

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: October 29, 2014

File: BIS 15-034

File: TMP-2014-00629

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO INCREASE THE ATTACHED BLANKET PURCHASE ORDER, B002566, BETWEEN AIR LIQUIDE INDUSTRIAL U.S. LP AND THE CITY OF HOLLYWOOD FOR THE EMERGENCY SUPPLY OF LIQUID OXYGEN BY AN ESTIMATED ADDITIONAL ANNUAL EXPENDITURE OF \$300,000.00 FOR TOTAL ESTIMATED ANNUAL EXPENDITURE OF \$454,620.00.

Statement of Budget Impact:

1. ☐ No Budget Impact associated with this action;
2. ☒ Sufficient budgetary resources identified/available;
3. ☐ Budgetary resources not identified/unavailable;
4. ☐ Potential Revenue is possible with this action;
5. ☒ Will not increase the cost of Housing;
6. ☐ May increase the cost of Housing; (CDAB review required)

Explanation:

The Department of Public Utilities operates and maintains an oxygen generation cryogenic plant as an integral and necessary part of operating the Southern Regional Wastewater Treatment Facility.

The Department of Public Utilities required an emergency supply of pure liquid oxygen to continue the wastewater treatment process in the event of mechanical failures resulting in prolonged shutdown of the facility.

The City of Fort Lauderdale awarded Bid Number 442-11330 for the supply of liquid oxygen to Air Liquide Industrial U.S. LP.

On April 2014, the Hollywood City Commission approved resolution R-2014-80 and authorized the issuance of Blanket Purchase Order B002566 between the City of Hollywood and Air Liquide Industrial U.S. LP for the supply of liquid oxygen for an estimated annual expenditure of \$154,620.00.

Due to a malfunction of the coldbox at the oxygen generation cryogenic plant, there would be an increase in the need for an emergency supply of liquid oxygen until emergency repairs could be completed and the oxygen generation plant operations could be fully restored.

Air Liquide Industrial U.S. LP has provided the City of Hollywood with pure liquid oxygen in the past with satisfactory results and confirmed that they are capable of meeting the significant increased demand created by this emergency.

The Director of Public Utilities and the Director of Procurement Services recommend that the City Commission approve increasing the attached Blanket Purchase Order to Air Liquide Industrial U.S. LP of Orlando, Florida, for the purchase of pure liquid oxygen on an emergency basis by estimated additional annual expenditure of \$300,000.00 for a total estimated annual amount of \$454,620.00, subject to Section 38.40 (C)(5) of the City's Purchasing Ordinance.

Funding for the attached blanket purchase order has been provided for in the fiscal year 2015 budget in the Department of Public Utilities Account Number 42.4041.00000.536.005233.

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