

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
CONVENTION FACILITIES DEPARTMENT**

TO: Mayor and City Council

FROM: Edward C. García, Convention Facilities Director; Michael Abington, Alamodome Director

THROUGH: Terry M. Brechtel, City Manager

COPIES: Roland A. Lozano, Assistant to the City Manager; File

SUBJECT: Utility Service Concessions Selection for the Henry B. González Convention Center, Lila Cockrell Theatre, Municipal Auditorium, Alamodome, and Nelson W. Wolff Municipal Stadium of the San Antonio Convention Facilities and Alamodome departments.

DATE: February 27, 2003

SUMMARY AND RECOMMENDATIONS

This ordinance provides for the approval of three (3) separate License Agreements with 1) Hi Tech Electric L.L.C., 2) Associated Operations, Inc. d/b/a Harper Wood Electric Company (SWDBE), and 3) Edlen Electrical Exhibition Services of Texas, Inc. for an approved list of three (3) contractors to provide temporary utility services including electrical power, water and compressed air for individual events/functions at the Henry B. González Convention Center, Lila Cockrell Theatre, Municipal Auditorium, Alamodome, and Nelson W. Wolff Municipal Stadium and authorizes the City Manager to execute the Agreements with a primary three (3)-year term commencing March 15, 2003 and expiring March 14, 2006 with one (1) additional one (1)-year renewal option and provides for payment to the City of 25% of all Contractor's receipts, after sales taxes, generated thereunder with projected total annual revenues averaging \$435,733.

Staff recommends the approval of this ordinance.

BACKGROUND INFORMATION

In anticipation of the expiration of the Utility Service License Agreements, City Staff initiated a Request for Qualification (RFQ) process on December 22, 2002 for interested parties to respond with submittals by January 21, 2003. A Coordination Committee comprised of representatives from Convention Facilities, the Alamodome, Economic Development, the Contract Services Division of Asset Management, the Office of Management and Budget, and the City Attorney's Office was formed to review the RFQ and contract.

The RFQ was advertised in the San Antonio Express News on Sunday, December 22, 2002, La Prensa de San Antonio on Sunday, December 22, 2002, and the Commercial Recorder on Monday, December 23, 2002. The RFQ was posted on the City's website and displayed on TVSA-21 from December 23, 2002 through January 21, 2003. On December 23, 2002 department staff called the three (3) current Contractors to confirm current addresses, to notify them that the RFQ had been advertised and that it was available on the City's RFP website. Six (6) contractors, 1) Hi Tech Electric L.L.C., 2) Associated Operations, Inc. d/b/a Harper Wood Electric Company (SWDBE), 3) Edlen Electrical Exhibition Services of Texas, Inc., 4) GES Exposition Services d/b/a Tradeshow Electric, 5) Smart City Networks, and 6) Gerard Electric, obtained RFQ's and attended the Pre-Submission Conference held on January 8, 2003. Four (4) proposals were received from 1) Hi Tech Electric L.L.C., 2) Associated Operations, Inc. d/b/a Harper Wood Electric Company (SWDBE), 3) Edlen Electrical Exhibition Services of Texas, Inc., and 4) GES Exposition Services d/b/a Tradeshow Electric. The vendors were evaluated based upon their responses to a Request for Qualifications and were required to meet the following minimum qualifications:

1. A minimum of five (5) years in business.
2. A minimum of five (5) years experience providing similar services as defined in the RFQ, and having serviced at least one (1) trade exposition or convention that equals or exceeds 200,000 square feet in each of those five (5) years.
3. Maintain a locally headquartered or branch office in the corporate limits of the City of San Antonio, the San Antonio extra-territorial jurisdiction (ETJ), or in Bexar County, Texas, for the term of the License Agreement.
4. Show proof of insurability and bonding as required in the Certification of Minimum Qualifications Form.

