



City of San Antonio

Agenda Memorandum

File Number: 14-1211

Agenda Item Number: 10.

Agenda Date: 6/19/2014

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

6/19/2014 Annual Contracts

SUMMARY:

An ordinance awarding twelve 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 \$972,080.50. 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. Facilities Solution, Inc. for Window Cleaning Services, \$106,000.00 annually (1 contract, Building and Equipment Services Department)

B. Hill's Pet Nutrition Sales, Inc., Lone Star Pet Supply and U.S. Wholesale Products for Dog and Cat Food, \$102,000.00 annually (3 contracts, Animal Cares Services, Aviation and San Antonio Police Department)

C. Santex Truck Center for Navistar & Crane Carrier Parts and Service, \$273,000.00 annually (1 contract, Building and Equipment Services Department)

D. American Traffic Safety Materials, Inc. and Avery Dennison Corp - Reflective Solutions for Traffic Sign Material, \$51,000.00 annually (2 contracts, Transportation & Capital Improvements Department)

E. Lone Star Radiator Co. Inc. for Radiator, Fuel Tanks, Heater Cores, Coolers, & Evaporator Parts & Service, \$75,000.00 annually (1 contract, Building and Equipment Services and San Antonio Fire Departments)

F. ACME Soap Company for City Wide Janitorial Supplies - Concentrated Chemicals & Cleaners with Dilution System, \$22,000.00 annually; \$110,000.00 contract period (1 contract, City Wide)

G. Midwest Quality Gloves, Inc. d/b/a Midwest Gloves & Gear for Fire Work Gloves, \$22,000.00 annually; \$110,000.00 contract period (1 contract, San Antonio Fire Department)

H. EBSCO Publishing for EBSCO Database Subscription Licenses, \$134,000.00 total contract value (1 contract, Library)

I. ProQuest, LLC for ProQuest Master License Agreement, \$187,080.50 total contract value (1 contract, Library)

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. Facilities Solution, Inc. for Window Cleaning Services, \$106,000.00 annually, upon award through June 30, 2017 with two, one year renewal options - will provide the Library, Building and Equipment Services, Aviation, and Parks and Recreation departments with window cleaning services to include all material, labor, equipment, and supervision required to perform these services. The interior and exterior window cleaning services will occur quarterly, semi-annually, or annually based upon department's requirements at 47 City department buildings.

B. Hill's Pet Nutrition Sales, Inc., Lone Star Pet Supply and U.S. Wholesale Products for Dog and Cat Food, \$102,000.00 annually, upon award through June 30, 2016 with two, one year renewal options - will provide the San Antonio Police Department canine unit, the Aviation canine unit, and animals sheltered at the Animal Care Services facility with the delivery of canine food, feline food, cat litter, and various animal food supplements and sundries required for the daily nutrition of dogs and cats under each department's care.

C. Santex Truck Center for Navistar & Crane Carrier Parts and Service, \$273,000.00 annually, upon award through May 31, 2017 with two, one year renewal options - will provide the Building and Equipment Services Department with aftermarket support for service and original equipment manufacturer parts necessary to complete repairs to Navistar International and Crane Carrier's fleet of refuse and recycle trucks.

D. American Traffic Safety Materials, Inc. and Avery Dennison Corp - Reflective Solutions for Traffic Sign Material, \$51,000.00 annually, upon award through June 30, 2017 with two, one year renewal options - will provide Transportation & Capital Improvements Department with a contractor to furnish and deliver various Traffic Sign Materials for the fabrication of street signs and directional markings. All sign face materials shall currently be accepted for use for highway traffic signs by the State of Texas, Department of Transportation (TxDOT) and meet specifications DMS-8300.

Contracts procured on the basis of low qualifying bids:

E. Lone Star Radiator Co. Inc. for Radiator, Fuel Tanks, Heater Cores, Coolers, & Evaporator Parts & Service, \$75,000.00 annually, upon award through September 30, 2017 with a one, two year renewal option - will provide cleaning, repairs, and new component parts and service for radiators, fuel tanks, heater cores, and evaporator units. This contract will be utilized by the Building and Equipment Services Department, Fleet Services Division and the Fire Department.

