



City of San Antonio

Agenda Memorandum

File Number: 15-3097

Agenda Item Number: 6.

Agenda Date: 6/4/2015

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

6/4/2015 Annual Contracts

SUMMARY:

An ordinance awarding two contracts to provide the City with commodities and services on an annual basis for the terms of the contract, for an estimated annual cost of \$341,000.00. This ordinance provides the procurement of the following items, as needed, and dependent on the Department's available budget, for the terms of the contract:

A. Brown Traffic Products, Inc. for extended view LED traffic signal lamps, \$250,000.00 annually (1 contract, Transportation & Capital Improvements Department)

B. Centerline Supply for traffic posts and hardware, \$91,000.00 annually (1 contract, Transportation & Capital Improvements 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.

Contract procured on the basis of low qualifying bid:

A. Brown Traffic Products, Inc for extended view LED traffic signal lamps, \$250,000.00 annually, July 1, 2015

through December 31, 2018 with two, one year renewal options - will provide the Transportation and Capital Improvements Department, Traffic Division with a contractor that will furnish light emitting diodes (LED) traffic signal lamps for replacement of existing equipment and for equipment to be installed in new construction of signalized intersections throughout the City.

Contract procured on the basis of low bid:

B. Centerline Supply for traffic posts and hardware, \$91,000.00 annually, July 1, 2015 through December 31, 2018, with two, one year renewal options - will provide the Transportation & Capital Improvements Department, Traffic Operations Division with a contractor to furnish traffic sign posts and related hardware utilized for mounting traffic signs and directional markings throughout the City.

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. Extended View Led Traffic Signal Lamps - 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.

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

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

B. Traffic Posts and Hardware - 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.

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

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

ALTERNATIVES:

A. Extended View LED Traffic Signal Lamps - Should this contract not be approved, the Transportation and Capital Improvements Department will be required to procure requirements on an as needed basis which may result in higher pricing, affect delivery time and planned installation of signal lamps at specified intersections, potentially causing a public safety issue.

B. Traffic Posts and Hardware - Should this contract not be approved, the Traffic Operations Division will be

required to process individual procurements as needs arise. As a result, processing requirements as spot purchases would delay replacement of damaged signage and the department will not realize the cost savings customarily associated with long-term agreements.

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 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 low qualifying and low bids and Contracts Disclosure Forms are not required.