The three (3) vendors that met these minimum qualifications and met all of the submittal requirements were 1) Hi Tech Electric L.L.C., 2) Associated Operations, Inc. d/b/a Harper Wood Electric Company (SWDBE), and 3) Edlen Electrical Exhibition Services of Texas, Inc. The submittal received from GES Exposition Services d/b/a Tradeshow Electric was considered non-responsive due to missing required information relative to 1) proof of performance bond and insurance; 2) staff qualifications/resumes; 3) a proposed price list to include overtime rates; 4) failure to provide an executed License Agreement; 5) and other required submittals.

Harper Wood Electric, Edlen Electrical, and Trade Show Electric held the previous contracts for Utility Service Concessions at the Henry B. González Convention Center, Lila Cockrell Theatre, Municipal Auditorium, Alamodome, and the Nelson Wolff Municipal Stadium from March 15, 1999 through March 14, 2003.

The expiring contracts required the Contractors to pay the City an 18% commission of Gross Sales after sales taxes are paid. City revenue from the Utility Service Concessions for the past four (4) fiscal years has been as follows:

Fiscal Year	Contractor Gross Sales		City Commissions	
	Convention		Convention	
	<u>Facilities</u>	<u>Alamodome</u>	<u>Facilities</u>	<u>Alamodome</u>
1999 *	\$ 945,303.96	\$ 39,376.13	\$ 151,459.85	\$ 6,300.18
2000	\$ 1,236,607.74	\$ 31,151.50	\$ 213,475.01	\$ 4,951.95
2001	\$ 1,249,279.54	\$ 109,484.31	\$ 221,069.09	\$ 18,928.05
2002	\$ 2,217,691.21	\$ 91,594.23	\$ 397,244.36	\$ 15,861.54
2003 **	\$ 510,332.17	\$ 1,130.77	\$ 92,486.67	\$ 203.54
Totals	\$ 6,159,214.62	\$ 233,360.81	\$1,075,734.98	\$ 46,245.26
	Grand Total:	\$6,392,575.43	Grand Total:	\$1,121,980.24

* 3/15/99-9/30/99

** 10/1/02-12/31/02

POLICY ANALYSIS

By providing an approved list, we are able to offer customers multiple choices for services and establish competition while ensuring the service providers meet minimum qualifications and experience. The three (3) proposed Contractors have assured the City that they will make every reasonable business effort to follow the City's SBEDA policies of utilizing local, small, minority and/or women-owned businesses as potential suppliers to assist in the performance of their contract. The three (3) proposed Contractors have also agreed to establish and maintain a local office for the initial term and any renewal terms.

FISCAL IMPACT

The new contracts require the Contractors that are selected to the approved list to pay the facilities a 25% commission of Gross Sales after sales taxes are paid. Projected revenues to the City of San Antonio for the initial term and renewal option are listed below:

Fiscal Year	Projected City Commissions	
	Convention	
	<u>Facilities</u>	<u>Alamodome</u>
2003 *	\$ 176,840.08	\$ 11,454.08
2004	\$ 405,506.00	\$ 21,569.00
2005	\$ 413,674.00	\$ 22,001.00
2006	\$ 422,008.00	\$ 22,442.00
2007**	\$ 197,317.08	\$ 10,491.71
Totals	\$1,615,345.17	\$ 87,957.79
	Grand Total - \$1,703,302.96	

* 3/15/03-09/30/03

** 10/01/06 -03/14/07

The initial term of the new License Agreement for Utility Service Concessions at Convention Facilities and Alamodome facilities is for three (3) years beginning on March 15, 2003 and ending on March 14, 2006 with one (1) additional one-year renewal option subject to approval of the Directors of the Alamodome and Convention Facilities and their entering into a written renewal agreement with the Contractor(s).

COORDINATION

This item has been coordinated with the City Attorney's office, the Contract Services Division of Asset Management, the Office of Management and Budget, and the Economic Development departments.

