



# City of San Antonio

## Agenda Memorandum

**File Number:**19-4303

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**Agenda Item Number:** 9.

**Agenda Date:** 6/20/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

6/20/2019 Annual Contracts

### **SUMMARY:**

An ordinance awarding three 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 \$252,720.00. 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. Oxford Immunotec USA, Inc. for TB Test Kits and Supplies, \$150,000.00 annually (1 contract, San Antonio Metropolitan Health District)
- B. Kofile Technologies, Inc. for Preservation Initiative and Municipal Archives Carryforward, \$93,000.00 Year 1; \$626,061.30 total contract value (1 contract, Office of the City Clerk)
- C. Roche Diagnostics Corporation ("Roche") for Amendment #4 to SAMHD Annual Contract for MagNa Service Agreement, \$9,720.00 increase annually; \$134,313.00 contract period (1 contract, San Antonio Metropolitan Health District)

### **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.

**Sole Source:**

A. Oxford Immunotec USA, Inc. for TB Test Kits and Supplies, \$150,000.00 annually, upon award through June 30, 2020, without renewal options - will provide the Laboratory Services Division of the San Antonio Metropolitan Health District (SAMHD) with the purchase and delivery of Tuberculosis (TB) test kits and supplies used to perform T-Spot interferon gamma releasing assays (IGRA) in support of routine Chest Clinic operations, 1115 TB Waiver Grant activities and external clinical clientele to screen for mycobacterium tuberculosis (MTB) exposures. The SAMHD Laboratory is specifically accredited to perform T-Spot TB testing by the Clinical Laboratory Improvement Amendments (CLIA), the regulatory body governing standards for all clinical laboratories.

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:**

B. Kofile Technologies, Inc. for Preservation Initiative and Municipal Archives Carryforward, \$93,000.00 Year 1; \$626,061.30 total contract value, upon award through May 29, 2020 with four, one-year renewal options - will provide the Office of the City Clerk with a contract with Kofile Technologies Inc. to preserve, manage and digitize archives and records of the City of San Antonio. The preservation of municipal documents ensures that source originals are available for viewing for generations to come. Maintenance of these documents while in their best condition is essential to protecting the history of our city for its residents.

The services requested would preserve the original documents to include conservation treatments and restoration, deacidification, and encapsulation of records. Archival imaging and microfilm will be included as a security back-up for disaster recovery.

This purchase is made in accordance with the State Cooperative Program passed through Resolution No. 91-39-53 dated 9/12/1991.

**Amendment:**

C. Roche Diagnostics Corporation (“Roche”) for Amendment #4 to SAMHD Annual Contract for MagNa Service Agreement, \$9,720.00 increase annually; \$134,313.00 contract period, upon award through April 30, 2022, with two, one-year renewal options - This amendment will provide the San Antonio Metro Health Department with an extension to the initial term of the contract to April 30, 2022. This contract provides factory maintenance and service support for the MagNa Pure compact instrument, serial number MPCB0945 and Magna Pure LC instrument, serial number LC2C00000314. These instruments are used to enhance DNA/RNA extraction for influenza surveillance.

The contract term for the original agreement was for one year, July 31, 2011 - July 30, 2012. Amendment #4 will extend the contract with Roche Diagnostics Corporation (“Roche”) under the same terms and conditions for an additional three years from May 1, 2019 - April 30, 2022, with two, one-year options to renew.

**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. TB Test Kits and Supplies**

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.

**B. Preservation Initiative and Municipal Archives Carryforward**

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.

**C. MagNa Service Agreement Amendment #4**

The recommended award is an exception to the Local Preference Program.

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

**ALTERNATIVES:**

A. TB Test Kits and Supplies - Should this contract not be approved, SAMHD will no longer sustain TB infectious disease surveillance efforts. This will result in the loss of State and Federal funding that directly supports local public health program initiatives to identify new TB infections, direct patients into care and treatment, and prevent further spread of infection. Local cessation of these programs is contrary to current CDC/NIH/WHO public health practices for large metropolitan areas.

B. Preservation Initiative and Municipal Archives Carryforward - Should this contract not be approved, the Office of the City Clerk will be unable to preserve, manage and digitize the City's archives and records.

C. MagNa Service Agreement Amendment #4 - Service and maintenance of this equipment is a requirement of the Laboratory Response Network (LRN) program which has established proprietary pricing with Roche to standardize cost and functionality of the equipment used by the lab program in each funded jurisdiction. No action to renew the contract will result in the removal of this equipment, loss of operational capability, and forfeiture of grant funding to support bioterrorism and high consequence infectious disease testing activities.

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