DEPARTMENT OF PROCUREMENT SERVICES
NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION

Complete this cover form and the **Non-Competitive Procurement Application Worksheet** in detail. Refer to the page entitled "**Instructions for Non-Competitive Procurement Application**" for completing this application in accordance with its policy regarding NCRB. Complete "other" subject area if additional information is needed. Subject areas must be fully completed and responses merely referencing attachments will not be accepted and will be immediately rejected.

Department	Originator Name	Telephone	Date	Signature of Application Author
DWM-88	DEPT. OF WATER MANAGEMENT	312-745-0851	October 29, 2021	
Contract Liaison	**Email Contract Liaison**	**Telephone**		
Felicia Rawlings	Felicia.Rawlings@cityofchicago.org	312-745-0851		

List Name of NCRB Attendees/Department	
Renee Milton-DWM David Bowman-CDA Kevin Pater-Office of Pub. Safety Adm Felicia Rawlings-DWM	Natalie Gutierrez- Office of Pub SafetyAdm

Request NCRB review be conducted for the product(s) and/or service(s) described herein.

Company: Airgas USA, LLC

Contact Person:	Phone:	Email:
Slavisa Djurdjevic/Jacob Downs	630-854-6715	slavisa.djurdjevic@airgas.com/jake.downs@airgas.com

Project Description: Industrial, medical and propane gas in cylinder and bulk delivery

This is a request for:

☒ **New Contract**

Contract Type

☒ **Blanket Agreement** **Term: 60 (# of mo)**

☐ **Standard Agreement**

☐ **Amendment / Modification**

Type of Modification

☐ **Time Extension** ☐ **Vendor Limit Increase** ☐ **Scope Change**

Contract Number: ____

Specification Number: ____

Modification Number: ____

Department Request Approval		Recommended Approval	
Andrea RH Cheng	11/2/21		
DEPARTMENT HEAD OR DESIGNEE	DATE	BOARD CHAIRPERSON	DATE
Andrea RH Cheng			
PRINT NAME		PRINT NAME	

(FOR NCRB USE ONLY)

Recommend Approval/Date: _____

Return to Department/Date: _____

Rejected/Date: _____

☐ **Approved** ☐ **Rejected**

CHIEF PROCUREMENT OFFICER DATE

DEPARTMENT OF PROCUREMENT SERVICES
NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION
JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT WORKSHEET

All applicable information on this worksheet must be addressed using each question found on the "Instructions for Non-Competitive Procurement Application" in this application.

Justification for Non-Competitive Procurement Worksheet

☒ **PROCUREMENT HISTORY**

1. Describe the requirement and how it evolved from initial planning to its present status.

The requirement is for a five (5) year purchase order for industrial, medical and propane gas in cylinder and bulk delivery.

This commodity is critical to the operation of several City departments: CDOT, Animal Control, Dept. of Cultural Affairs, Dept. of Health, Dept. of Police, Aviation, DAIS, Street and San., OEMC, (including the Chicago Fire Dept. which uses oxygen on all ambulances

On April 15, 2019, Progressive Industries contract was extended to December 2, 2021. However, in May 28, 2019, progressive informed the City via email that their manufacturer would not supply the gas products past December 2019. In Addition, DWM also submitted a Notice to Cure Letter to DPS on November 22, 2019.

In July 11, 2019 the Department of Water Management, Bureau of Water Supply and Distribution submitted a request for a new Specification for a new five (5) year Term Agreement Contract for industrial, medical, and propane gas in cylinder and bulk delivery, Req, 275773/specification 1178867. On October 13, 2020 the DWM submitted a request to DPS to reject the Sole Bid and also requesting a seven-day re-bid the Specification 1178867, because the quantities listed in the bid proposal documents did not accurately reflect actual city-wide usage over a period of 5-years and some of the quantities were calculated as cubic feet rather than cylinder. On December 22, 2020 DPS received the sole bid, Airgas USA, based upon review, by DPS, Dept. of Law and DWM it was a decision to reject the bid, due to the exceptions in the sole bidder.

This contract is needed city-wide to purchase various medical, industrial and specialty gases. Therefore, Department of Water Management would like to request your approval for a Sole Source Contract for industrial, medical and propane gas in cylinder and bulk delivery. We respectfully ask that you approve our request.

