



# City of San Antonio

## Agenda Memorandum

**File Number:** 19-5226

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**Agenda Item Number:** 6.

**Agenda Date:** 8/15/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

Water Treatment Services at the San Antonio International Airport

### **SUMMARY:**

This ordinance authorizes a contract with RHM Chemical, LLC to provide the Aviation Department with water treatment services for the San Antonio International Airport's Central Utility Plant for an annual cost not to exceed \$32,400.00. Funding for this contract is available through the department's Operating and Maintenance Fund.

### **BACKGROUND INFORMATION:**

Ordinance authorizing a contract with RHM Chemical, LLC to provide all necessary materials, equipment, and labor to perform chemical water treatment services for the San Antonio International Airport's (SAT) Central Utility Plant (CUP) that provides cooling and heating for the Federal Aviation Administration Tower, Airport Terminals and the Consolidated Rental Car facility at SAT. This service is required to maintain operating efficiency and prevent corrosion and hard water damage to the CUP.

The City issued a Request for Competitive Sealed Proposal (RFCSP) for "Annual Contract for Water Treatment Services at the San Antonio International Airport" (RFCSP 6100011269) on February 19, 2019, with a submission deadline of March 29, 2019. Three proposal responses were received and were deemed eligible for evaluation.

The evaluation committee met on May 8, 2019 to evaluate the three responsive proposals received. The evaluation committee consisted of three representatives from the Aviation Department and two representatives

from the Building and Equipment Services Department. The Finance Department, Purchasing Division assisted by ensuring compliance with City procurement policies and procedures. The proposals were evaluated based on the firm's qualifications, experience, previous performance (45 points), proposed plan (35 points) and price schedule (20 points). Additional categories of consideration included references and financial qualifications. After committee review, discussion and scoring, RHM Chemical, LLC was recommended for award by the evaluation committee.

The initial term of the agreement shall be for a period of three years upon City Council approval. Two additional one year renewals at the City's option shall also be authorized by this ordinance.

**ISSUE:**

This contract will provide the Aviation Department with a qualified contractor that will furnish the necessary materials, equipment, and labor to perform chemical water treatment services for SAT's CUP that provides cooling and heating for the Federal Aviation Administration Tower, Airport Terminals and the Consolidated Rental Car facility at SAT. The CUP's cooling and heating systems require water monitoring, testing/analysis and treatment to prevent corrosion and hard water damage. Chemical water treatment services provide system safety, reliability, and the functionality to maintain peak operational efficiencies while extending the life cycle of the cooling and heating systems at the CUP.

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.

This contract is an exception to the Local Preference Program.

The Veteran-Owned Small Business Program does not apply to non-professional service contracts, so no preference was applied to this contract.

**ALTERNATIVES:**

Should this contract not be approved, the Aviation Department would be required to procure water treatment services on an as-needed basis which could lead to inconsistent water quality and expose the equipment to damage due to scale and corrosion. Processing individual procurements would most likely increase the cost of services due to non-contract pricing and also expose the City to greater risk in the absence of standard contract insurance requirements.

**FISCAL IMPACT:**

This ordinance authorizes a contract with RHM Chemical, LLC to provide water treatment services for the Aviation Department for an annual cost not to exceed \$32,400.00 to be funded with the Aviation Department's Operating and Maintenance Fund.

**RECOMMENDATION:**

Staff recommends approval of this contract with RHM Chemical, LLC to provide water treatment services for cooling and heating systems for the Aviation Department for an annual cost not to exceed \$32,400.00.

This contract was procured by means of Request for Competitive Sealed Proposal and Contract Disclosure Form is required.