



# City of San Antonio

## Agenda Memorandum

**File Number:**20-1116

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**Agenda Item Number:** 11.

**Agenda Date:** 2/13/2020

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

2/13/2020 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 \$426,000.00. 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. McAdams, Group, LLC dba Texas Alternator Starter Service for Emergency Vehicle Alternators, Starters and Related Parts, \$44,000.00 annually; \$220,000.00 total contract value (1 contract, Fire Department)
- B. Thompson Print Solutions for Wide Format Printing Services, \$300,000.00 annually (1 contract, Citywide)
- C. Air Cleaning Technologies, Inc. for Diesel Exhaust Capture System, \$82,000.00 annually (1 contract, 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. McAdams, Group, LLC dba Texas Alternator Starter Service for Emergency Vehicle Alternators, Starters and Related Parts, \$44,000.00 annually; \$220,000.00 total contract value, upon award through December 31, 2022 with two, one year renewal options - will provide the San Antonio Fire Department (SAFD) with alternators, starters and related parts for mechanical repairs performed in house by the mechanics at the SAFD Fleet Services Division. These alternators and parts are utilized for repairs to pumper trucks (fire truck with water and other equipment) and aerial ladder trucks. These parts will assist in keeping the fire trucks in operational condition. These parts provide the firefighters with operational and reliable fire truck transportation when responding to emergency rescue operations and non-emergency situations.

B. Thompson Print Solutions for Wide Format Printing Services, \$300,000.00 annually, upon award through June 30, 2022, with a one-year renewal option - will provide various City Departments with wide format printing services, with materials such as foam board, vinyl, styrene, and coroplast. This contract will be managed by the City's Finance Department, Print and Mail Operations Division, to support print services for various City Departments.

**Sole Source:**

C. Air Cleaning Technologies, Inc. for Diesel Exhaust Capture System, \$82,000.00 annually, upon award through December 31, 2022 with three, one year renewal options - will provide a contractor to provide repair parts and service to maintain and repair existing diesel exhaust capture systems installed at various Fire Department facilities. The diesel exhaust system is used to connect to the Fire Department apparatus in an effort to reduce exposure to products of combustion while performing repairs and maintenance.

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.

**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. Emergency Vehicle Alternators, Starters and Related Parts - 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 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.

B. Wide Format Printing Services - 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.

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.

#### **C. Diesel Exhaust Capture System -**

This contract 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. Emergency Vehicle Alternators, Starters and Related Parts - Should this contract not be approved, the San Antonio Fire Department will be required to purchase alternators and parts on an as needed basis wherein increased costs due to non-contract buying would be realized. Lack of a contract could also affect delivery times of required alternator and parts. Delivery delays may cause longer downtime for maintenance and repair of the pumper and aerial ladder fire trucks.

B. Wide Format Printing Services - Should this contract not be approved, City Departments would be required to purchase wide format printing services on an as needed basis which may result in higher prices due to non-contract buying and delays in timely delivery of printing services.

C. Diesel Exhaust Capture System - Should this contract not be approved, the department will not have the ability to reduce the diesel exhaust produced by the fire apparatus at 54 fire stations. This diesel exhaust capture system will improve the air quality and work environment at the fire stations.

#### **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 sole source, and Contract Disclosure Forms are not required.