2. Is this the first time requirement or a continuation of previous procurement from the same source?

Yes, this is the first requirement for NCRB for these commodities with Airgas USA.

3. Explain attempts made to competitively bid the requirement (attached copy of sources contacted)

Aside from Procurements efforts, Water Management DWM made calls to vendors to let them know that the Bid Specification 1178867 for industrial, medical and propane gas in cylinder and bulk delivery. DWM outreach to vendors about the bid, consisted of information about use of the City website to load the bid specification, we also provided the contact person for the bid and our cell tel. # in case they need any additional information regarding the bid. Water Mangement also researched other municipality websites to obtain information on other midwest suppliers and was unsucessful.

Vendors contacted:

Airgas USA LLC, and AmeriGas

4. Describe in detail all research done to find other sources: list other cities, companies in the industry, professional organizations contacted. List periodicals and other publications used as references.

DWM research for alternatives as of Reference Contracts, (see attached) and other municipalities, searched on

ThomasNet.Com for vendors out of state, and NIGP (National Institue of Government Procurement) website which list other municipal contracting authorities that might have reference contracts. These contracts were expired or pending expiration, and our search was unsuccessful.

5. Explain future procurement objectives. Is this a one-time request or will future requests be made for doing business with the same source?

Water Management welcomes comepetitive bidding when more suppliers are available. DWM will continue to do business with Airgas USA until the market changes or other options become available.

6. Explain whether or not future competitive bidding is possible. If not, explain in detail.

DWM already attempted twice to bid these commodities, the first time bid, quantities listed in the bid proposal documents did not accurately reflect actual city-wide usage over a period of 5-years and some of the quantities were calculated as cubic feet rather than cylinder. The 2nd time bid, the sole bidder contained several material exceptions. DWM would welcome a competitve bid; however we have not been able to find vendors that could service the various city departments that use this commodity and have the capacity to be a citywide supplier. While competitve bidding may be possible, so far these efforts have not been successful because Airgas is in the unique position in the Chicagoland area to be the only gas manufacturer to suppply all meidcal,industrial, speciality and propane gases required by the City of Chicago.

☒ ESTIMATED COST

1. What is the estimated cost for this requirement or for each contract, if multiple awards are contemplated? What is the funding source?

The estimated cost is $10,000,000.00

The funding is 021-0200-088-2025-0316-220316

2. What is the estimated cost by fiscal year?

Funding allocation by year is approximately $2,000,000/yr

3. Explain the basis for estimating the cost and what assumptions were made and/or data used (i.e., budgeted amount, previous contract price, current catalog or cost proposal from firms solicited, engineering or in-house estimate, etc.)

The cost estimates for this Sole Source Contract was based on previous PO 30871 Progressive Industries, expenditures from all user Department's, from the beginning of the contract Dec. 3, 2014 true December 2019. (Please see attached usage report.) No price negotiation has occurred to date. After the Non-Competitive Review Board has been approved, the price will be negotiated.

4. Explain whether the proposed Contractor or the City has a substantial dollar investment in the original design, tooling or other factors which would be duplicated at City expense if another source was considered. Describe cost savings or other measurable benefits to the City which may be achieved.

The Airgas USA was the supplier for the previous contract PO 30871 Progressive Industries for five (5) years. Also, on Dec. 20, 2019 DWM submit a request for Emergency Contract with Airgas USA to prevent any lapse of services to the operation of several City Departments. The Emergency Contract saves the City-wide significant amount on the current rental cylinders and the new purchase of industrial and medical gases true the Emergency Cont. with Airgas USA.

5. Explain what negotiation of price has occurred or will occur. Detail why the estimated cost deemed reasonable.

DWM feels that estimated cost is deemed reasonable, based on the cost of the prior contract with Progressive Industries and the usage of the various City Departments .

☑ SCHEDULE REQUIREMENTS

1. Explain how the schedule was developed and at what point the specific dates were known.

The schedule has been developed based on the following requirements: (Kevin)

The previous contract, Progressive Industries was awarded on 12/3/2014 for the five (5) year contract. However, on May 28, 2919, progressive informed the City via email that their manufacturer would not supply the gas products past December 2019.

