

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	47630	Agenda Number	28.
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Meeting Date:	August 6, 2015
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Department:	Purchasing
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Subject

Authorize execution of a 12-month contract with AIRGAS INC. to provide compressed medical grade oxygen for the Emergency Medical Services Department and the Fire Department in an amount not to exceed \$295,023, with five 12-month extension options in an amount not to exceed \$295,023 for each extension option, for a total contract amount not to exceed \$1,770,138.

Amount and Source of Funding

Funding in the amount of \$40,535 is available in the Fiscal Year 2014-2015 Operating Budget of the Emergency Medical Services Department. Funding in the amount of \$8,636 is available in the Fiscal Year 2014-2015 Operating Budget of the Austin Fire Department. Funding for the remaining 10-months of the contract period and 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.

Purchasing Language:	Best evaluated bid received from the current provider.
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Prior Council Action:	
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For More Information:	Erin D'Vincent, Senior Buyer Specialist, 512-974-3070
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Boards and Commission Action:	
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
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Additional Backup Information

The contract will provide compressed medical grade oxygen for use in the Emergency Medical Services Department (EMS) and Austin Fire Department (AFD). The oxygen will meet the Food and Drug Administration and United States Pharmacopeia regulatory requirements for oxygen used for human consumption. Medical grade oxygen is administered to patients when there is a need to increase the oxygen saturation level in their blood.

Oxygen cylinders are provided in five sizes for use by medic units and fire apparatuses, ambulances, and bike and wilderness rescue kits. Airgas, Inc. will adhere to the requested AFD and EMS delivery schedule and will pick up empty cylinders and deliver full cylinders to multiple sites. EMS maintains 17 ground sites including 10 hospitals, six stations, and the EMS warehouse where ambulance crews can re-stock oxygen cylinders. The AFD oxygen cylinder program is managed by AFD Air Shop on 51st Street. All tanks will be provided by the vendor on a rental basis. Airgas, Inc. is responsible for all cylinder maintenance and upkeep including testing.

In order to determine the best value to the City, evaluation criteria included price, cylinder accounting, e-Commerce, local business presence, buyback of old cylinders, and a contingency plan detailing written procedures how Airgas, Inc. will maintain and provide sustained medical gas support in the event of a major event such as power outage or a large scale emergency.

This request allows for the development of a contract with a qualified bidder, who provides the best value to the City. If the City is unable to execute a contract with the bidder, staff will return to Council so that another best value bidder may be selected and authorize a contract with that bidder.

MBE/WBE solicited: 1/0

MBE/WBE bid: 0/0

BID TABULATION
IFB-BV No. EAD0610
Compressed Medical Grade Oxygen
(19 line items)

<u>Vendor</u>	<u>Total Price</u>
Airgas Inc. Austin, TX	\$295,022.50
Dupuy Oxygen & Supply, dba Round Rock Welding Supply Round Rock, TX	\$430,475.00

The expenditures for the first 12 months of this contract are estimated to be \$295,023.

A complete bid tabulation is on file in the Purchasing Office and is on the City's Financial Services Austin Finance Online website at: https://www.austintexas.gov/financeonline/vendor_connection/solicitation/search.cfm

PRICE ANALYSIS

- a. Adequate competition.
- b. 81 notices were sent. There is one MBE and no known WBEs registered for this commodity code. Two bids were received with no response from the MBE.

- c. This is the first time pricing for this contract is structured on a lot rental instead of an individual tank rental; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

- a. Best evaluated bid.
- b. The Purchasing Office recommends contract award consistent with the evaluation.
- c. Advertised in the Austin American Statesman and on the internet.