



City of San Antonio

Legislation Details (With Text)

File #: 17-1786
Type: Purchase - Annual Contract
In control: City Council A Session
On agenda: 4/6/2017
Title: An Ordinance authorizing the following contracts establishing unit prices for goods and services for an estimated annual cost of \$493,000.00: (A) A Marketing & Service Co. for various small cell batteries, (B) Standard Fusee Corporation, dba Orion Safety Products for red burning flares, (C) de la Garza Fence & Supply Co. for chain link fencing materials and accessories, and (D) Nesco, LLC for aerial lift truck rental. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

Sponsors:

Indexes:

Code sections:

Attachments: 1. TOC, 2. 61-8070 A Marketing Service Co., 3. Bid Tab, 4. 1295, 5. 61-8457 Standard Fusee Corporation dba Orion Safety Products, 6. Bid Tab, 7. 1295, 8. 61-8464 de la Garza Fence & Supply Co., 9. Bid Tab, 10. 1295, 11. 61-8599 Nesco, LLC, 12. Bid Tab, 13. 1295, 14. Draft Ordinance, 15. Ordinance 2017-04-06-0197

Date	Ver.	Action By	Action	Result
4/6/2017	1	City Council A Session	adopted	Pass

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

4/6/2017 Annual Contracts

SUMMARY:

An ordinance awarding four 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 \$493,000.00. 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. A Marketing & Service Co. for Small Cell Batteries, \$30,000.00 annually; \$75,000.00 contract period (1 contract, Citywide)

B. Standard Fusee Corporation, dba Orion Safety Products for Red Burning Flares, \$216,000.00 annually (1 contract, Police and Fire Departments)

C. de la Garza Fence & Supply Co. for Chain Link Fencing Materials and Accessories, \$60,000.00 annually (1 contract, Aviation and Animal Care Services Departments)

D. Nesco, LLC for Aerial Lift Truck Rental, \$187,000.00 annually (1 contract, Transportation and Capital Improvements)

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. A Marketing & Service Co. for Small Cell Batteries, \$30,000.00 annually; \$75,000.00 contract period, upon award through September 30, 2018 with a one-year renewal option - will provide a variety of small cell batteries for use in various battery operated devices such as calculators, pagers, alarm systems, chargers, laptops, and cameras used by departments Citywide.

B. Standard Fusee Corporation, dba Orion Safety Products for Red Burning Flares, \$216,000.00 annually, upon award through March 31, 2020 with two, one-year renewal options - will provide the San Antonio Police Department (SAPD) and the San Antonio Fire Department (SAFD) with a contract to furnish thirty minute, spikeless, waxed red burning flares. These red burning flares will be utilized by SAPD officers and SAFD firefighters to alert motorists of oncoming lane closure or traffic accidents.

C. de la Garza Fence & Supply Co. for Chain Link Fencing Materials and Accessories, \$60,000.00 annually, upon award through June 30, 2020, with two, one-year renewal options - will provide for the purchase and delivery of chain link fencing materials and related accessories. The fencing materials will be utilized by the Aviation Department for regular maintenance and repairs of existing perimeter fencing to prevent wildlife and unauthorized individuals from entering airport runways and restricted areas of the San Antonio International Airport. This contract will also be utilized by the Animal Care Service's Field Operations Division.

D. Nesco, LLC for Aerial Lift Truck Rental, \$187,000.00 annually, upon award through June 30, 2020 with two, one-year renewal options - will provide the Transportation and Capital Improvements Department - Traffic Division and various City departments with a contractor to furnish rentals of two types of truck-mounted aerial lifts on an as needed basis. The aerial lifts are utilized for the purpose of maintenance operations which include, but are not limited to, construction projects, maintenance of traffic sign equipment, and the trimming of trees in parks 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. Small Cell Batteries - 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, 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 goods/supplies contracts, so no preference was applied to this contract.

B. Red Burning Flares - 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.

There were no bids submitted from local bidders for this contract; therefore local preference 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.

C. Chain Link Fencing Materials and Accessories - 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, who is also a local business. Therefore application of the Local Preference Program is not required.

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

D. Aerial Lift Truck Rental - 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.

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. Small Cell Batteries - Should this contract not be approved, requirements for batteries would be procured by City departments as needs arise. However, establishing a requirements supply contract will not just allow City departments to achieve economies of scale by aggregating long-term demands but also reduce the

administrative costs associated with soliciting small, repetitive and frequent purchases.

B. Red Burning Flares - Should this contract not be approved, the San Antonio Police Department and San Antonio Fire Department would have to procure flares on an as-needed basis, wherein increased costs due to non-contract buying could be realized. The department could also be at risk of not having flares in stock to support alerting motorists of traffic accidents and emergency situations.

C. Chain Link Fencing Materials and Accessories - Should this contract not be approved, the Aviation Department and Animal Care Services Department will have to source out fencing materials as needed, which may cause higher pricing and affect delivery of services.

D. Aerial Lift Truck Rental - Should this contract not be approved, City departments would be required to process individual procurements for the products on an as needed basis, where increased costs and untimely delivery would occur and result in delays in the completion of city projects.

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 four 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.