2. Is lack of drawings and/or specifications a constraining factor to competitive bidding?

No

If so, why is the proposed Contractor the only person or firm able to perform under these circumstances?

N/A

Why are the drawings and specifications lacking?

N/A

What is the lead time required to get drawings and specifications suitable for competition?

N/A

If lack of drawings and specifications is not a constraining factor to competitive bidding, explain why only one person or firm can meet the required schedule.

N/A

3. Outline the required schedule by delivery or completion dates and explain the reasons why the schedule is critical.

All specific schedules were developed with the supplier either on a rotating basis or calling in for specific emergency needs. Several City departments use this commodity based on specific needs.

Completion dates are ongoing as the schedule varies by departments.

4. Describe in detail what competitive bidding would have on City operations, programs, costs and budgeted funds.

Airgas has the unique poisition in the Chicagoland area to be the only Gas Manufacturer to be able to supply all meidcal, industrial, speciality and propane gases required by the City of Chicago. Airgas has serviced the City of Chicago for 18 years and has substantially invested in assests to service all City of Chicago locations.Airgas typcially delivers next day to all areas of Chicago. To competitively bid this commodity when there are no other vendors available in the Chicagoland area that have this service and this would significantly impact various operations throughout the city.

Competitive bidding is not an option at this time since this commodity is critical to the operation of several City departments: CDOT, Animal Control, Dept. of Cultural Affairs, Dept. of Health, Dept. of Police, Aviation, DAIS, Street and San., OEMC, (including the Chicago Fire Dept. which uses oxygen on all ambulances. This Sole Source Contract will be for 5-year contract in the approximate amount of $10,000,000.00.

DEPARTMENT OF PROCUREMENT SERVICES
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JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT WORKSHEET

☐ EXCLUSIVE OR UNIQUE CAPABILITY

1. If contemplating hiring a person or firm as a Professional Service Consultant, explain in detail what professional skills, expertise, qualifications, and/or other factors make this person or firm exclusively or uniquely qualified for the project. Attached a copy of the cost proposal, scope of services, and Temporary Consulting Services Form.

N/A – DWM not contemplating hiring a person or firm as a professional Service Consultant. Airgas was the supplier for Progressive industries, and for the Emergency Contract.

2. Does the proposed firm have personnel considered unquestionable predominant in the particular field?

Yes.

3. What prior experience or a highly specialized nature does the person or firm exclusively possess that is vital to the job, project or program?

Airgas has the unique poisition in the Chicagoland area to be the only Gas Manufacturer to be able to supply all meidcal industrial , speciality and propane gasses requiremet by the city of thicaot . Airgas has serviced the City of Chicago for 18 years and has substantially invested in assests to service all City of Chicago locations.

Competitive bidding is not an option at this time since this commodity is critical to the operation of several City departments: CDOT, Animal Control, Dept. of Cultural Affairs, Dept. of Health, Dept. of Police, Aviation, DAIS, Street and San., OEMC, (including the Chicago Fire Dept. which uses oxygen on all ambulances. This Sole Source Contract will be for 5-year contract in the amount of $5,000,000.00.Airgas was the supplier for the previous contract, Progressive Industries that was awarded on 12/3/2014 for the five (5) year contract, and on 12/11/2019 the Emergency Contract was awarded with Airgas USA as well.

4. What technical facilities or test equipment does the person or firm exclusively possess of highly specialized nature which is vital to the job?

Airgas USA has the capacity to supply the industrial, medical and propane gas in cylinder and bulk delivery to City-wide departments with next day service.

5. What other capabilities and/or capacity does the proposed firm possess which is necessary for the specific job, project or program which makes them the only source who can perform the work within the required time schedule without unreasonable cost to the city?

Airgas prodcues all the nonflammable compressed gases at one of our five fill plants in the Chicaoland Area. With the best security of supply in the region, these fill plants are supplied with raw materials from threee different Air Separation (ASU) plants in the Midwest region. Flammable gasses are filled at two Airgas facilities in th eregion, several strateic partner locations , and the customer's site through our strategic national partnerships and agreements with multiple propane providers.

Airgas is familiar with City-wide with orders, and locations for delivery. DWM Currently, utilize Airgas USA for City-wide Departments for all rental of cylinders.

6. If procuring products or equipment, describe the intended use and explain any exclusive or unique capabilities, features, and/or functions the items have which no other brands or models, possess.

