



City of San Antonio

Agenda Memorandum

File Number:18-5000

Agenda Item Number: 5.

Agenda Date: 10/4/2018

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

10/4/2018 Annual Contracts

SUMMARY:

An ordinance awarding two 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 \$1,042,545.00. This ordinance provides the procurement of the following item, as needed, and dependent on the Department's available budget, for the term of the contract:

- A. Cascade Engineering, Inc. for Cart Services, \$910,545.00 year 1; \$600,000.00 annually thereafter (1 contract, Solid Waste Management Department)
- B. Atlantic Battery Co. Inc. for Gelled Electrolyte Solar Batteries, \$132,000.00 annually (1 contract, Transportation and 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. Cascade Engineering, Inc. for Cart Services, \$910,545.00 year 1; \$600,000.00 annually thereafter, upon award through September 30, 2021 with two, one year renewal options - will assist the Solid Waste Management Department with service calls related to cart exchange, repair, delivery, and collection. The City of San Antonio is seeing an increase in service calls due to the Cart Downsizing program. The City plans to contract for service calls that are outside of the City's current capacity. The service calls may be scheduled by priority, quadrant, service center, or other manner as determined by the City.

B. Atlantic Battery Co. Inc. for Gelled Electrolyte Solar Batteries, \$132,000.00 annually, upon award through March 31, 2022 with two, one year renewal options - will provide the Transportation and Capital Improvements Department with a contractor that will furnish and deliver gelled-electrolyte solar batteries for warning signals at various school zone locations throughout the City of San Antonio. These batteries will be utilized in the school crossing zone areas.

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. This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program. Cascade Engineering, Inc. has committed to satisfying the 8% Minority and/ or Women-Owned Business Enterprise (M/WBE) subcontracting goal.

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. This contract is within the scope of the SBEDA Program. However, due to lack of available firms and/or subcontracting opportunities, the Goal Setting Committee was unable to apply a SBEDA tool to this contract.

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. Cart Services - Should this contract not be approved, the City will be required to provide cart exchange, cart repair, cart delivery, and cart collection to San Antonio customers utilizing overtime and/or temporary

employees on as needed basis wherein increased cost due to non-contract buying could be realized.

B. Gelled Electrolyte Solar Batteries - Should this contract not be approved, the Transportation and Capital Improvements Department will have to purchase batteries on an as needed basis which may result in higher pricing and affect delivery time. This could potentially cause a public safety issue.

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 Departments are on an as needed basis and dependent upon available funds within their adopted budget.

RECOMMENDATION:

Staff recommends the acceptance of these two contracts submitted through this ordinance to provide the City with the 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 a Contract Disclosure Form is not required.