



City of San Antonio

Agenda Memorandum

File Number:19-9047

Agenda Item Number: 20.

Agenda Date: 1/16/2020

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Bulk Purchasing Intergovernmental Support Agreement (IGSA) with Joint Base San Antonio, (JBSA) Texas

SUMMARY:

An ordinance authorizing an Intergovernmental Support Agreement (IGSA) to establish terms and conditions between Joint Base San Antonio (JBSA) and City of San Antonio to provide bulk material purchases through existing City contracts in support of JBSA military installations for a ten-year period; and, authorizing the acceptance of federal funds from JBSA for the bulk material purchases made on behalf of JBSA.

BACKGROUND INFORMATION:

In 2013, the Department of Defense received new authority to partner with state and local government entities to seek efficiencies and cost savings in the provision/acquisition of common services. The United States Air Force took the lead in exercising this new authority fostering extensive discussions between installations and their host communities. Approval of this agreement will allow JBSA to procure bulk materials at lower prices than currently paid saving tax-payer money and allowing JBSA to reinvest the savings into other priorities.

As part of a collaborative effort between the City and JBSA to explore opportunities across city services that could enable a more cost-effective operation of the military installations, JBSA identified use of the City's existing supply contracts for commodities as a potential cost-saving mechanism. These contracts are primarily for roadway and construction materials, including but not limited to, ready mix concrete, asphalt products, rocks, sand and soil products. On April 25, 2019, the City submitted a Letter of Intent to JBSA welcoming the opportunity to discuss potential partnerships for the purchase of bulk materials.

This IGSA is the second agreement between JBSA and the City. In September 2018, the City's Transportation and Capital Improvements Department entered into an agreement with JBSA to rehabilitate roadways on military installations utilizing City contractors.

ISSUE:

This ordinance authorizes an IGSA to establish terms and conditions between JBSA and City of San Antonio to provide bulk purchasing services for JBSA military installation locations for a ten-year ordering period; and, authorizes the acceptance of federal funds from JBSA for the purchase of bulk materials. Standard operating procedures remain to be finalized between the City and JBSA. The City intends to recoup only administrative costs associated with processing orders on behalf of JBSA.

ALTERNATIVES:

Should this IGSA not be approved, JBSA which is the largest Joint Base in the Department of Defense would not realize cost savings associated with utilizing COSA bulk purchasing agreements and could impact their cost of base maintenance. Community support is a key scoring criteria during Congressionally mandated Base Realignment and Closure (BRAC) activities. Not approving this Bulk Purchase IGSA would eliminate a major example of community support to JBSA and in turn, negatively impact BRAC scores for our local military installations.

FISCAL IMPACT:

This ordinance requests City Council action to authorize the IGSA and authorize the acceptance of federal funds from JBSA for the management of bulk purchases on behalf of JBSA. This action does not authorize the City to incur any costs at this time. The execution of projects once identified is subject to available funding and are authorized by both JBSA and the City. Projects will be funded by JBSA through their current and future annual Fiscal Year Budgets.

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing an Intergovernmental Support Agreement (IGSA) to establish terms and conditions between Joint Base San Antonio (JBSA) and City of San Antonio to provide for bulk purchases of construction and roadway materials for JBSA military installation locations for a ten-year ordering period; and, authorizing the acceptance of federal funds from JBSA for the purchase of bulk materials.