



City of San Antonio

Agenda Memorandum

File Number: 14-1502

Agenda Item Number: 8.

Agenda Date: 8/7/2014

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

08/07/14 Annual Contracts

SUMMARY:

An ordinance awarding nine 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 \$1,323,000.00. 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. Alamo Auto Glass for Replacement of Automotive Glass, \$115,000.00 annually (1 contract, Building and Equipment Services Department)
- B. VeriClean Janitorial Services, LLC. for Aviation Pressure Washing Services, \$22,000.00 annually; \$110,000.00 contract period (1 contract, Aviation Department)
- C. Genuine Parts Company for Automotive Ignition Parts, Wires, Cable Parts, and Accessories, \$25,000.00 annually; \$125,000.00 contract period (1 contract, Building and Equipment Services Department)
- D. Cinco J. Inc., d/b/a Johnson Oil Company for Bulk Diesel Exhaust Fluid, \$130,000.00 contract period (1 contract, Building and Equipment Services Department)
- E. Galaxie Body Works, Inc. for Ford Motor Company Automotive & Light Duty Pickup Truck (including one ton) Collision Repair for City Vehicles, \$720,000.00 annually (1 contract, Building and Equipment Services Department)

F. McAdams Group, LLC d/b/a Texas Alternator Starter Service for C.E. Niehoff Parts, \$52,000.00 annually (1 contract, Fire Department)

G. Big Moe Automotive Rebuilders, Inc. for Alternators & Starters, \$62,000.00 annually (1 contract, Building and Equipment Services, Aviation, Fire and Parks and Recreation Departments)

H. Casco Industries for Cairns & Brother Helmets & Repair Parts, \$82,000.00 annually (1 contract, Fire)

I. E.J. Ward Inc. for E.J. Ward Automated Fuel Management System, \$115,000.00 annually (1 contract, Building and Equipment Services 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.

Contracts procured on the basis of low bid:

A. Alamo Auto Glass for Replacement of Automotive Glass, \$115,000.00 annually, upon award through September 30, 2017 with two, one year renewal options - will provide the Building and Equipment Services Department, Fleet Services Division, with replacement and repairs of automotive glass for city vehicles and equipment.

B. VeriClean Janitorial Services, LLC. for Aviation Pressure Washing Services, \$22,000.00 annually; \$110,000.00 contract period, upon award through September 30, 2017 with two, one year renewal options - will provide the Aviation Department, Airside Maintenance Division, with a contract for pressure washing services for the San Antonio International Airport (SAIA) to remove contaminants such as surface oxidation, black algae, mold, dirt, grime, food, beverage spills, grease, and other foreign substances from concrete, stone, and other hard surfaces utilizing a low pressure, non-destructive biodegradable process on flat surfaces and vertical surfaces (up to 40 ft high).

C. Genuine Parts Company for Automotive Ignition Parts, Wires, Cable Parts, and Accessories, \$25,000.00 annually; \$125,000.00 contract period, upon award through September 30, 2017 with two, one year renewal options - will provide the Building and Equipment Services Department, Fleet Services Division, and various city departments with automotive ignitions parts, wires, cable parts, and accessories. These parts are needed for replacement and preventive maintenance for city vehicles.

D. Cinco J. Inc., d/b/a Johnson Oil Company for Bulk Diesel Exhaust Fluid, \$130,000.00 contract period, upon award through September 30, 2017 with two, one year renewal options - will provide the Building and Equipment Services Department, Fleet Division, with Diesel Exhaust Fluid (DEF) delivered in bulk, totes and drum quantities, to four fueling service centers, in support of diesel powered vehicles. Diesel exhaust fluid is a required pollution control additive that is injected into the exhaust system of newer diesel powered vehicles.

E. Ford Motor Company Automotive & Light Duty Pickup Truck (including one ton) Collision Repair for City Vehicles, \$720,000.00 annually, upon award through September 30, 2017 with two, one year renewal options - will provide the Building and Equipment Services Department with collision repairs for Ford Motor Company automobiles and light-duty pickup trucks. There are approximately 2,000 sedans and light-duty pickup trucks in the City's fleet.

F. McAdams Group, LLC. d/b/a Texas Alternator Starter Service for C.E. Niehoff Parts, \$52,000.00 annually, upon award through September 30, 2017 with two, one year renewal options - will provide the San Antonio Fire Department with a contract for C.E. Niehoff alternators and parts for mechanical repairs performed in house by the mechanics at the Fire Fleet Services Division. These alternators and parts are utilized by the Fire Department's Fleet Services Division to perform repairs to pumper trucks and aerial ladder trucks. These alternator and parts will be utilized to keep the fire trucks in operational condition. These parts provide the firefighters with operational and reliable fire truck transportation when responding to emergency rescue operations and non-emergency situations.

Contract procured on the basis of low qualifying bid:

G. Big Moe Automotive Rebuilders, Inc. for Alternators & Starters, \$62,000.00 annually, upon award through September 30, 2017 with two, one year renewal options - will provide the Building and Equipment Services, Fleet Services Division, Aviation, Fire, and Parks and Recreation Departments with automotive alternators and starters. The City of San Antonio maintains a fleet of over 4000 vehicles and routine maintenance and minor repairs are performed in house.

