



# City of San Antonio

## Agenda Memorandum

**File Number:**15-5539

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**Agenda Item Number:** 6.

**Agenda Date:** 11/19/2015

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** CityWide

**SUBJECT:**

11/19/2015 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 \$236,000.00. 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. TexDoor, LTD. for Overhead Door Repairs for the San Antonio Fire Department, \$150,000.00 annually (1 contract, San Antonio Fire Department)

B. Vermeer Texas - Louisiana for Vermeer Brush Tub Grinder Parts & Service, \$86,000.00 annually (1 contract, Solid Waste Management 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. TexDoor, LTD. for Overhead Door Repairs for the San Antonio Fire Department, \$150,000.00 annually,

upon award through March 31, 2018 with two, one year renewal options - will provide the San Antonio Fire Department with overhead door repair parts and service to maintain and/or repair existing overhead doors located at various Fire facilities. Primarily, the work shall entail repairing overhead doors as a result of accidents, vandalism, and normal wear and tear.

B. Vermeer Texas - Louisiana for Vermeer Brush Tub Grinder Parts & Service, \$86,000.00 annually, January 1, 2016 through March 31, 2019, with two, one year renewal options - will provide the Solid Waste Management, Fleet Operations Division, with a contractor to furnish replacement parts and service to Vermeer Brush Tub Grinders for the purpose of processing brush and yard waste at the brush recycling centers. Vermeer Texas - Louisiana is the only local factory authorized dealer that can provide tub grinder parts and service.

#### **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. Overhead Door Repairs for the San Antonio Fire Department - This contract is within the scope of the SBEDA Program. Although no specific tool was applied to this contract, the lowest bidder is small business.

The recommended award is to the lowest responsive bidder, who is also a local business. Therefore application of 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. Vermeer Brush Tub Grinder Parts & Service - 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 did not apply.

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

#### **ALTERNATIVES:**

A. Overhead Door Repairs for the San Antonio Fire Department - Should this contract not be approved, the San Antonio Fire Department would have to procure service on an as-needed basis. This may increase the cost of parts and labor as well as delays in repairing overhead doors.

B. Vermeer Brush Tub Grinder Parts & Service - Should this contract not be approved, the department will be required to process individual procurements as needs arise. As a result, processing requirements as spot purchases would delay the timely repair to heavy-duty equipment 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 bid and Contract Disclosure Forms are not required.