



City of San Antonio

Agenda Memorandum

File Number:16-4564

Agenda Item Number: 11.

Agenda Date: 9/29/2016

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: CityWide

SUBJECT:

9/29/2016 Annual Contracts

SUMMARY:

An ordinance awarding three 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 \$5,001,021.15. 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. Bike World for Bicycle Repair Parts and Accessories for Bicycle Patrol Officers, \$39,000.00 annually; \$156,000.00 contract period (1 contract, Police Department)

B. Vulcan Construction Materials, LLC for Asphalt and Pothole Paving Materials, \$4,833,000.00 annually (1 contract, Transportation and Capital Improvements Department)

C. Innovative Interfaces, Inc. for Millennium Software Maintenance and Support including Telnet Access, \$129,021.15 year one; \$400,768.72 contract period (1 contract, Library 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. Bike World for Bicycle Repair Parts and Accessories for Bicycle Patrol Officers, \$39,000.00 annually; \$156,000.00 contract period, upon award through July 31, 2018, with two, one year renewal options - will provide the San Antonio Police Department Bicycle Patrol Division, Park Patrol Officers, and Aviation Patrol Officers with a supplier to furnish bicycle repair parts and accessories as needed to maintain the City's bicycle fleet consisting of approximately 360 specialized bicycles.

Contract procured on the basis of low bid:

B. Vulcan Construction Materials, LLC for Asphalt and Pothole Paving Materials, \$4,833,000.00 annually, January 1, 2017 through March 31, 2020 with two, one year renewal options - will provide the Transportation and Capital Improvements Department, Streets Maintenance Division with a contractor to provide asphalt and pothole paving materials for use with street maintenance and repairs. The Transportation and Capital Improvements Department, Streets Maintenance Division ensures street rehabilitation projects are completed on a timely basis and within budget. Throughout the City, there are more than 4,000 miles of streets and over 725 service alleys that the Streets Maintenance Division is responsible for maintaining. Materials procured through this contract will also support nearly 150 street rehabilitation projects currently included in TCI Infrastructure Management Program as well as pothole and other street repairs as reported through the 311 System by residents and staff.

Contract procured on the basis of sole source:

C. Innovative Interfaces, Inc. for Millennium Software Maintenance and Support including Telnet Access, \$129,021.15 year one; \$400,768.72 contract period, October 1, 2016 through September 30, 2017, with two, one year renewal options - will provide the San Antonio Public Library (SAPL) with a software maintenance agreement for the Millennium System, the Library's integrated automation system. This system is used to provide online circulation of library materials, public access to the SAPL catalog and additional databases, acquisition administration, cataloging and authority control, serial control modules and management reports.

These items are being purchased as Sole Source according to the provisions of Texas Statutes Local Government Code 252.022.07. No other source can supply the items listed nor can any comparable item fulfill the same requirements. Vendor acknowledges, with his/her signature, that all items offered are considered a Sole Source.

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. Bicycle Repair Parts and Accessories for Bicycle Patrol Officers Airport - 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.

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. Asphalt and Pothole Paving Materials - Due to the lack of small, minority, and/or women businesses available to provide these goods and 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 applied.

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

C. Millennium Software Maintenance and Support including Telnet Access - This contract is exempt from competitive bidding and is excluded from the scope of the SBEDA Program.

This contract is an exception to the Local Preference Program.

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

ALTERNATIVES:

A. Bicycle Repair Parts and Accessories for Bicycle Patrol Officers - Should this contract not be approved, City staff would be required to solicit quotes for the required parts and accessories on an as needed basis, where increased costs due to non-contract buying could be realized, as well as cause a delay in the maintenance and repairs of the equipment for the officers.

B. Asphalt and Pothole Paving Materials - Should this contract not be approved, the Transportation and Capital Improvements Department would be required to procure material on an as needed basis. The City could lose the pricing advantage afforded through a competitively bid contract. Furthermore, the department's budget could be negatively impacted through continuous price variations.

C. Millennium Software Maintenance and Support including Telnet Access - Should this contract not be approved, the San Antonio Public Library would lose the right to receive updates, upgrades, patches and technical support services for the Millennium system. Any required support for this system would have to be secured on an as needed basis wherein increased cost and delivery times due to non-contract buying would be realized.

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 three 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 bid, low bid and sole source and Contract Disclosure Forms are not required.