

AGENDA



Thursday, October 14, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 27

Subject: Authorize award and execution of a 12-month requirements supply contract with AIR LIQUIDE AMERICA SPECIALTY GASES, LLC, Manor, TX, for the purchase of special cylinder gases and gas cylinder management services for Austin Energy in an estimated amount not to exceed \$48,913, with four 12-month extension options in an estimated amount not to exceed \$48,913 per extension option, for a total estimated contract amount not to exceed \$244,565.

Amount and Source of Funding: Funding in the amount of \$48,913 is available in the Fiscal Year 2010-2011 Operating Budget of Austin Energy. Funding for the 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: Shawn Harris, Sr. Supervising Buyer, 505-7351

Purchasing Language: Lowest bid of two bids 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.

Boards and Commission Action: Recommended by the Electric Utility Commission.

This contract is for the purchase of special Environmental Protection Agency (EPA) protocol cylinder gases and the rental and management of cylinders for use by Austin Energy (AE). These gases are used to calibrate analyzers that continuously measure concentrations of pollutants including Nitrous Oxides (NOx) and Carbon Monoxide (CO).

The EPA mandates that Austin Energy monitor emissions from turbine stacks at power plants and that analyzers used in monitoring be calibrated daily. A continuous supply of these items is required for compliance. Failure to comply could result in notice of violations or fines.

MBE/WBE solicited: 1/1

MBE/WBE bid: 0/0PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty-three notices were sent, including one MBE and one WBE. Two bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 3% decrease from the last contract award in September 2006.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Air Liquide America Specialty Gases, LLC is the current provider of these products.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.