



City of San Antonio

Agenda Memorandum

File Number:16-1601

Agenda Item Number: 9.

Agenda Date: 3/10/2016

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: CityWide

SUBJECT:

3/10/2016 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 contract, for an estimated annual cost of \$15,761,000.00. 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. 911 Auto Centers, LLC, Crossroads Collision Center, Galaxie Body Works, Inc., Red McCombs Ford d/b/a Red McCombs Collision Center, and Southwest Paint and Body for On-Call Collision Repairs for Sedans & Light-Duty Pickup Trucks, \$800,000.00 annually (5 contracts, Building and Equipment Services Department)

B. IPC (USA) Inc. for Gasoline and Diesel Fuels, \$14,800,000.00 annually (1 contract, Building and Equipment Services Department)

C. Poppe Automotive Warehouse for Automotive Shop Supplies, \$62,000.00 annually (1 contract, Solid Waste Management, Building and Equipment Services, Aviation, and Fire Departments)

D. SAT Radio Communications, LTD dba Industrial Communications for the Purchase and Repair of Firecom System and Headsets, \$43,000.00 annually; \$216,000.00 contract period (1 contract, San Antonio Fire Department)

E. Litho Press, Inc. for SWMD Organic Guides, \$56,000.00 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.

Contract procured on the basis of Unforeseen Damage exemption:

A. 911 Auto Centers, LLC, Crossroads Collision Center, Galaxie Body Works, Inc., Red McCombs Ford d/b/a Red McCombs Collision Center, and Southwest Paint and Body for On-Call Collision Repairs for Sedans & Light-Duty Pickup Trucks, \$800,000.00 annually, April 1, 2016 through June 30, 2019, with two, one year renewal options - will provide on-call collision repair services for sedans and light-duty pickup trucks of all makes and models in the City's fleet. This contract will be utilized by Building and Equipment Services and will be awarded to multiple contracted vendors allowing for a more timely return of vehicles to service. There are approximately 2,820 mixed model sedans and light-duty pickup trucks in the City's fleet.

Contracts procured on the basis of low bid:

B. IPC (USA) Inc. for Gasoline and Diesel Fuels, \$14,800,000.00 annually, April 1, 2016 through March 31, 2019, with two, one year renewal options - will provide for the purchase of approximately 3.5 million gallons per year of unleaded gasoline with a maximum 10% ethanol blend, approximately 3.5 million gallons per year of number two Ultra Low Sulfur Diesel and approximately 500,000 gallons per year of number two Ultra-Low-Sulfur Non-Road Red Dyed Diesel Fuel to support fueling needs for all City of San Antonio Department gasoline-powered and diesel powered vehicles or equipment. This is a three year contract with two, one year renewal options for an estimated annual amount of \$14,800,000.00.

C. Poppe Automotive Warehouse for Automotive Shop Supplies, \$62,000.00 annually, April 1, 2016 through June 30, 2019, with two, one year renewal options - will provide automotive shop supplies to be utilized by the Solid Waste Management, Building and Equipment Services, Aviation, and Fire Departments for maintenance on City owned vehicles.

D. SAT Radio Communications, LTD dba Industrial Communications for the Purchase & Repair of Firecom System & Headsets, \$43,000.00 annually; \$216,000.00 contract period April 1, 2016 through June 30, 2019 with two, one year renewal options - will provide the San Antonio Fire Department with the purchase and repair of Firecom Systems and Headsets. The Firecom headsets are used when responding to 911 calls and to ensure adequate communication within the cab of the apparatuses.

E. Litho Press, Inc. for SWMD Organic Guides, \$56,000.00 annually, upon award through December 31, 2016 with one, one year renewal option - will provide a vendor to print, score, cut, die cut, tab, and fold booklets that will enable the Solid Waste Management Department (SWMD) to inform residents about the City's solid waste guidelines.

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. On-Call Collision Repairs for Sedans & Light-Duty Pickup - 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 awards are to the responsive offerors, who are also local businesses. Therefore, application of the Local Preference Program was not required.

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

B. Gasoline and Diesel Fuels - Due to the lack of small, minority, and/or women businesses available to provide these goods/services, the SBEDA Program did not apply to this solicitation.

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

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

C. Automotive Shop Supplies -Due to the lack of small, minority, and/or women businesses available to provide these goods/services, the SBEDA Program did not apply to this solicitation.

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

D. Purchase & Repair of Firecom System & Headsets - 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 Local Preference Program was not required.

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

E. SWMD Organic Guides - 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 was applied.

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.

ALTERNATIVES:

A. On-Call Collision Repairs for Sedans & Light-Duty Pickup Trucks - Should this contract not be approved, Building and Equipment Services will be required to procure collision repairs on an as-needed basis which may result in higher pricing and delays in returning equipment to service.

B. Gasoline and Diesel Fuels - Should this contract not be approved, the City would be unable to support the fueling needs of gasoline and diesel powered vehicles and equipment used in the City's fleet. Furthermore, lack of a contract may hinder efficient delivery and supply of fuel, wherein increased cost due to non-contract buying could be realized as well, thus compromising timely delivery of essential services to the residents of San Antonio.

C. Automotive Shop Supplies - Should this contract not be approved, Solid Waste Management and various departments will be required to procure automotive shop supplies on an as-needed basis which may result in higher pricing and delays on maintenance for City owned vehicles.

D. Purchase & Repair of Firecom System & Headsets - Should this contract not be approved, the SAFD would be required to conduct informal procurements for each replacement and or repair of a Firecom headset. Higher costs could be realized as well as potential delays in replacing or completing the repairs for the headsets which could impact equipment availability to communicate in emergency situations.

E. SWMD Organic Guides - Should this contract not be approved, SWMD will be required to procure solid waste guidelines booklets on an as needed basis. Lack of a contract could result in an inefficient and less cost effective method of informing residents about the City's solid waste guidelines.

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 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 qualifying and low bid and Contract Disclosure Forms are not required.