



# City of San Antonio

## Agenda Memorandum

**File Number:**18-3458

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**Agenda Item Number:** 8.

**Agenda Date:** 6/21/2018

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

6/21/2018 Annuals

### **SUMMARY:**

An ordinance awarding five contracts to provide the City with commodities and services on an annual basis for the term of the contracts, for an estimated annual cost of \$720,000.00. This ordinance provides the procurement of the following items, as needed, and dependent on the Department's available budget, for the term of the contracts:

- A. Hays City Corp., dba Tex-Con Oil Co. and Hampel Oil Distributors, Inc. for Engine Oil Lubricants, \$623,000.00 annually (2 contracts, Citywide)
- B. Southwest Public Safety for Installs, Removals, and Repairs of Equipment for Police Motorcycles, \$41,000.00 annually; \$164,000.00 total contract value (1 contract, San Antonio Police Department)
- C. Four Winds Interactive, LLC for Four Winds M&S for Convention and Sports Facilities, \$33,000.00 annually; \$165,000.00 contract period (1 contract, Convention and Sports Facilities)
- D. KFT Fire Trainer, LLC for Structural Fire Trainer T2000 Maintenance & Support Services, \$23,000.00 annually; \$115,000.00 contract period (1 contract, San Antonio Fire 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. Hays City Corp., dba Tex-Con Oil Co. and Hampel Oil Distributors, Inc. for Engine Oil Lubricants, \$623,000.00 annually, upon award through September 30, 2021 with two, one year renewal options - will provide the purchase and delivery of engine oil lubricants for use by various City departments to support a fleet of approximately 1,500 vehicles and equipment. The engine oil lubricants will be for use in four-stroke cycle diesel engines designed to meet EPA on-highway exhaust greenhouse (GHG) emissions standards.

B. Southwest Public Safety for Installs, Removals, and Repairs of Equipment for Police Motorcycles, \$41,000.00 annually; \$164,000.00 total contract value, upon award through June 30, 2020, with two additional, one year renewal options - will provide the City of San Antonio Police Department with labor and repair services to install, remove, and restore safety equipment utilized on the Honda Goldwing motorcycles, as needed, for the SAPD Motorcycle Detail Unit. This annual contract will also include the labor to remove and repair existing safety equipment from one motorcycle and install it on another.

**Sole Source:**

C. Four Winds Interactive, LLC for Four Winds M&S for Convention and Sports Facilities, \$33,000.00 annually; \$165,000.00 contract period, August 1, 2018 through July 31, 2021 with two, one year renewal options - will provide software maintenance and support for the Convention and Sports Facilities Department as well as meeting room player license maintenance and content subscriptions for All Headline News, FlightStats Airline Arrivals/Departures and Bing Maps. The software provides video access to the Meeting Rooms message boards. In addition, the software provides patrons touch screen access on five video screens located throughout the Convention Center to check their flight status, as well as provide an interactive map of the Convention Center so they know the exact locations of all the rooms within the facility.

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 Sole Source.

D. KFT Fire Trainer, LLC for Structural Fire Trainer T2000 Maintenance & Support Services, \$23,000.00 annually; \$115,000.00 contract period, October 1, 2018 through September 30, 2023 - will provide the San Antonio Fire Department with planned maintenance and support services of the Structural Fire Trainer T2000 training simulator installed at the Fire Training Academy. The training simulator is utilized to provide realistic controllable fire training for fire cadets, incumbent firefighters and personnel from other city or agency fire departments. Total cost includes any preventive maintenance replacement parts required to ensure the system is maintained in a fully operational state.

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 Sole Source.

**ISSUE:**

This contract represents 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. Engine Oil Lubricants - 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.

Item 1: 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.

Item 2: In accordance with the Local Preference Program, no local preference was applied, since the local bidder is not within 3% of the recommended lowest non-local bidder.

The Veteran-Owned Small Business Preference Program does not apply to non-professional services contracts, so no preference was applied to this contract.

B. Installs, Removals, and Repairs of Equipment for Police Motorcycles - 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.

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 (VOSB) Preference Program does not apply to non-professional service contracts, so no preference was applied to this contract.

C. Four Winds M&S for Convention and Sports Facilities - This contract is exempt from competitive bidding and is excluded from the scope of the SBEDA program.

This award is an exception to the Local Preference Program.

The Veteran-Owned Business Program does not apply to non-professional services contracts, so no preference was applied to this contract.

D. Structural Fire Trainer T2000 Maintenance & Support Services - This contract is exempt from competitive bidding and is excluded from the scope of the SBEDA program.

This award is an exception to the Local Preference Program.

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

## **ALTERNATIVES:**

A. Engine Oil Lubricants - Should this contract not be approved, the City will not have a reliable and continuous supply of engine oil lubricants necessary to keep the City's fleet of vehicles and equipment operating at peak performance.

B. Installs, Removals, and Repairs of Equipment for Police Motorcycles - Should this contract not be approved, the San Antonio Police Department will be required to procure services on an as-needed basis, wherein increased costs due to non-contract buying could be realized. The department could also be at risk of service delays due to non-contract service providers not being familiar with required services.

C. Four Winds M&S for Convention and Sports Facilities - Should this contract not be approved, the Convention and Sports Facilities Department would be required to process individual procurements on an as needed basis for software maintenance and support services. This would have an impact on the availability of information and messaging displayed on the message boards and video screens throughout the Convention Center.

D. Structural Fire Trainer T2000 Maintenance & Support Services - Should this contract not be approved, routine maintenance and support services for the training simulator would no longer be provided. The lack of regularly scheduled support conducting system checks may increase the likelihood of an increase in unplanned corrective maintenance requirements and the system becoming inoperable.

#### **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 five 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 sole source, and Contract Disclosure Forms are not required.