



# City of San Antonio

## Agenda Memorandum

**File Number:**19-2863

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**Agenda Item Number:** 4.

**Agenda Date:** 5/9/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

5/9/2019 Annual Contracts

### **SUMMARY:**

An ordinance awarding four 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 \$471,000.00. 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. Sun Badge for SAPD Badges, \$15,000.00 annually; \$60,000.00 contract period (1 contract, San Antonio Police Department & Aviation)
- B. Clampitt Paper Company and Western BRW - Bosworth for Copier Paper and Card Stock, \$236,000.00 annually (2 contracts, Citywide)
- C. Herc Rentals, Inc. for Rental of Construction Equipment, \$220,000.00 annually (1 contract, Transportation & Capital Improvements, Parks & Recreation, Convention & Sports Facilities, and Solid Waste Management 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. Sun Badge for SAPD Badges, \$15,000.00 annually; \$60,000.00 contract period, upon award through August 30, 2021 with two, one year renewal options - will provide the City of San Antonio Police and Aviation Police Departments with custom badges and hat badges to be worn by sworn officers. The badges are assigned to all officers for identification purposes, and as a sign of legal authority as SAPD law enforcement officers and as allegiance to the community. The badges are distributed to cadets upon graduation from the SAPD Training Academy and when officers are promoted to different ranks.

B. Clampitt Paper Company and Western BRW - Bosworth for Copier Paper and Card Stock, \$236,000.00 annually, July 1, 2019 through September 30, 2021 with one, one year renewal options - will provide the City with the purchase and delivery of various sized recycled multi-purpose paper as well as report or presentation cover card stock utilized by departments City-wide for various printing requirements.

**Cooperative:**

C. Herc Rentals, Inc. for Rental of Construction Equipment, \$220,000.00 annually, upon award through October 31, 2023 with two, two-year renewal options - will provide the Transportation and Capital Improvement, Parks and Recreation, Convention and Sports Facilities and Solid Waste Management Departments with the rental of equipment. This equipment will be utilized for a variety of construction and maintenance projects including concrete repairs, road and street work excavating, events at the Alamodome and moving mulch and uploading trash. This equipment will also augment existing equipment or to temporarily replace inoperable equipment.

**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. SAPD Badges - 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 good/supplies contracts, so no preference was applied to this contract.

B. Copier Paper and Card Stock - 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.

C. Rental of Construction Equipment - 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. SAPD Badges - Should this contract not be approved, SAPD would be required to purchase badges on an as needed basis, wherein increased costs due to non-contract buying could be realized and cause a delay in delivery times.

B. Copier Paper and Card Stock - Should this contract not be approved, the City would be required to purchase paper and card stock as needs arise which may not only result in increased costs per order but negatively impact delivery times as well. Establishing a fixed price contract secures volume discounts and allows price adjustments to be processed based on the fluctuations of the Producer Price Index.

C. Rental of Construction Equipment - Should this contract not be approved, the City will be required to rent equipment on an as needed basis. Lack of contract could increase the time necessary to obtain rental equipment, thus negatively impacting completion of Transportation and Capital Improvement, Parks and Recreation, Convention and Sports Facilities and Solid Waste Management Department 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 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 cooperative purchasing, and Contract Disclosure Forms are not required.