The customer service and capacity of Airgas for the City of Chicago area.The customer service and distribution of these gases are handled by one of their seven branches in the Chicagoland area. In addition to the unparalleleled local footprint that Airgas provides, Airgas also has nationwide support with 900+ Branches, 364 fill plants, 30 ASUs, 12 acetylene plants, 6 hardgoods distribution centers and approximately 6100 drivers. Airgas has been in business since 1982 and their partent company Air Liquide has been in business since 9012.

Airgas was the supplier to the previous contract for Progressive Industries that was awarded on 12/3/2014 for the five (5) year contract, and on 12/11/2019 the Emergency Contract was awarded with Airgas USA as well. In order to keep services intact without disruption of service, DWM requesting this contract be awarded directly to Airgas USA.

Is compatibility with existing equipment critical from an operational standpoint.

No.

If so, provide detailed explanation

N/A

7. Is competition preclude because of the existence of patent rights, copyrights, trade secrets, technical data, or other proprietary data (attached documentation verifying such)?

No

8. If procuring replacement parts and/or maintenance services, explain whether or not replacement parts and/or services can be obtained from any other sources?

No

If not, is the proposed firm the only authorized or exclusive dealer/distributor and/or service center? If so, attached a letter from manufacturer on company letterhead.

Yes, (letter attached)

☐ OTHER

Airgas
an Air Liquide company

June 25, 2021

Slavisa Djurdjevic
District Manager
Airgas USA, LLC
1601 Nicholas Blvd
Elk Grove Village, IL 60007
(630) 854-6715
http://www.airgas.com
slavisa.djurdjevic@airgas.com

Kevin Pater, Contracts Coordinator
Office of Public Safety Administration
3510 S. Michigan Ave. 3rd Floor
Chicago, IL. 60653

Through our exclusive partnerships, Airgas has the unique position in the Chicagoland area to be the only Gas Manufacturer to be able to supply all medical, industrial, specialty, and propane gases required by the City of Chicago. Airgas has serviced the City of Chicago for 18 years and has substantially invested in assets to service all City of Chicago locations. Unlike other vendors, Airgas does not have specific scheduled delivery days for Chicago. Airgas typically deliveries next day to all areas of Chicago.

Airgas produces all of the nonflammable compressed gases at one of our five fill plants in the Chicagoland area. With the best security of supply in the region, these fill plants are supplied with raw materials from three different Air Separation (ASUs) plants in the Midwest region. Flammable gases are filled at two Airgas facilities in the region, several strategic partner locations, and at the customer's site through our strategic national partnerships and agreements with multiple propane providers. The customer service and distribution of these gases are handled by one of our seven Branches in the Chicagoland area. In addition to the unparalleled local footprint that Airgas provides, Airgas also has nationwide support with 900+ Branches, 364 fill plants, 30 ASUs, 12 acetylene plants, 6 hardgoods distribution centers, and approximately 6,100 drivers. Airgas has been in business since 1982. Our parent company Air Liquide has been in business since 1902.

Please contact me with any questions.

Sincerely,

Slavisa Djurdjevic
District Manager

CITY OF CHICAGO

DEPARTMENT OF WATER MANAGEMENT

October 29, 2021

Aileen Velazquez
Chief Procurement Officer
Department of Procurement Services
121 N. LaSalle, Room 806
Chicago, IL 60602

Attn: Jacquelyn Charleston

RE: Waiver Request
Airgas USA, LLC
Industrial, Medical and Propane Gas in Cylinder
And Bulk Delivery
Req. No. 409884-Spec No. 1178867C

Dear Ms. Velazquez:

The Department of Water Management would like to request approval for a full waiver to Airgas USA, LLC. Airgas USA produces all the nonflammable compressed gases at one of their five plants in the Chicagoland area. Airgas also has nationwide support with 900 + Branches and has been in business since 1982. In addition, Airgas USA was the supplier to Progressive Industries, Inc. for all products and services associated with previous PO 30871, 2014 – 2019. On December 4, 2019, DWM submitted a request to DPS for Emergency Contract, for industrial, medical and propane gas in cylinders and bulk delivery to prevent any lapse in services. Also, personnel at Airgas USA are familiar with orders, and locations for delivery City-wide. DWM Currently, utilize Airgas USA for City-wide Departments for all rental of cylinders and purchase of industrial, medical and propane gas under Exhibit B payment.

