



Legislation Details (With Text)

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Title: Resolution to Approve Purchase of Liquid Oxygen for Water Treatment from Air Liquide Industrial U.S. LP, Bid No. ITB-3948 (estimated \$86,800.00/yr)

Sponsors:

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Date	Ver.	Action By	Action	Result
8/18/2008	1	City Council	Approved	Pass

Resolution to Approve Purchase of Liquid Oxygen for Water Treatment from Air Liquide Industrial U.S. LP, Bid No. ITB-3948 (estimated \$86,800.00/yr)

Your approval is requested to authorize the purchase of liquid oxygen (LOX) for the water treatment process. The Water Treatment Services uses liquid oxygen to generate ozone which is used to disinfect drinking water. The estimated total cost of this chemical for FY 09 is \$86,800.00.

The following bids were received:

Air Liquide Industrial U.S. LP	\$0.434/ccf
Praxair Inc	\$0.37988/ccf

Although Praxair Inc submitted a lower bid, they are taking exceptions to the terms and conditions of the contract which does not protect City's interests. It is, therefore, recommended that Air Liquide Industrial's bid be accepted as the lowest responsible bid to purchase liquid oxygen to meet the Water treatment Service Unit's need for the FY09.

Funds are specifically budgeted for this purchase in the approved FY 09 Operations and Maintenance Budget for the Water Supply System.

It is also recommended that the purchasing agreement be extended for up to two additional years at no increase in cost if the vendor is agreeable, and if the City deems it to be in its best interest.

Prepared by: Sumedh Bahl, Manager, Water Treatment Services

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, City Administrator

Whereas, The Water Treatment Services uses liquid oxygen (LOX) in daily operations for disinfection of the drinking water;

Whereas, Contracts for supplying estimated requirements are the most stable and cost-effective way

of meeting water treatment needs;

Whereas, Of the bids received to supply LOX per Bid No. ITB-3948, Air Liquide Industrial U.S. LP submitted the lowest responsible bid; and

Whereas, Air Liquide Industrial U.S. LP received Human Rights approval on July 22, 2008;

RESOLVED, That Council accept the Air Liquide's bid of \$.434/ccf for LOX in accordance with the terms of Bid No. ITB-3948;

RESOLVED, That the City Administrator be directed to approve a purchase order with Air Liquide Industrial U.S. LP for purchase of LOX in accordance with this resolution at \$.434/ccf, for a projected cost of approximately \$86,800.00 for FY 09;

RESOLVED, That the City Administrator be authorized to renew the purchase order for up to two one-year periods provided both parties agree to an extension and subject to the availability of funding;

RESOLVED, That the purchase of liquid oxygen to be funded from the approved FY09 Operation and Maintenance Budget of the Water Supply System; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this resolution.