



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 4

Agenda Date: August 29, 2024

In Control: City Council A Session

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: District 9

SUBJECT:

Water Treatment Services for San Antonio International Airport

SUMMARY:

This ordinance authorizes a contract with RHM Chemical, LLC to provide routine chemical water treatment services for the San Antonio International Airport for an estimated cost of \$32,800.00 annually and an estimated total cost of \$164,000.00 beginning October 1, 2024 through September 30, 2027 with two additional, one-year renewals at the City's option. Funding for this contract is included in the Airport Operating & Maintenance Fund FY 2025 Proposed Budget. Funding for subsequent years is contingent upon City Council approval of the annual budget.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is a proposal submitted by RHM Chemical, LLC, to provide routine chemical water-treatment services for the Aviation Department for three (3) 1,400 ton chillers, three (3) 1,400 ton cooling towers and two (2) boilers, as well as as-needed service calls for the chilled and/or hydronic loop systems located at the Central Utility Plant, Air Traffic Control Tower, Terminals A and B and the Consolidated Rental Car Facility at the San Antonio International Airport. This service is required to maintain operating efficiency and prevent corrosion or scaling of the hydronic loop systems.

The City issued a Request for Competitive Sealed Proposals (RFCSP) for “Annual Contract for Water Treatment Services for San Antonio International Airport” (RFCSP 24-089, 6100017876) on May 1, 2024, with a submission deadline of June 10, 2024. The RFCSP was advertised in the HartBeat, TVSA channel, the City’s Bidding & Contracting Opportunities website, the San Antonio e-Procurement System and an email notification was released to a list of potential respondents. Four proposals were received; one proposal was deemed non-responsive for failing to correctly submit required proposal documents as established in the RFCSP and another respondent withdraw their submittal for not agreeing to City’s terms and conditions. The remaining two proposals were deemed responsive for evaluation.

The evaluation committee consisted of representatives from the Aviation Department and the Building and Equipment Services Department. The Finance Department, Procurement Division assisted by ensuring compliance with City procurement policies and procedures. The evaluation of each proposal was based on a total of 100 points: 40 points allotted for experience, background, and qualifications; 40 points allotted for proposed plan; and 20 points allotted for respondent’s price schedule. Additional categories of consideration included references and financial qualifications.

The evaluation committee met to discuss and score the two proposals on July 22, 2024. The top ranked firm was RHM Chemical, LLC and is recommended for award.

The initial term of the agreement will be for the period beginning October 1, 2024 through September 30, 2027. Two (2) additional, one-year renewals at the City’s option will also be authorized by this ordinance.

ISSUE:

This contract will provide the Aviation Department with a qualified contractor that will furnish the necessary labor, materials, and chemicals required to perform scheduled preventive maintenance, and chemical treatment at the Airport's Central Utility Plant, Air Traffic Control Tower, Terminals A & B and the Consolidated Rental Car Facility at the San Antonio International Airport. Each facility requires an industrial water treatment program for cooling and heating systems including various types of equipment such as cooling towers, chillers, condensing units, heat exchangers, boilers and their supporting components through an open loop or closed loop system. Preventive maintenance services include labor, materials, service equipment, tools, inspections, service reports, adjustments, water testing and analysis, and replacement parts necessary for the maintenance of the water systems.

These regularly scheduled preventive maintenance services are required to preserve the safety, reliability and functionality of this equipment and to maintain peak operational efficiencies while extending the life cycle of the equipment.

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.

This award is an exception to the Local Preference Program.

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

This vendor has acknowledged to comply with the Heat Illness Prevention Ordinance, approved on August 31, 2023, through Ordinance #2023-08-31-0585.

ALTERNATIVES:

Should this contract not be approved, the Aviation Department would be required to procure preventive maintenance on equipment requiring industrial water treatment on an as-needed basis which could lead to inconsistent service and delay in response time to maintenance and repair requests. Processing individual procurements will affect the cost of services due to non-contract pricing. Moreover, the Aviation Department does not have the staff to perform these services in-house.

FISCAL IMPACT:

This ordinance authorizes a contract with RHM Chemical, LLC to provide routine chemical water treatment services for the San Antonio International Airport for an estimated cost of \$32,800.00 annually and an estimated total cost of \$164,000.00 beginning October 1, 2024, through September 30, 2027, with two additional, one-year renewals at the City's option. Funding for this contract is included in the Airport Operating & Maintenance Fund FY 2025 Proposed Budget. Funding for subsequent years is contingent upon City Council approval of the annual budget.

RECOMMENDATION:

Staff recommends approval of this ordinance.

This contract was procured by means of a Request for Competitive Sealed Proposals and a Contracts Disclosure Form is required.