



City of San Antonio

Legislation Details (With Text)

File #: 19-7462
Type: Purchase - Annual Contract
In control: City Council A Session
On agenda: 11/7/2019
Title: Ordinance approving the following contracts establishing unit prices for goods and services for an estimated annual cost of \$782,000.00:
(A) Airport Lighting Systems, Inc. for airfield runway lighting parts, signs, and accessories;
(B) Safety Supply, Inc. for electrolyte replacement drinks; and
(C) Centerline Supply, Vulcan Inc., dba Vulcan Signs, and Xcessories Squared Development & Mfg, Inc. for traffic posts & hardware.
[Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]
Sponsors:
Indexes:
Code sections:
Attachments: 1. TOC, 2. 61-11673 Airport Lighting Systems, Inc., 3. 61-11673 Bid Tab, 4. 61-11691 Safety Supply, Inc., 5. 61-11691 Bid Tab, 6. 61-11776 Centerline Supply, Vulcan Inc. dba Vulcan Signs, and Xcessories Squared Development & Mfg, Inc., 7. 61-11776 Bid Tab, 8. Draft Ordinance, 9. Ordinance 2019-11-07-0896

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

11/7/2019 Annual Contracts

SUMMARY:

An ordinance awarding five 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 \$782,000.00. 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. Airport Lighting Systems, Inc. for Airfield Runway Lighting Parts, Signs, and Accessories, \$180,000.00 annually (1 contract, Aviation)

- B. Safety Supply, Inc. for Electrolyte Replacement Drinks, \$76,000.00 annually (1 contract, Citywide)
- C. Centerline Supply, Vulcan Inc., dba Vulcan Signs, and Xcessories Squared Development & Mfg, Inc. for Traffic Posts & Hardware, \$526,000.00 annually (3 contracts, Transportation & 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. Airport Lighting Systems, Inc. for Airfield Runway Lighting Parts, Signs, and Accessories, \$180,000.00 annually, January 1, 2020 through December 31, 2022, with two, one year renewal options - will provide the Aviation Department with airfield lighting parts for both San Antonio International Airport and Stinson Municipal Airport. Airport lighting includes fixtures, lamps, bulbs and accessories including light bases, transformer housings, junction boxes, cover plates, and all other accessories needed for the proper operation of airfield lighting and to meet FAA requirements.

B. Safety Supply, Inc. for Electrolyte Replacement Drinks, \$76,000.00 annually, January 1, 2020 through December 31, 2022 with two, one year renewal options - will provide various City Departments with electrolyte replacement drinks in both ready-to-drink and powder varieties. This drink will be utilized by City employees to maintain correct electrolyte balance while working in hot and/or humid conditions, or when manual labor results in loss of electrolytes.

C. Centerline Supply, Vulcan Inc., dba Vulcan Signs, and Xcessories Squared Development & Mfg, Inc. for Traffic Posts & Hardware, \$526,000.00 annually, upon award through March 31, 2023, with two, one year renewal options - will provide the Transportation & Capital Improvements Department, Traffic Operations Division with a contractor to furnish traffic sign 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. Airfield Runway Lighting Parts, Signs, and Accessories - 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.

B. Electrolyte Replacement Drinks - This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program. Safety Supply, Inc. is a small, women-owned firm that will be self-performing the 100% Small and Business Enterprise (SBE) subcontracting goal.

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.

C. Traffic Posts & Hardware - 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. Airfield Runway Lighting Parts, Signs, and Accessories - Should this contract not be approved, the City would be required to procure items on an as-needed basis. This would result in higher costs for the parts needed as well possible delays when repairs are needed.

B. Electrolyte Replacement Drinks - Should this contract not be approved, using departments would be required to purchase electrolyte replacement drinks as individual needs arise. However, aggregating demands by establishing a requirements contract will result in lower, fixed prices for an extended period of time.

C. Traffic Posts & 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 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.