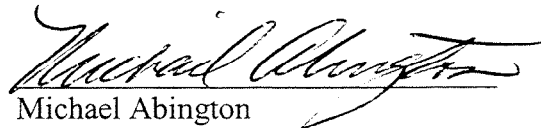
SUPPLEMENTARY COMMENTS

The required Ethics Disclosure forms are attached.

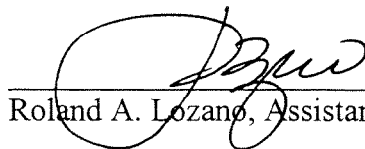
SIGNATURES



Edward C. García
Convention Facilities Director



Michael Abington
Alamodome Director



Roland A. Lozano, Assistant to the City Manager

Approved:



Terry M. Brechtel
City Manager

CITY OF SAN ANTONIO, TEXAS
Request for Qualifications
Utility Services Concession

ATTACHMENT 3

**City of San Antonio
Discretionary Contracts Disclosure***

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of Council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the city in the enforcement of provisions contained in the City Charter and the code of ethics, an individual or business entity seeking a discretionary contract from the city is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract;

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract: _____ and the name of:

(A) any individual or business entity that would be a *subcontractor* on the discretionary contract;

FRED CLARK ELECTRICAL CONTRACTOR

(B) any individual or business entity that is known to be a *partner*, or a *parent* or *subsidiary* business entity, of any individual or business entity who would be a party to the discretionary contract;

NONE

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

NONE

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

CITY OF SAN ANTONIO, TEXAS

Request for Qualifications

Utility Services Concession

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
NONE		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature: Mike Palweda	Title: VICE PRESIDENT NATIONAL OPERATIONS Company: HI TECH ELECTRIC	Date: 1-20-03

²For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

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Request for Qualifications

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(1) the identity of any **individual** who would be a party to the discretionary contract;

MARGARET M. CONNER	C. ROSS CONNER
KATHLEEN A. BOWE	DARRELL F. BOWE
CHERIE L. BRYANT	JAMES H. NORWOOD
AUBREY L. CHAPMAN, JR.	

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract: _____ and the name of:

(A) any individual or business entity that would be a *subcontractor* on the discretionary contract;

HUGH HAWKINS ENTERPRISES
TUTTLE PLUMBING

(B) any individual or business entity that is known to be a *partner*, or a *parent* or *subsidiary* business entity, of any individual or business entity who would be a party to the discretionary contract;

HARPER WOOD ELECTRIC CO.
1107 S. BROWDER STREET
DALLAS, TEXAS 75215

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

NONE

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

CITY OF SAN ANTONIO, TEXAS

Request for Qualifications

Utility Services Concession


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To Whom Made:	Amount:	Date of Contribution:
NONE	NONE	NONE

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NONE		
Signature: 	Title: VICE PRESIDENT FINANCE Company: ASSOCIATED OPERATIONS INC. DBA HARPER WOOD ELECTRIC CO.	Date: 17 JANUARY 2003

²For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

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Request for Qualifications
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(1) the identity of any individual who would be a party to the discretionary contract;

N/A

(2) the identity of any business entity¹ that would be a party to the discretionary contract: _____ and the name of: _____

(A) any individual or business entity that would be a *subcontractor* on the discretionary contract;

N/A

(B) any individual or business entity that is known to be a *partner*, or a *parent* or *subsidiary* business entity, of any individual or business entity who would be a party to the discretionary contract;

N/A

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

N/A

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CITY OF SAN ANTONIO, TEXAS

Request for Qualifications

Utility Services Concession

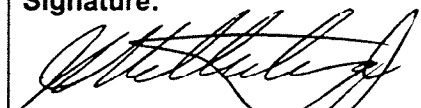
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N/A		
Signature: 	Title: <i>PRESIDENT</i> Company: <i>EDLEN ELECTRICAL EXHIBITION SERVICES</i>	Date: <i>1/20/05</i>

²For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.