



## Legislation Details (With Text)

**File #:** R-2024-052    **Version:** 2    **Name:** Airgas Ratification - Emergency Memos  
**Type:** Resolution    **Status:** Passed  
**File created:** 2/1/2024    **In control:** Department of Public Utilities  
**On agenda:** 2/21/2024    **Final action:** 2/21/2024  
**Title:** A Resolution Of The City Commission Of The City Of Hollywood, Florida, Ratifying The City Manager's Approval Of Two Purchase Orders To Airgas USA, LLC For The Emergency Provision And Delivery Of Liquid Oxygen To The Southern Regional Wastewater Treatment Plant In An Amount Up To \$623,894.72 In Accordance With Section 38.41(C)(1) Of The City's Procurement Code. (Emergency Purchases)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Resolution - Airgas LOX Ratification.pdf, 2. PU-24-09.pdf, 3. PFY-2400389.pdf, 4. PU-24-40.pdf, 5. PFY-2401719.pdf

Date	Ver.	Action By	Action	Result
2/21/2024	2	Regular City Commission Meeting	adopt	Pass

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Ratifying The City Manager's Approval Of Two Purchase Orders To Airgas USA, LLC For The Emergency Provision And Delivery Of Liquid Oxygen To The Southern Regional Wastewater Treatment Plant In An Amount Up To \$623,894.72 In Accordance With Section 38.41(C)(1) Of The City's Procurement Code. (Emergency Purchases)

*Infrastructure & Facilities*

Staff Recommends: Approval of the attached Resolution.

**Explanation:**

On August 28, 2023, the Southern Regional Wastewater Treatment Plant ("SRWWTP") cryogenic facility experienced unanticipated, and unexplained, pressure and purity issues during the oxygen production process. SRWWTP staff responded to this emergent situation by securing specialized cryogenics repair services from Ranch Cryogenics, Inc. ("Ranch").

The system evaluation by Ranch required the temporary cessation of oxygen production. SRWWTP therefore arranged for the emergency delivery of Liquid Oxygen ("LOX") from AIRGAS USA, LLC ("Airgas") for use while the cryogenic plant was under diagnostic investigation and repair. Approval for the emergency procurement of LOX, and the issuance of a purchase order to Airgas for the already procured emergency LOX, as well as additional

deliveries until the final repairs of the cryogenic system were complete, was secured via City Manager Memo PU-24-09. However, the approved funding of \$500,000.00 was exhausted before emergency repairs were finished.

LOX expenditures for the diagnostic and repair shutdown exceeded the amount secured by PU-24-09 by \$123,894.72 per provided invoices. DPU requested approval for the issuance of a purchase order to Airgas for the additional amount of \$123,894.72 via City Manager Memo PU-24-40.

Section 38.41(C)(1) of the Procurement Code exempts from competitive bid and competitive proposals emergency purchases that receive prior administrative approval except for the most urgent situations presenting a clear and present substantial threat to life or property where immediate action is required.

City Manager memorandums PU-24-09 and PU-24-40 authorized the procurement of bulk LOX from Airgas, during the repair of the cryogenic plant at the SRWWTP and the issuance of two purchase orders to Airgas in a total amount of \$623,894.72.

Fiscal Impact:

Funding for this purchase order was available in the FY 2024 Operating Budget in account numbers 442.400601.53600.552240.000000.000.000 and 442.400602.53600.552240.000000.000.000.

Recommended for inclusion on the agenda by:  
Vincent Morello, P.E., Director, Department of Public Utilities  
Gus Zambrano, Assistant City Manager/Sustainable Development