

AGENDA



Thursday, March 5, 2009

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 22**

Subject: Authorize award and execution of a 36-month requirements supply contract with AIRGAS SOUTHWEST, Austin, TX, for the purchase of medical grade oxygen for the Emergency Medical Services Department and the Austin Fire Department in an estimated amount not to exceed \$456,513, with three 12-month extension options in an estimated amount not to exceed \$152,171 per extension option, for a total estimated contract amount not to exceed \$913,026.

Amount and Source of Funding: Funding in the amount of \$8,636 is available in the Fiscal Year 2008-2009 Operating Budget of the Austin Fire Department. Funding in the amount of \$80,130 is available in the Fiscal Year 2008-2009 Operating Budget of the Emergency Medical Services Department. Funding for the remaining 29 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Sydney Ceder, Sr. Buyer/974 2035

Purchasing Language: Sole bid received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract will provide medical grade oxygen for use in Emergency Medical Services Department (EMS) and Austin Fire Department (AFD) applications. Medical grade oxygen is administered to patients to increase the oxygen saturation level in their blood.

Oxygen cylinders are to be provided in three sizes – “C” for use in bike and wilderness rescue kits, “D” for portable use by medic units and fire apparatus, and “K” for onboard use in ambulances and STARFlight helicopters. The contractor will provide same day service, picking up empty cylinders and delivering full cylinders. The contractor will also provide hydrostatic testing of cylinders, replacement of cylinder valves and emergency rental of additional cylinders on an as-needed basis.

The “C” and “D” cylinders used by EMS and AFD are city-owned. The “K” cylinders are rentals provided by the vendor.

EMS maintains 16 ground sites (10 hospitals, 5 stations, EMS warehouse) where ambulance crews can re-stock oxygen cylinders and two sites (STARFlight hangar and Helipad) where on-board systems can be refilled. STARFlight onboard system refill stations are located at the Brackenridge helicopter pad and at the aircraft hangar. The AFD oxygen cylinder program is managed by AFD Air Shop on 51st Street.

MBE/WBE Solicited: 0/1

MBE/WBE Bid: 0/0

PRICE ANALYSIS

- a. Sole bid. Other potential bidders were contacted and stated that they can only provide rental of cylinders and do not sell oxygen.
- b. Eighteen notices were sent, including one WBE. There are no known MBEs available for this commodity. One bid was received, with no response from the WBE.
- c. The pricing offered represents an approximate 25% increase to the last contract award September 2006. This is the first increase to the City since July of 2006 and is attributed to the increase in industry indices for the cost of the oxygen.

APPROVAL JUSTIFICATION

- a. Sole bid received. Airgas Southwest is the current supplier of these products.
- b. The Purchasing Office concurs with the Emergency Medical Services Department's and the Austin Fire Department's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.