



# City of San Antonio

## Agenda Memorandum

**File Number:**18-6565

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**Agenda Item Number:** 9.

**Agenda Date:** 1/10/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

1/10/2019 Annuals

### **SUMMARY:**

An ordinance awarding eight 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 \$546,000.00. This ordinance provides the procurement of the following items, as needed, and dependent on the Department's available budget, for the term of the contract:

- A. B & R Estes Corp dba Locke Hill Feed, Pet & Lawn Supply; C-Specialties, Inc.; and MWI Animal Health for Pet Supplies, \$48,000.00 annually; \$96,000.00 total contract value (3 contracts, Animal Care Services)
- B. Midwest Veterinary Supply Inc.; MWI Animal Health; NAO Global Health LLC; and Patterson Vet Supply for Veterinarian Supplies, \$383,000.00 annually (4 contracts, Animal Care Services)
- C. Intervet, Inc., dba Merck Animal Health for Feline & Canine Biologicals, \$115,000.00 annually (1 contract, Animal Care Services)

### **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. B & R Estes Corp dba Locke Hill Feed, Pet & Lawn Supply; C-Specialties, Inc.; and MWI Animal Health for Pet Supplies, \$48,000.00 annually; \$96,000.00 total contract value, upon award through April 30, 2019 with one, one year renewal - will provide the Animal Care Services (ACS) facility with the delivery of pet supplies. These supplies will be used by veterinary and animal care personnel to treat animals in their care.

B. Midwest Veterinary Supply Inc.; MWI Animal Health; NAO Global Health LLC; and Patterson Vet Supply for Veterinarian Supplies, \$383,000.00 annually, upon award through September 30, 2020 with a one year renewal option - will provide a variety of veterinary vaccines, pharmaceuticals and supplies to benefit the animals served by Animal Care Services Department (ACS). As a municipally-owned animal shelter, ACS operates under an open-admission system, caring for approximately 30,000 animals per year. These veterinary vaccines, pharmaceuticals and supplies will ensure ACS animals receive an appropriate level of veterinary care and that proper supplies are available to the ACS employees who work and care for these animals.

**Public Health or Safety Exemption:**

C. Intervet, Inc., dba Merck Animal Health for Feline & Canine Biologicals, \$115,000.00 annually, upon award through September 30, 2020 with a one year renewal option - will provide a variety of canine and feline biologicals to benefit the animals served by Animal Care Services Department (ACS). As a municipally-owned animal shelter, ACS operates under an open-admission system, caring for approximately 30,000 animals per year. These biologicals will ensure ACS animals receive an appropriate level of veterinary care.

**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. Pet Supplies - 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.

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 bidders or there were no bids submitted from local bidders.

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

B. Veterinarian Supplies - 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.

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.

C. Feline & Canine Biologicals - 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.

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. Pet Supplies - Should this contract not be approved, Animal Care Services will be unable to take advantage of lower prices based upon a competitively bid contract.

B. Veterinarian Supplies - Should this contract not be approved, requirements for veterinary vaccines, pharmaceuticals and supplies would be procured by the Animal Care Services Department as needs arise. However, establishing a requirements supply contract would allow Animal Care Services Department to achieve economies of scale by aggregating long-term demands and reduce the administrative costs associated with soliciting small, repetitive and frequent purchases.

C. Feline & Canine Biologicals - Should this contract not be approved, requirements for feline and canine biologicals would be procured by the Animal Care Services Department as needed. Establishing a requirements supply contract will allow the Department to realize cost savings by aggregating long-term demands and reduce the administrative costs associated with soliciting small, repetitive and frequent purchases.

### **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 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 public health or safety exemption, and Contract Disclosure Forms are not required.