



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 8

Agenda Date: August 11, 2022

In Control: City Council A Session

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

08/11/2022 Annual Contracts

SUMMARY:

An ordinance awarding six contracts to provide the City with commodities and services on an annual basis for the term of the contract, for an estimated annual cost of \$312,506.00 annually. This ordinance provides the procurement of the following item, as needed, and dependent on the Department's available budget, for the term of the contract:

- A. Casa Verde Farms, Inc., for Bedding Plants, \$169,506.00 annually (1 contract, Parks and Recreation, Center City Development and Operations, and Aviation Departments)
- B. Midtex Oil, LP., Hampel Oil Distributors, Inc., Texas Enterprise, Inc., for Antifreeze Coolant, \$63,000.00 annually (3 contracts, Solid Waste Management Department)
- C. Reece Supply AKA Morrison Supply, and South Texas Faucet Parts Ltd., dba Faucet Parts for Plumbing Fixtures and Supplies, \$80,000.00 annually (2 contracts, 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.

Contract procured on the basis of low bid:

A. Casa Verde Farms, Inc., for Bedding Plants, \$169,506.00 annually, upon award through May 31, 2025 with two, one-year renewal options – will provide the City with bedding plants. The annual contract will provide for a professional, wholesale, nursery grower to furnish and deliver a wide variety of bedding plants to landscape the City's high visibility park areas Downtown and at the International Airport.

B. Midtex Oil, LP., Hampel Oil Distributors, Inc., and Texas Enterprise, Inc., dba Golden West Oil Co. for Antifreeze Coolant, \$63,000.00 annually, upon award through June 30, 2025 with two, one-year renewal options – will provide antifreeze coolant in bulk, 55 gallon drums and 1 gallon jugs to be utilized by Solid Waste Management Department to support the departmental fleet of City vehicles and equipment.

C. Reece Supply AKA Morrison Supply, and South Texas Faucet Parts Ltd., dba Faucet Parts for Plumbing Fixtures and Supplies, \$80,000.00, upon award through June 30, 2023 with two, one-year renewal options - will provide various non-interchangeable plumbing parts and supplies for the Aviation Department. Parts will be used for repairs and maintenance at the San Antonio Airport System.

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. Bedding Plants

This contract is within the scope of the 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.

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 and supplies contracts, so no preference was applied to this contract.

B. Antifreeze Coolant

This contract is within the scope of the 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 bidders are not within 3% of the recommended lowest non-local bidders.

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

C. Plumbing Fixtures and Parts

This contract is within the scope of the 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.

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 and supplies contracts, so no preference was applied to this contract.

ALTERNATIVES:

A. Bedding Plants - Should this contract not be approved; the various City departments will be required to purchase bedding plants on an as needed basis. However, processing requirements as spot purchases will not realize the cost savings customarily associates with long-term agreements.

B. Antifreeze Coolant - Should this contract not be approved, the department will be required to process individual procurements on an as needed basis wherein increased costs due to non-contract buying could be realized.

C. Plumbing Fixtures and Parts - Should this contract not be approved, the department will be required to process individual procurements to provide non-interchangeable plumbing parts and supplies on an as-needed basis wherein increased costs due to non-contract buying could be realized.

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 on the basis of low bid and Contract Disclosure Forms are not required.