



City of San Antonio

Agenda Memorandum

File Number:19-2531

Agenda Item Number: 7.

Agenda Date: 4/11/2019

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

4/11/2019 Annual Contracts

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 \$1,868,000.00. 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. Cellisco dba Accu-Print, Lopez Printing, Inc., Rush American Printing, Inc., and Smith Print for Supplemental Printing Services, \$456,000.00 annually (4 contracts, Citywide)
- B. Vermeer Texas - Louisiana for Vermeer Equipment Parts & Repair Services, \$204,000.00 annually (1 contract, Solid Waste Management Department)
- C. CATO Electric Company for Drilling Wood & Steel Pole Foundations, \$257,000.00 annually (1 contract, Transportation & Capital Improvements)
- D. Mergent, Inc. for Database Subscription Mergent - SAPL, \$49,000.00 Initial Year; \$249,454.00 total contract value (1 contract, San Antonio Public Library)
- E. T & W Tire, LLC for Emergency Tires, \$902,000.00 annually (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. Cellisco dba Accu-Print, Lopez Printing, Inc., Rush American Printing, Inc., and Smith Print for Supplemental Printing Services, \$456,000.00 annually, upon award through March 30, 2022 with a one-year renewal option - will provide various City Departments with supplemental printing services, including categories such as letterheads, notepads, envelopes, forms/flyers/self-mailers, NCR forms, brochures, folders, and door hangers. This contract will be managed by the City's Finance Department, Print and Mail Operations Division, to support print and mail services for various City Departments.

B. Vermeer Texas - Louisiana for Vermeer Equipment Parts & Repair Services, \$204,000.00 annually, upon award through June 30, 2022, with two, one year renewal options - will provide Solid Waste Management, Fleet Operations Division, with a contractor to furnish replacement parts and service to Vermeer equipment for the purpose of processing brush and yard waste at the brush recycling centers.

C. CATO Electric Company for Drilling Wood & Steel Pole Foundations, \$257,000.00 annually, upon award through June 30, 2022, with two, one-year renewal options - will provide the Transportation and Capital Improvements Department, Traffic Management Division with the supply and installation of wood poles and down-guy anchor rods at traffic signal intersections located throughout the City. The Contractor will furnish equipment and labor to drill cylinder holes, set and tamp wood poles and anchor rods and remove drilling debris from the work site. The contractor will also be responsible for obtaining underground and overhead utility clearances.

Sole Source:

D. Mergent, Inc. for Database Subscription Mergent - SAPL, \$49,000.00 Initial Year; \$249,454.00 total contract value, upon award through March 31, 2022 with two, one-year renewal options - will provide the San Antonio Public Library with a sole source contract for an annual database subscription through Mergent, Inc. which includes access to Mergent's proprietary products: Mergent Intellect, Mergent Online, Dun & Bradstreet First Research and Dun & Bradstreet Key Business Ratios. Mergent is the only source for a public library subscription to provide detailed information on over 250 million global, national and local companies with extensive financial detail, executive and employee detail, industrial detail and more. Financial statements are presented in "as-reported" form and in native currencies, maintaining the full integrity of this critical information. The databases will be accessible by the public and library staff engaged in business research.

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.

Cooperative:

E. T & W Tire, LLC for Emergency Tires - SAFD, \$902,000.00 annually, upon award through February 29, 2020 with one, one year renewal option - will provide the Fire Department with high performance truck tires for the Department's emergency vehicle fleet. The contract also provides tire re-treading and repair services. These tires will equip Light-Duty vehicles (3/4 ton to 1 ½ ton) including ambulances, first responders, and command vehicles; and Heavy Duty vehicles (2 ton and greater) including Fire Engines, Aerial Ladder Trucks,

Water Tankers, Heavy Rescue vehicles and Brush Trucks.

The proposed tires are first line and manufactured to Original Equipment Manufacturer specifications. Prior experience has demonstrated that these higher quality tires offer improved reliability and greater re-treadability providing longer use and re-use.

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. Supplemental Printing Services - This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program, which requires contracts be reviewed by a Goal Setting Committee to establish a requirement and/or incentive unique to the particular contract in an effort to maximize the amount of small, minority, and women-owned business participation on the contract. The Goal Setting Committee set a 20% Minority/Women Business Enterprise (M/WBE) subcontracting goal. Cellisco dba Accu-Print, Lopez Printing, Inc., Rush American Printing, Inc., and Smith Print has committed to committed to satisfying the 20% M/WBE subcontracting goal.

The recommended awards are to the lowest responsive bidders, who are also local businesses; 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. Vermeer Equipment Parts & Repair Services - 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. Drilling Wood & Steel Pole Foundations - This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program. CATO Electric Company is a small firm that will be self-performing the 21% Small Business Enterprise (SBE) subcontracting goal.

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.

D. Database Subscription Mergent - SAPL - This contract is exempt from competitive bidding and is excluded from the scope of the SBEDA program.

The recommended award 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.

E. Emergency Tires - 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 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. Supplemental Printing Services - Should this contract not be approved, City Departments would be required to purchase items on an as needed basis which may result in higher prices and delays in printing services.

B. Vermeer Equipment Parts & Repair Services - Should this contract not be approved, the department will be required to process individual procurements as needs arise. As a result, processing requirements as spot purchases would delay the timely repair to heavy-duty equipment and the department will not realize the cost savings customarily associated with long-term agreements.

C. Drilling Wood & Steel Pole Foundations - Should this contract not be approved, the Transportation and Capital Improvements Department, Traffic Management Division would be required to solicit quotes on an as needed basis, potentially resulting in increased costs and possible delays in completion of City projects.

D. Database Subscription Mergent - SAPL - Should this contract not be approved, patrons of the San Antonio Library System would have to conduct their own research from various platforms which is time consuming and can be incomplete. By approving this contract, patrons and staff of the San Antonio Library System will utilize electronic databases which will provide an access point to quickly deliver research information required for personal, academic or work related use.

E. Emergency Tires - Should this contract not be approved, the Fire Department will be required to procure tires and labor on an as needed basis. The City would lose the pricing advantage that is available through a cooperative contract that affords volume discounts. Furthermore, the department's budget could be negatively impacted through continuous price variations.

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, sole source, and cooperative purchasing and Contract Disclosure Forms are not required.