



Legislation Text

File #: 78153, **Version:** 1

Fiscal Note

The proposed resolution authorizes a non-competitive selection contract between Airgas USA, LLC and the Madison Fire Department (MFD) for the supply of the Department's required industrial, specialty, and medical gases and cylinders. MFD currently owns some gas cylinders and rents remaining cylinders from Airgas. The proposed resolution will allow MFD and Airgas to enter into a 5-year contract that results in MFD buying gas cylinders from Airgas and thus owning all of the Department's gas cylinders. Airgas will fill, deliver, maintain, and test the cylinders. The estimated cost of the new cylinders is \$20,000 and will be funded by a 2023 EMS Flex Grant awarded to MFD by the Wisconsin Department of Health Services (Legistar file #78152), resulting in no additional cost to the general fund. The estimated annual cost of the proposed service contract for gas and delivery is \$37,000, which will be funded by MFD's annual operating budget using the current budget appropriation for Airgas services.

Title

A Resolution authorizing a non-competitive selection contract between Airgas USA, LLC and the City of Madison Fire Department for the supply of Madison Fire Department's required industrial, specialty, and medical gases.

Body

WHEREAS, Airgas USA, LLC (Airgas) has been the long-term supplier (over 25 years) of specialty and medical gases for the City of Madison Fire Department (MFD);

WHEREAS, the gas and cylinders from Airgas are used in MFD ambulances and by MFD field staff for emergency medical services (EMS);

WHEREAS, MFD currently owns some gas cylinders and rents the remaining gas cylinders from Airgas;

WHEREAS, Airgas currently tests all cylinders used by MFD and delivers full gas cylinders to fire stations, including gas cylinders big enough to allow MFD to fill the gas cylinders owned by the department;

WHEREAS, the proposed resolution will allow MFD and Airgas to enter into a 5-year contract that results in MFD buying gas cylinders from Airgas and MFD owning all of the gas cylinders and Airgas delivering full gas cylinders along with maintaining and testing the cylinders;

WHEREAS, owning the gas cylinders along with the restructured delivery will result in replacement of old cylinders and improved operations, allowing field staff to order and receive gas cylinders more efficiently and allowing MFD to optimize gas and cylinder use;

WHEREAS, the estimated cost of the new cylinders is \$20,000 but is completely funded by a 2023 EMS Flex Grant awarded to MFD by the Wisconsin Department of Health Services, resulting in no negative fiscal impact to the City's general fund;

WHEREAS, the estimated annual cost of the proposed service contract for gas and delivery is \$37,000, which will be funded by MFD's annual operating budget using current budget appropriation for Airgas services;

WHEREAS, the estimated annual contract cost of \$37,000 for five years results in a service contract of more than \$50,000;

WHEREAS, the purchase price of the gas cylinders along with the price of gas, delivery, maintenance, and testing are on a per unit basis, making the annual and total contract cost contingent upon the quantity and per unit pricing;

WHEREAS, MGO 4.26 requires Common Council approval of service contracts of \$50,000 or more if the contractor was not selected through a competitive selection process, and the reasons for selecting this contractor are set forth above and in the attached Noncompetitive Selection Request Form;

NOW, THEREFORE, BE IT RESOLVED that the Common Council hereby authorizes the Mayor and City Clerk to sign a non-competitive service contract with Airgas USA, LLC for the City of Madison Fire Department's required industrial, specialty, and medical gases, in gaseous or liquid form in cylinders;

BE IT FURTHER RESOLVED that the contract shall be five (5) years and authorized up to \$250,000 for the life of the contract to allow for any potential increase in the quantity of gas cylinders delivered, tested, and maintained.