



# City of San Antonio

## Agenda Memorandum

**File Number:**18-6949

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**Agenda Item Number:** 10.

**Agenda Date:** 1/17/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

1/17/2019 Annual Contracts

### **SUMMARY:**

An ordinance awarding one contract to provide the City with commodities and services on an annual basis for the term of the contract, for an estimated annual cost of \$209,000.00. 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. Texas Star Supply, LLC for Asphalt Emulsion Sealcoat Materials, \$209,000.00 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.

### **Contract procured on the basis of low bid:**

A. Texas Star Supply, LLC for Asphalt Emulsion Sealcoat Materials, \$209,000.00 annually, upon award through June 30, 2021, with one, one year renewal option - will provide the Transportation and Capital Improvements Department, Streets Maintenance Division with a vendor to furnish asphalt pavement sealer

materials. These paving materials are used for the construction and repair of streets for pavement preservation throughout the City.

## **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. Asphalt Emulsion Sealcoat Materials - 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.

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. Asphalt Emulsion Sealcoat Materials - Should this contract not be approved, Transportation and Capital Improvements Department will be required to procure materials on an as needed basis where increased costs and delivery times could occur and result in delays in the completion of city projects.

## **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 this contract 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.

This contract was procured on the basis of low bid, and a Contract Disclosure Form is not required.