



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 8

**Agenda Date:** November 9, 2023

**In Control:** City Council A Session

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**DEPARTMENT:** Finance Department

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

11/09/2023 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 contracts, for an estimated annual cost of \$1,382,630 in year 1 and \$1,333,500 annually thereafter. This ordinance provides the procurement of the following items, as needed, and dependent on the Department's available budget, for the term of the contracts:

- A. Texan Waste Equipment Inc. for Heil Refuse Truck Body Parts; \$1,300,000 annually (1 contract, Solid Waste Management Department)
- B. Aqua on Wheels, LLC for Potable Water Delivery at Eisenhower Park; \$31,000 annually; \$155,000 contract period (1 contract, Parks and Recreation Department)
- C. PipeLogix Inc. for PipeLogix Upgrade and Annual Support; \$51,630 for year 1; \$2,500 annually for years 2 through 5 (1 contract, Public Works Department)

**BACKGROUND INFORMATION:**

The City of San Antonio (City) 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.

Procured on the basis of low bid:

A. Texan Waste Equipment Inc. for Heil Refuse Truck Body Parts, \$1,300,000 annually; upon award through December 31, 2025 with a one year renewal option – will provide the Solid Waste Management Department, Fleet Operations Division, with a contractor to furnish replacement parts for Heil refuse truck body parts needed for the body and the operating mechanism for in-house repairs. This equipment is owned and operated by the City.

B. Aqua on Wheels, LLC for Potable Water Delivery at Eisenhower Park, \$31,000 annually; \$155,000 contract period, upon award through June 30, 2026 with 2, 1-year renewal options – will provide the Parks and Recreation Department with potable drinking water and delivery to Eisenhower Park. The potable water hauler shall be licensed by the Texas Commission on Environmental Quality (TCEQ) and meet all applicable standards for delivery of potable water for public consumption as part of a public water system. Deliveries will generally consist of 2,000 gallons of potable water per delivery on an as-needed basis, with service needs expected to be once per week.

Procured on the basis of sole source:

C. PipeLogix Inc. for PipeLogix Upgrade and Annual Support, \$51,630 for year 1; \$2,500 annually for years 2 through 5, upon award for one-year period, with four, one year renewal options – will provide the Public Works Department with an upgrade to the Phoenix software and with an additional 5-year license for PipeLogix. Phoenix software supports a program level I that is used to operate Closed Circuit Televising (CCTV) equipment. PipeLogix software is installed and used in the City's servers and integrated with the City's Geographic Information System (GIS).

The City uses this software to help develop a televised and condition assessed pipe inventory of the City's estimated 800 miles of underground storm water pipes since 2015. The use of this software allows the City to assess pipe condition using the Pipeline Assessment Certification Program (PACP). Public Works Department Storm Water Operations team uses PipeLogix to exchange data and assess information.

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:**

This contract represents 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. Heil Refuse Truck Body Parts

This contract is within the scope of the Small Business Economic Development Advocacy (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.

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

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

#### B. Potable Water Delivery for Eisenhower Park

This contract is within the scope of the Small Business Economic Development Advocacy (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.

In accordance with the Local Preference Program, no local preference was applied, since the local bidder is not within 5% of the recommended lowest non-local bidder.

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

#### C. PipeLogix Inc. for PipeLogix Upgrade and Annual Support

This contract is exempt from competitive bidding and is excluded from the scope of the Small Business Economic Development Advocacy (SBEDA) program.

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

### **ALTERNATIVES:**

A. Heil Refuse Truck Body Parts - Should this contract not be approved, the department will be required to process individual procurements as needs arise. As a result, processing requirements as spot purchases would delay the timely repair of equipment and the department will not realize the cost savings customarily associated with long-term agreements.

B. Potable Water Delivery for Eisenhower Park – should this contract not be approved, the department will be required to process water delivery off contract individually as needs arise. As

a result, processing individual water delivery would not realize the cost savings customarily associated with long-term agreements.

C. PipeLogix Inc. for PipeLogix Upgrade and Annual Support – should this contract not be approved, the Public Works Department would not be able to fully operate the equipment for the Storm Drain Video Inspection Program. This software is also used on the City’s servers and built into the City’s GIS.

**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 via low bid and sole source; therefore, a Contract Disclosure Form is not required.