F. ACME Soap Company for City Wide Janitorial Supplies - Concentrated Chemicals & Cleaners with Dilution System, \$22,000.00 annually; \$110,000.00 contract period, upon award through December 31, 2016 with two, one year renewal options - will provide all City departments with a contractor to provide concentrated chemicals and cleaners with associated dilution systems. The dilution systems will be provided and maintained by the contractor at no additional cost to the City. The concentrated chemicals can be utilized in various applications such as glass cleaner, restroom cleaner, carpet cleaner, multi-use cleaner and germicidal cleaner, depending on the dilution ratio.

Contract procured on the basis of public health or safety exemption:

G. Midwest Quality Gloves, Inc. d/b/a Midwest Gloves & Gear for Fire Work Gloves, \$22,000.00 annually; \$110,000.00 contract period, upon award through June 30, 2017 with two, one year renewal options - will provide the San Antonio Fire Department with the purchase and delivery of fire work gloves. Fire work gloves are utilized by the firefighters and are required during the overhauling process; removal of walls and ceilings, after firefighting is completed. These gloves are also used during salvage work and while removing debris such as glass, sharp items and charred wood from affected sites. Fire work gloves are not used during extractions.

These gloves were tested by the Tool and Equipment committee in conditions stated above and were determined to be the safest and most durable under extreme conditions.

Amendments to sole source:

H. EBSCO Publishing for EBSCO Database Subscription Licenses, \$134,000.00 total contract value, upon award through June 30, 2019 - amendment to City approved Ordinance 2011-09-29-0771 awarded to EBSCO Publishing will extend the term of the contract by three additional years, continue the current database subscriptions to NoveList and NoveList Select, and add ArtSource database subscriptions to the San Antonio Public Library's repertoire of online resources utilized by library patrons. ArtSource is an online resource of full-text articles and citations from art journals and books and will be utilized in conjunction with San Antonio Public Library's Marie Swartz Art Resource Center.

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.

I. ProQuest, LLC for ProQuest Master License Agreement, \$187,080.50 total contract value, October 1, 2014 through September 30, 2017 - amendment to City approved Ordinance 2008-12-04-1069 awarded to Proquest, LLC will extend the term of the contract by three additional years for a non-exclusive, non-transferable license of uninterrupted access to various electronic databases including Ancestry.com, NewsARCHIVE, and Syndetics Solutions. These electronic databases are utilized by patrons of the San Antonio Public Library. Through contractual agreements with the publishers of each title, ProQuest, LLC is the sole source and exclusive provider of these databases.

These items are being purchased as a 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 their 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. Window Cleaning Services - This contract is within the scope of the Small Business Economic Development Advocacy (SBEDA) Program. However, due to the type of commodities/services being procured and value of the contract, no SBEDA tool is available.

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

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

B. Dog and Cat Food - 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.

Hill's Pet Nutrition Sales, Inc. in - In accordance with the LPP, no local preference was applied since the local bidder is not within 3% of the recommended lowest non-local bidder.

Lone Star Pet Supply - In accordance with the LPP, no local preference was applied to items 3, 4 and 18 since the local bidder is not within 3% of the recommended lowest non-local bidder. For Item 14, award is recommended to U.S. Wholesale Products as a result of the LPP.

U.S. Wholesale Products - In accordance with LPP, item 14 is recommended for award to U.S. Wholesale Products and will result in no additional cost to the City. U.S. Wholesale Products is the low responsive bidder for Items 19 and 20 and is also a local business. Therefore, application of the LPP was not required.

The VOSBPP does not apply to goods/supplies contracts, so no preference was applied to this contract.

C. Navistar & Crane Carrier Parts and Service - 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 to the lowest responsive bidder, who is also a local business; therefore, application of the Local Preference Program was not required.

