually, April 1, 2019 through December 31, 2021 with two, one-year renewal options - will provide commercial pest control services at various City

facilities located Citywide. This pest control program will be utilized by the Convention & Sports Facilities, Aviation, Parks & Recreation, San Antonio Public Libraries, Center City Development and Operations, Department of Human Services, Economic Development, Metropolitan Health, Fire, Pre-K4 San Antonio, Solid Waste Management, World Heritage Office, City Council and San Antonio Police Departments. These services are required to establish a monthly pest control program that will effectively control the infestation of various pests including all insects, but not limited to, cockroaches, ants including fire, pharaoh, mound and crazy type, silverfish, arachnids including scorpions, rodents including mice and rats, fleas, wasps, flies, gnats, and hornets in all areas including common, water, office and restricted areas, warehouse spaces, building interior and exteriors. This contract allows for services to be added at any new locations during the term of the contract. This contract also provides for the Contractor to perform services on an as needed basis that are not included in the monthly pest contract maintenance program such as: ant treatment outside the monthly services program, removal of live rodents, skunks, bats, etc., and dead animal removal, chigger treatment and bed bug treatment.

B. Graybar Electric Co., Inc. for Lamps and Ballasts, \$176,000.00 annually, April 1, 2019 through January 31, 2021 with one, one-year renewal option - will provide the purchase and delivery of various lamps and ballasts, including energy saving products, for Citywide departments. These supplies are utilized to support maintenance, repair or new installation of lighting in City facilities.

Bidders provided catalog percentage discounts as listed on the bid tabulation and unit pricing on over eighty of the most utilized lamps and ballasts. Pricing submitted for the most commonly utilized items was evaluated utilizing historical usage to determine the low bidder. The pricing submitted for the evaluated items by the recommended vendor was deemed to be low and responsive.

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. Commercial Pest Control Services - This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program. Orkin, Inc. has committed to satisfying the 13% Minority and/ or Women-Owned Business Enterprise (M/WBE) subcontracting goal.

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

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

B. Lamps and Ballasts - 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.

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

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

ALTERNATIVES:

A. Commercial Pest Control Services - Should this contract not be approved, City departments would be required to procure commercial pest control services on an as needed basis resulting in a delay in services to remove pest infestations. Procuring services on an as needed basis would result in higher costs and would not realize a cost savings customarily associated with long-term contracts.

B. Lamps and Ballasts - Should this contract not be approved, Building and Equipment Services along with other departments such as Convention & Sports Facilities (CSF) and Aviation will not have a reliable and continuous supply of lamps and ballasts necessary for general routine and preventive maintenance repairs.

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 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, and Contract Disclosure Forms are not required.