Because this company provides all the manufacturing, distribution, and customer service for the compressed gases, they are unable to identify companies with the expertise and certification requirements needed to perform these commodities.

We have attached a letter from Airgas USA explaining their position regarding M/WBE. Therefore, Department of Water Management would like to request that the compliance requirements be processed with a full waiver.

Thank you in advance for your attention in expediting this request for a full waiver. Please feel free to contact Felicia Rawlings, Deputy Commissioner at 312-745-0581 if you require any additional information.

Sincerely,

Andrea Cheng FR

Andrea Cheng, PhD., P.E.
Commissioner

Airgas
an Air Liquide company

Jacob Downs
District Manager – Airgas Midwest
Airgas USA, LLC, an Air Liquide Company
Phone (224) 500-0000
jake.downs@airgas.com

October 29, 2021

Kevin Pater, Contracts Coordinator
Office of Public Safety Administration
3510 S. Michigan Ave. 3rd Floor
Chicago, IL. 60653

Compliance Waiver ROA

Airgas would like to formally request a Compliance Waiver for Minority and Women Owned Business Enterprise MWBE participation in the contract.

Airgas produces all of the nonflammable compressed gases at one of our five fill plants in the Chicagoland area. With the best security of supply in the region, these fill plants are supplied with raw materials from three different Air Separation (ASUs) plants in the Midwest region. Flammable gases are filled at two Airgas facilities in the region, several strategic partner locations, and at the customer's site through our strategic national partnerships and agreements with multiple propane providers. The customer service and distribution of these gases are handled by one of our seven Branches in the Chicagoland area. In addition to the unparalleled local footprint that Airgas provides, Airgas also has nationwide support with 900+ Branches, 364 fill plants, 30 ASUs, 12 acetylene plants, 6 hardgoods distribution centers, and approximately 6,100 drivers. Airgas has been in business since 1982. Our parent company Air Liquide has been in business since 1902.

There are no opportunities in this contract to subcontract any of the purchasing to any Minority and Women Owned Enterprise as Airgas provides all of the manufacturing, distribution, and customer service for the compressed gases.

Please contact me with any questions.

Sincerely,

Jake Downs
District Manager
Airgas USA, LLC

Airgas
an Air Liquide company

Jacob Downs
District Manager – Airgas Midwest
Airgas USA, LLC, an Air Liquide Company
Phone (224) 500-0000
jake.downs@airgas.com

October 29, 2021

Renee Milton, Contracts Coordinator
Department of Water Management

Kevin Pater, Contracts Coordinator
Office of Public Safety Administration

RE: Industrial and Medical Gas Supply Proposal

Greetings Renee and Kevin,

For purposes of supplying Industrial and Medical Gases to the City of Chicago, Airgas is pleased to offer you the following proposed pricing. This pricing is valid until December 17, 2021 and contingent upon mutually acceptable contract terms and conditions.

LINE	ITEM, REV/JOB	TARGET QTY	UNIT	UNIT PRICE AMOUNT	EXTENDED AMOUNT
Group A					
1.1 CYLINDERS, GAS (EMPTY) - 0 - 130 CU. FT. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730020	100	EACH	$179.05	$17,905.00
1.2 CYLINDERS, GAS (EMPTY) - 131 CU. FT. OR LARGER. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730030	100	EACH	$265.45	$26,545.00
1.3 GASES, MEDICAL - OXYGEN K, USP (249 CFT).CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4304846501	9,000	CYLINDER	$23.00	$207,000.00
1.4 OXYGEN, MEDICAL - USP - ANE	4304852310	4,334	CYLINDER	$4.85	$21,019.90
1.5 OXYGEN, LIQUID, FOR MEDICAL USE - 160 LITER CAPACITY CYLINDER NO. OX USP160LT20	4304861150	700	CYLINDER	$94.64	$66,248.00
1.6 MAINTENANCE, DELIVERY, AND TESTING GAS CYLINDERS - CYLINDER CAP REPLACEMENT	9385041135	300	EACH	$8.64	$2,592.00
1.7 MAINTENANCE, DELIVERY, AND TESTING GAS CYLINDERS - EMERGENCY DELIVERY CHARGE SATURDAYS, SUNDAYS, PUBLIC HOLIDAYS AND DELIVERY	9385041983	130	HOUR	$300.00	$39,000.00