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

H. Casco Industries for Cairns & Brother Helmets & Repair Parts, \$82,000.00 annually, upon award through September 30, 2017 with two, one year renewal options - will provide the City of San Antonio Fire Department with Cairns & Brother helmets and repair parts. These helmets are utilized by the Firefighting Division to protect their head, neck and ears from heat and absorb shock from falling objects while fighting structural fires.

Contract procured on the basis of sole source:

I. E.J. Ward Inc. for E.J. Ward Automated Fuel Management System, \$115,000.00 annually, upon award through June 30, 2015 with a one year renewal option - will provide the Building and Equipment Services Department, Operations Division, with automated fuel control system service, customer support, and additional fuel terminal and vehicle parts for the Ward 3 automated fuel management system. Services available through this contract are designed to ensure the City receives continuous trouble-free automated fueling system operations with minimal downtime or service interruption.

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.

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. Replacement of Automotive Glass - 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 recommended award is to the lowest responsive bidder, who is also a local business. Therefore, application of the Local Preference Program (LPP) was not required.

The Veteran-Owned Small Business Preference Program (VOSBPP) does not apply to goods/supplies contracts,

so no preference was applied to this contract.

B. Aviation Pressure Washing Services - 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 non-professional service contracts, so no preference was applied to this contract.

C. Automotive Ignition Parts, Wires, Cable Parts, and Accessories - 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.

D. Bulk Diesel Exhaust Fluid - 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.

E. Ford Motor Company Automotive & Light Duty Pickup Truck (including one ton) Collision Repair for City Vehicles - The SBEDA Ordinance requirements were waived due to the lack of qualified SMWBE's available to provide the goods and service.

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. C.E. Niehoff Parts - 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.

G. Alternators & Starters - 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.

H. Cairns & Brother Helmets & Repair Parts - 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 offers 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.

I. E.J. Ward Automated Fuel Management System - This contract is exempt from competitive bidding and is excluded from the scope of the SBEDA program.

Recommended award is an exception to LPP.

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

ALTERNATIVES:

A. Replacement of Automotive Glass - Should this contract not be approved, the City would be required to procure items on an as-needed basis wherein increased costs due to non-contract buying could be realized.

B. Aviation Pressure Washing - Should this contract not be approved, Aviation may choose to perform these services using waterless cleaners or dry ice blasting. However, pressure washing with water has proven to be the most effective method to clean all types of hard surfaces. Waterless cleaners are mainly effective on concrete/asphalt surfaces whereas dry ice blasting is mostly effective on building exteriors.

C. Automotive Ignition Parts, Wires, Cable Parts, and Accessories - Should this contract not be approved, the City would be required to procure items on an as-needed basis wherein increased costs due to non-contract buying could be realized.

D. Bulk Diesel Exhaust Fluid - Should this contract not be approved, the City will be required to process procurements as needs arise. Buying Diesel Exhaust Fluid (DEF) in bulk allows for savings over DEF packaged in single use containers. Lack of a contract may hinder timely delivery of diesel exhaust fluid required for vehicles, thus compromising timely services to the residents of San Antonio.

E. Ford Motor Company Automotive & Light Duty Pickup Truck (including one ton) Collision Repair for City Vehicles - Should this contract not be approved, the City would be required to procure services and items on an as-needed basis wherein increased costs due to non-contract buying could be realized. Lack of contract could also affect delivery times of required Ford motor parts. Delivery delays may cause longer downtime for maintenance and repair of Ford Motor Company automotive and light duty pickup trucks.

F. C.E. Niehoff Parts - Should this contract not be approved, the San Antonio Fire Department will be required to purchase alternators and parts on an as needed basis wherein increased costs due to non-contract buying would be realized. Lack of a contract could also affect delivery times of required alternators and parts. Delivery delays may cause longer downtime for maintenance and repair of the pumper and aerial ladder fire trucks.

G. Alternators & Starters - Should this contract not be approved, the City would be required to procure items

on an as-needed basis wherein increased costs due to non-contract buying could be realized.

H. Cairns & Brother Helmets & Repair Parts - Should this contract not be approved, the Fire Department will be required to purchase firefighting helmets on an as needed basis which in turn could lead to increased delivery times. Increased delivery times may cause firefighters to not be fully equipped while handling fires, therefore increasing the risk of injury.

I. E.J. Ward Automated Fuel Management System - Should this contract not be approved, the Building and Equipment Services Department's operational activities would be unfavorably impacted. The department will be required to procure services on an as needed basis which could lead to inconsistent service and delay in reactionary response time to maintenance and repair requests for automated fueling equipment.

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 in this ordinance is approximately \$1,323,000.00. Purchases made by the Department are as needed and dependent upon available funds within their adopted budget.

RECOMMENDATION:

Staff recommends the acceptance of nine 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 sole source and Contracts Disclosure Forms are not required.