

CONSENT AGENDA
10(3)

**CITY OF SAN ANTONIO
PURCHASING & GENERAL SERVICES DEPARTMENT
CITY COUNCIL AGENDA MEMORANDUM**

TO: Mayor and City Council

FROM: Janie B. Cantu, Director of Purchasing & General Services

SUBJECT: Sale of Confiscated Eight-liners

DATE: January 5, 2006

SUMMARY & RECOMMENDATION

This ordinance authorizes the Purchasing & General Services Department to accept a bid in the amount of \$41,985.00 submitted by Express Video, Inc. for the purchase of confiscated eight-liner gambling machines. The eight-liners were seized as a result of criminal investigations of illegal gambling establishments in the San Antonio City limits. The machines were forfeited by Court order. This ordinance also authorizes payment to the Bexar County District Attorney's Office ("District Attorney's Office").

Staff recommends approval.

BACKGROUND INFORMATION

As a result of criminal investigations, the Police Department seized 3,899 eight-liner gambling machines. To date, the San Antonio Police Department filed one hundred and four (104) criminal cases involving illegal gambling establishments in San Antonio. By order of the Courts, 135 of the seized machines have been forfeited.

The Purchasing and General Services Department solicited six bids for the sale of 135 eight-liner gambling machines and recommends acceptance of the bid submitted by Express Video, Inc., with the highest bid of \$41,985.00. The established minimum bid was \$300.00 per machine, with the successful vendor bidding an average of \$311.00 per machine. The invitation for bid contains language stating the bidder agrees to remove all machines from the State of Texas within thirty days of notification of award and shall not bring the machines nor allow the machines to be brought back to the State of Texas.

Per an Interlocal Agreement to be submitted for approval on January 5, 2006, the parties shall share revenue from the sale of the machines 60/40, with the City receiving 60%, and each party paying its own expenses. Revenue received from this sale of eight-liners totals \$41,985.00. Per the Interlocal Agreement, the District Attorney's Office is entitled to these proceeds. Thereafter, the City shall owe the District Attorney's Office \$338.98, which shall be paid out of proceeds resulting from future sales.

POLICY ANALYSIS

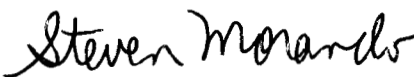
This ordinance continues City Council's policy of liquidating seizures of illegally obtained assets in an effort to reduce the profitability of illegal gambling establishments and to help offset the cost incurred in the investigation of the illegal activity.

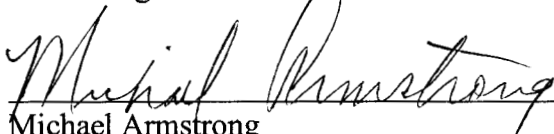
FISCAL IMPACT


The funds from the sale of the eight-liners will be deposited into the Confiscated Property Fund.

COORDINATION

This ordinance has been coordinated with the City of San Antonio Police Department and the City Attorney's Office.


for Janie B. Cantu, C.P.M., Director
Purchasing & General Services


Michael Armstrong
Assistant City Manager/Chief Information Officer


+ Sheryl Sculley
City Manager

City of San Antonio
Contract Summary Sheet

Date 1-5-06

Agenda Item:

Name/Title (Caption as shown on agenda):

An ordinance accepting the bid submitted by Express Video, Inc. for the purchase of 135 gambling devices (Eight Liners) in the amount of \$41,985.00, seized as a result of criminal investigations by the Police Department, and subsequently forfeited by orders of the Courts; and authorizing payment to the Bexar County District Attorney's Office. [Presented by Janie B. Cantu, Director, Purchasing & General Services; Michael Armstrong, Assistant City Manager/Chief Information Officer]

Description of Item(s) and Use:

This ordinance will accept \$41,985.00 submitted by Express Video, Inc. for the sale of confiscated eight liner gambling machines.

Total \$: **\$41,985.00**

Bid Number and Title	06-012 Eight Liners
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Method of Procurement	Competitively Bid
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Price Trend	
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Contract Info: X Revenue Annual Support/Maintenance Lease

Contractor(s):	Express Video Inc. , 240 Koolabrew Drive, Calabash, NC 28462
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Previous Related Council Action(s):

Date:	3-31-05
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Agenda Item #:	6
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Action:	Ord No. 100594 accepting the bid from Express Video for the sale of 8 liners in the amount of \$107,231.00
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Date:	
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Agenda Item #:	
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Action:	
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Date:	
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Agenda Item #:	
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Action:	
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Anticipated Future Requirements and Actions:

Comments:

Using Police Department
Department:

City of San Antonio Bid Tabulation

Opened October 31, 2005		Express Video, Inc. 240 Koolabrew Drive Calabash NC 28467
For: Sale of Confiscated Illegal Gambling 8-Liner Video Machines		
Bid # 06-012	DS	
Description		
Eight-Liner Video Machines		
Price Per Lot of 135 Machines	1	\$41,985.00
Amount to be Received by the City		\$41,985.00