



**Water & Wastewater Commission  
Review and Recommendation**

<b>Commission Meeting Date:</b>	August 21, 2020	<b>COA Strategic Direction:</b>	Safety, Health & Environment Government That Works For All
<b>Council Meeting Date:</b>	August 27, 2020		
<b>Department:</b>	Purchasing		
<b>Client:</b>	Danielle Lord, Rick Coronado		
<b>Agenda Item</b>			
Recommend approval to award 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. Austin Water's requested authorization is \$66,000.			
<b>Amount and Source of Funding</b>			
Funding in the amount of \$917 is available in the Fiscal Year 2019-2020 Operating Budget of Austin Water.			
<b>Purchasing Language:</b>	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: <a href="#">Solicitation Documents</a> .		
<b>Prior Council Action:</b>	N/A		
<b>Boards and Commission Action:</b>	August 10, 2020 – Recommended by the Electric Utility Commission with a vote 7-0, with Commissioners Hadden and Stone off the dais, Commissioner Wray absent and one vacancy. August 21, 2020 – To be reviewed by the Water and Wastewater Commission.		
<b>MBE/WBE:</b>	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.		

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:**

<b><u>Contract Term</u></b>	<b><u>Length of Term</u></b>	<b><u>Contract Authorization</u></b>
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
<b>TOTALS</b>	<b>6 yrs.</b>	<b>\$ 1,633,500</b>

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

**PRICE ANALYSIS**

- a) Solicitations: 55 notices were sent, including 0 MBE and 0 WBE firms with no M/WBE firms responding.
- b) Cost Analysis: The proposed contract pricing is consistent with a 11.19% decrease in the market.