



City of San Antonio

Agenda Memorandum

File Number:15-5059

Agenda Item Number: 8.

Agenda Date: 10/29/2015

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

10/29/2015 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 \$909,000.00. 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. Tamez Refrigeration and Air Conditioning for Appliance Repair for the San Antonio Fire Department, \$177,000.00 annually (1 contract, San Antonio Fire Department)

B. Vulcan Construction Materials, LLC for Asphalt Material - Patching Mixture, \$157,000.00 annually (1 contract, Transportation and Capital Improvements Department)

C. Environmental Systems Research Institute for Amendment 6 of the ESRI Enterprise License Agreement, \$575,000.00 annually (1 contract, Information Technology Services 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. Tamez Refrigeration and Air Conditioning for Appliance Repair for the San Antonio Fire Department, \$177,000.00 annually, upon award through December 31, 2018 with two, one year renewal options - will provide the San Antonio Fire Department (SAFD) with a contractor to provide repair parts and service for various appliances at 51 fire stations and 7 fire facilities located throughout the City. These repairs include, but are not limited to, appliances such as refrigerators, ice makers, natural gas and electric stoves, vent hoods, and washer/dryer units.

B. Vulcan Construction Materials, LLC for Asphalt Material - Patching Mixture, \$157,000.00 annually, upon award through December 31, 2018 with two, one year renewal options - will provide the Transportation and Capital Improvements Department, Streets Maintenance Division, with a contractor to furnish asphalt paving materials. The arterial mix and all weather asphalt patching mix will be utilized for the construction and repair of streets located throughout the City.

Amendment:

C. Environmental Systems Research Institute for Amendment 6 of the ESRI Enterprise License Agreement, \$575,000.00 annually, upon award through October 18, 2016 with two, one year renewal options - will provide an amendment to the Enterprise License Agreement that was established between Environmental Systems Research Institute (ESRI), Inc. and the City of San Antonio on October 5, 2006 through Ordinance 2006-10-05-1141. This agreement provides the Information Technology Services Department (ITSD) with a contract for the geographic information system (GIS) software licenses, support, maintenance and training to develop GIS applications and meet the growing demands for GIS services. This amendment will extend the term of the contract for an additional three years for a total cost of \$1,725,000.00. Funding for year one is available from the FY2016 ITSD Operating Fund.

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. Appliance Repair for the San Antonio Fire Department - This contract is within the scope of the Small Business Economic Development Advocacy (SBEDA) Program. While no SBEDA tool was applied to this contract, Tamez Refrigeration and Air Conditioning is a small, minority owned business.

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. Asphalt Material - Patching Mixture - Due to the lack of small, minority, and/or women businesses available

to provide these goods, the SBEDA Program did not apply to this solicitation.

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. Amendment 6 of ESRI Enterprise License Agreement - The recommended award is an exception to the Small Business Economic Development Advocacy (SBEDA) and Local Preference Programs.

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

ALTERNATIVES:

A. Appliance Repair for the San Antonio Fire Department - Should this contract not be approved, the San Antonio Fire Department will be required to procure parts and service on an as needed basis. Lack of a contract could result in delayed repairs, resulting in an inefficient and less cost effective method of servicing City owned equipment.

B. Asphalt Material - Patching Mixture - Should this contract not be approved, the Transportation and Capital Improvements Department will be required to procure materials on an as needed basis. Therefore, processing requirements as spot-purchases will not realize a cost savings customarily associated with long-term agreements.

C. Amendment 6 of ESRI Enterprise License Agreement - Should this contract not be approved, the City would not have a contract for the necessary software licenses, support, maintenance and training to develop GIS applications and meet the growing demands for GIS services. Existing GIS applications would not receive the benefit of patches, upgrades or technical support for troubleshooting issues arising during development of GIS application services.

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 bid and contract amendment and Contract Disclosure Forms are not required.

