



City of San Antonio

Agenda Memorandum

File Number:15-1674

Agenda Item Number: 9.

Agenda Date: 3/5/2015

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

03/5/15 Annual Contracts

SUMMARY:

An ordinance awarding two contracts to provide the City with commodities and services on an annual basis for the terms of the contracts for an estimated annual cost of \$77,000.00. This ordinance provides the procurement of the following items, as needed, and dependent on the Department's available budget, for the terms of the contracts:

A. Excell Environmental, Inc. d/b/a Excell Fueling Systems for Underground Tank/Line Tightness Testing and Red Jacket Leak Detector Testing, \$17,000.00 annually; \$85,000.00 contract period (1 contract, Building and Equipment Services Department)

B. SAT Radio Communications, LTD d/b/a Industrial Communications for Installs, Removals, Repairs of Equipment for Fire and Other City Vehicles, \$60,000.00 annually (1 contract, Fire and Aviation 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. Excell Environmental, Inc. d/b/a Excell Fueling Systems for Underground Tank/Line Tightness Testing and Red Jacket Leak Detector Testing, \$17,000.00 annually; \$68,000.00 contract period, April 1, 2015 through

September 30, 2018 with two, one year renewal options - will provide the Building and Equipment Services Department with tightness and leak detection testing services for 37 underground fuel/oil tanks that will be performed on a yearly basis or as necessary. The underground tightness and leak testings are essential to maintain the overall environmental quality as regulated by the U.S. Environmental Protection Agency (EPA) and the Texas Commission on Environmental Quality (TCEQ).

B. SAT Radio Communications, LTD d/b/a Industrial Communications for Installs, Removals, Repairs of Equipment for Fire and Other City Vehicles, \$60,000.00 annually, April 1, 2015 through June 30, 2018 with two, one year renewal options - will provide the San Antonio Fire and Aviation Departments with a contractor to install, remove and repair electronic safety equipment and communications equipment for the Fire Department and other City vehicles. Fire and Aviation Departments utilize this contract to ensure safe and reliable operation of the 170 fire vehicles and heavy duty apparatuses currently in service. Contractor will provide repair services and installation of lights, sirens, radios, and mobile data terminals.

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. Underground Tank/Line Tightness Testing and Red Jacket Leak Detector Testing -

The Small Business Economic Development Advocacy (SBEDA) Ordinance requirements were waived due to the specialized nature of this purchase and the fact that there are insufficient qualified S/M/WBE's within the San Antonio Metropolitan Statistical Area that can provide these services.

There were no bids submitted from local bidders for this contract; therefore, the Local Preference Program (LPP) was not applied.

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

B. Installs, Removals, Repairs of Equipment for Fire and Other City Vehicles - This contract is within the scope of the SBEDA Program. However, due to the type of commodities/services being procured and value of the contract, no SBEDA tool is available.

The recommended award is to the lowest responsive bidder, who is also a local business. Therefore, application of the LPP was not required.

The VOSBPP does not apply to goods/supplies contracts, so no preference was applied to this contract.

ALTERNATIVES:

A. Underground Tank/Line Tightness Testing and Red Jacket Leak Detector Testing - Should this contract not be approved, the City would be required to purchase services as necessary which could result in higher costs and/or delay of time for the services to be completed, potentially leading to fines for non-compliance with the EPA and TCEQ.

B. Installs, Removals, Repairs of Equipment for Fire and Other City Vehicles - Should this contract not be

approved, the installation and repair services for safety and electronic equipment would have to be secured on an as-needed basis. Lack of a contract could result in downtime delays associated with the installation, maintenance and repair of this equipment which could negatively impact the Fire and Aviation Departments' ability to complete their mission. In addition, the City would not realize the cost savings normally associated with long term agreements.

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 two 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 Contracts Disclosure Forms are not required.