



City of San Antonio

Agenda Memorandum

File Number:15-3848

Agenda Item Number: 7.

Agenda Date: 8/6/2015

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

8/6/2015 Annual Contracts

SUMMARY:

An ordinance awarding three contracts to provide the City with commodities and services on an annual basis for the terms of the contract, for an estimated annual cost of \$352,000.00. This ordinance provides the procurement of the following items, as needed, and dependent on the Department's available budget, for the terms of the contract:

A. Allstates Coatings Company for Acrylic Waterborne Traffic Paint, \$140,000.00 annually (1 contract, Aviation Department)

B. SOS Liquid Waste Haulers, LTD. CO. for Mud Sump Service & Drain Line Cleaning, \$172,000.00 annually (1 contract, Building and Equipment Services, Solid Waste Management, Fire, Parks and Recreation, and Aviation Departments)

C. Toledo Ticket Company for Airport Parking Spitter Tickets, \$40,000.00 annually; \$200,000.00 contract period (1 contract, 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 qualifying:

A. Allstates Coatings Company for Acrylic Waterborne Traffic Paint, \$140,000.00 annually, upon award through September 30, 2018, with two, one year renewal options - will provide the Aviation Department with a vendor to provide acrylic waterborne traffic paint. Acrylic waterborne traffic paint is used exclusively at the San Antonio International Airport on runway and taxiway pavement markings required by Federal Aviation Administration safety standards and recommendations.

Contracts procured on the basis of low bid:

B. SOS Liquid Waste Haulers, LTD. CO. for Mud Sump Service & Drain Line Cleaning, \$172,000.00 annually, upon award through December 31, 2018, with two, one year renewal options - will provide the Solid Waste Management Department, Building and Equipment Services, Fire Department, Parks and Recreation, and Aviation Department with a contractor to furnish mud sump service, drain line cleaning, and waste disposal for multiple facilities throughout the City.

C. Toledo Ticket Company for Airport Parking Spitter Tickets, \$40,000.00 annually; \$200,000.00 contract period, upon award through December 31, 2018, with two, one year renewal options - will provide for the purchase of parking spitter tickets, including printing services and delivery, for the San Antonio International Airport. The Aviation Department's Parking Division uses spitter tickets for the Airport's ticket dispensers placed at all revenue generated parking lots throughout airport property. The spitter tickets require printing information of various requirements and contain magnetic stripes that must conform to the operation of the Airport's installed modular units, ZEAG UCD. The parking spitter tickets will be ordered on an as needed basis.

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. Acrylic Waterborne Traffic Paint - This contract is within the scope of the Small Business Economic Development Advocacy (SBEDA) Program. However, due to the type of commodities services being procured and value of the contract, no SBEDA tool is available.

In accordance with the Local Preference Program, no local preference was applied, since the local bidder is not within 3% of the recommended lowest non-local bidder.

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

B. Mud Sump Service & Drain Line Cleaning - This contract is within the scope of the Small Business Economic Development Advocacy (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 is 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. Airport Parking Spitter Tickets - This contract is within the scope of the Small Business Economic Development Advocacy (SBEDA) Program. However, due to the type of commodities/services being procured and value of the contract, no SBEDA tool is available.

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

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

ALTERNATIVES:

A. Acrylic Waterborne Traffic Paint - Should this contract not be approved, the Aviation Department will be required to procure material on an as needed basis. The City could lose the pricing advantage afforded through a competitively bid contract. Furthermore, the department's budget could be negatively impacted through continuous price variations.

B. Mud Sump Service & Drain Line Cleaning - Should this contract not be approved, the various departments will be required to process individual procurements as needs arise. As a result, processing requirements as spot purchases would delay the timely pumping services and the department will not realize the cost savings customarily associated with long-term agreements.

C. Airport Parking Spitter Tickets - Should this contract not be approved, the City will be required to purchase spitter tickets on an as needed basis, where increased costs due to non-contract buying could be realized and cause a delay in delivery times.

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 three 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 qualifying and low bids and Contracts Disclosure Forms are not required.