



Recommendation for Action

File #: 20-2626, **Agenda Item #:** 47.

8/27/2020

Posting Language

Authorize award of a multi-term contract with Airgas Inc., to provide industrial gases, pressure vessels, pressure vessel maintenance, and inspections, for up to six years for a total contract amount not to exceed \$1,633,500.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy; Austin Fire Department; Austin Police Department; Austin Water; Aviation; Fleet Mobility Services.

Fiscal Note

Funding in the amount of \$22,688 is available in the Fiscal Year 2019-2020 Operating Budget of various City departments. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued an Invitation for Bids (IFB) 1100 JMF1008REBID for these goods and services. The solicitation issued on May 11, 2020, and it closed on May 26, 2020. Of the two offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134459)
<https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134459>.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Persons: Julia Finn, at 512-322-6060 or Julia.Finn@austintexas.gov <<mailto:Julia.Finn@austintexas.gov>> or Cedric Zachary, at 512-322-6215 or Cedric.Zachary@austintexas.gov <<mailto:Cedric.Zachary@austintexas.gov>>.

Council Committee, Boards and Commission Action:

August 10, 2020 - Recommended by the Electric Utility Commission on a 7-0 vote, with Commissioners Hadden and Stone off the dais, Commissioner Wray absent and one vacancy.

August 21, 2020 - To be reviewed by the Airport Advisory Commission.

August 21, 2020 - To be reviewed by the Water and Wastewater Commission.

Additional Backup Information:

The contract will provide industrial gases, pressure vessels, pressure vessel maintenance, and inspections for use by Austin Energy, the Austin Police Department, Aviation, Fleet Mobility Services, Austin Water, and the Austin Fire Department.

The City uses industrial gases for various operation and maintenance purposes. For example, Austin Energy uses hydrogen for cooling purposes on multiple generators, carbon dioxide for equipment purging and breathing air for confined space work. Austin Water uses the gases to run the gas chromatograph that analyzes gases produced in the digesters at Hornsby Bend. Fleet, Aviation, and Austin Water use gases for welding purposes in connection with the repair of vehicles and other City equipment. The Austin Police Department uses the gases in their forensic chemistry lab. The Austin Fire Department uses the gases for welding repairs to equipment.

This contract replaces an existing contract that expires September 10, 2020. The recommended contractor is local and is the current provider of these goods.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	3 yrs.	\$ 816,750
Optional Extension 1	1 yr.	\$ 272,250
Optional Extension 2	1 yr.	\$ 272,250
Optional Extension 3	1 yr.	\$ 272,250
TOTALS	6 yrs.	\$1,633,500

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Strategic Outcome(s):

Safety; Health and Environment; Government that Works for All.