The VOSBPP does not apply to goods/supplies contracts, so no preference was applied to this contract.

D. Traffic Sign Material - 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.

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

The VOSBPP does not apply to goods/supplies contracts, so no preference was applied to this contract.

E. Radiator, Fuel Tanks, Heater Cores, Coolers, & Evaporator Parts & Service - 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.

The recommended award is to the lowest responsive bidder, who is also a local business. Therefore, application of the LPP was not required.

The VOSBPP does not apply to goods/supplies contracts, so no preference was applied to this contract.

F. City Wide Janitorial Supplies - Concentrated Chemicals & Cleaners with Dilution 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 recommended award is to the lowest responsive bidder, which is also a local business; therefore, application of the LPP was not required.

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

G. Fire Work Gloves - 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 the LPP, no local preference was applied, since the local bidder is not within 3% of the recommended lowest non-local bidder.

The VOSBPP does not apply to goods/supplies contracts, so no preference was applied to this contract.

H. EBSCO Database Subscription Licenses - This contract is exempt from competitive bidding and is excluded from the scope of the SBEDA program.

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

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

I. ProQuest Master License Agreement - This contract is exempt from competitive bidding and is excluded from the scope of the SBEDA program.

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

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

ALTERNATIVES:

A. Window Cleaning Services - Should this contract not be approved, City departments may choose to perform these services in-house or process individual procurements for the services on an as needed basis, thus not realizing the benefit of contract pricing. Performing the services in-house will require additional staff, equipment, and materials.

B. Dog and Cat Food - Should these contracts not be approved, the Animal Care Services Department, San Antonio Police Department, and Aviation Department will be required to make spot purchases for dog and cat food which may prevent achieving economies of scale and lower transactional costs typically associated with long-term purchasing agreements.

C. Navistar & Crane Carrier Parts and Service - Should this contract not be approved, Building and Equipment Services will be required to purchase parts and labor as the needs arise which may incur additional equipment downtime due to imminent delays associated with reactively responding to requirements.

D. Traffic Sign Material - Should this contract not be approved, Transportation & Capital Improvements will be required to process individual procurements as needs arise. Processing requirements as spot-purchases will not realize a cost savings customarily associated with long-term agreements and could delay product delivery.

E. Radiator, Fuel Tanks, Heater Cores, Coolers, & Evaporator Parts & Service - Should this contract not be approved, the City would be required to procure items on an as-needed basis. This would increase down time on equipment, thus hindering timely completion of maintenance and repair.

F. City Wide Janitorial Supplies - Concentrated Chemicals & Cleaners with Dilution System - Should this contract not be approved, the departments would be required to process solicitations on an as needed basis. However, processing procurements as the inventory diminishes will force the departments to pay non-contract rates.

G. Fire Work Gloves - Should this contract not be approved, the San Antonio Fire Department will be required to procure gloves on an as needed basis. The City could lose the pricing advantage that is available through a competitively bid annual contract that affords volume discounts. Furthermore, the department's budget could be negatively impacted through continuous price variations.

H. EBSCO Database Subscription Licenses - Should this contract not be approved, the patrons of the San Antonio Library System would have to manually conduct their own research from various platforms which is time consuming. By approving this contract, the patrons of the San Antonio Library System will utilize electronic databases which will provide an access point to quickly deliver research information required for personal, academic or work related use.

I. ProQuest Master License Agreement - Should this contract not be approved, San Antonio Public Library staff and patrons will resort to utilizing microfilm for conducting their research which may slow down the delivery of information and restrict content availability.

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 estimated annual cost for the contracts listed on this ordinance is approximately \$972,080.50. Purchases made by the Department are as needed and dependent upon available funds within their adopted budget.

RECOMMENDATION:

Staff recommends the acceptance of twelve 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, low qualifying, public health or safety exemption and amendments to sole source and Contracts Disclosure Forms are not required.