BETWEEN 4:31 P.M. AND 6:59 A.M. DAILY.					
1.8 RENTAL OF LIQUID CYLINDERS - LIQUID CYLINDER RENTAL	9814110110	18,146	DAY	$1.50	$27,219.00
1.9 RENTAL AND DEMURRAGE ON CYLINDERS - DEMURRAGE PER CYL./TANK PER DAY	9814166295	888,709	DAY	$0.17	$151,080.53
1.10 CYLINDERS, LIQUID (EMPTY) 160 - 200 LT. LIQUID CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)		5	EACH	$3,250.00	$16,250.00
					$0.00
Group B					$0.00
2.1 CYLINDERS, GAS (EMPTY)- 0 -130CU. FT. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	430273020	100	EACH	$215.00	$21,500.00
2.2 CYLINDERS, GAS (EMPTY)- 131CU. FT. OR LARGER. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730030	100	EACH	$325.00	$32,500.00
2.3 GASES, SPECIALTY - ARCD25300-INM 25%CD/AR300	4303374047	726	CYLINDER	$29.75	$21,598.50
2.4 GASES, SPECIALTY - AR 300 - INDUSTRIAL GRADE ARGON	4303374049	847	CYLINDER	$29.75	$25,198.25
2.5 GASES, SPECIALTY - HE AR25300-25% ARGON 75%HELIUM	4303374051	508	CYLINDER	$137.00	$69,596.00
2.6 GASES, SPECIALTY - AI UZ300- AIR ULTRA ZERO 300	4303374053	496	CYLINDER	$64.77	$32,125.92
2.7 GASES, SPECIALTY - AR Z300 - ARGON ZERO GRADE 300	4303374055	542	CYLINDER	$54.59	$29,587.78
2.8 GASES, SPECIALTY- ARGON ZERO 0-5T (336 CUFT/CYL)	4304274057	5	CYLINDER	$54.59	$272.95
2.9 GASES, SPECIALTY - ARGON LIQUIDE- INDUSTRIAL GRADE - 180 LITERS-230 PSI	4303374085	5	CYLINDER	$375.42	$1,877.10
2.10 GASES, SPECIALTY - AR HP300-AIRGAS-ARGON Y HIGH PURITY GRADE SIZE 300 (336 CUFT/CYL)	4303374090	642	CYLINDER	$54.59	$35,046.78
2.11 GASES, SPECIALTY- X02AR90D3000979-AIRGAS- ARGON METHANE P-10	4303374092	75	CYLINDER	$120.00	$9,000.00

10%METHANE 90% ARGON, 99.999% PURE, 302 CUBIC FEET 350 CGA					
2.12 GASES, SPECIALTY- HE UHP300- AIRGAS- HELIUM HIGH PURITY GRADE Y SIZE 300	4303374094	120	CYLINDER	$264.60	$31,752.00
2.13 GASES, SPECIALTY - NIUHP300 - AIRGAS0 NITROGEN ULTRA HIGH PURITY GRAD SIZE 300	4303374096	120	CYLINDER	$52.62	$6,314.40
2.14 GASES, SPECIALTY - X02AR95D3002178-GASES SPECIALTY - P-5 MIX 5% METHANE/ARGON T(306 CUFT/CYL)	4303374098	5	CYLINDER	$120.00	$600.00
2.15 GASES, SPECIALTY - OXUHP300-AIRGAS - OXYGEN ULTRA HIGH PURITY GRADE Y SIZE 300	4303374100	75	CYLINDER	$87.97	$6,597.75
2.16 GASES, SPECIALTY - AR160LT230 - AIRGAS-LIQUID ARGON 160LTRS 230PSI	4303374102	780	CYLINDER	$357.69	$278,998.20
2.17 MAINTENANCE, DELIVERY, AND TESTING GAS CYLINDERS-CYLINDER CAP REPLACEMENT -	9385041135	300	EACH	$8.64	$2,592.00
2.18 STORAGE TANK RENTAL - RRCYLSLGOTH-RENTAL PER DAY CYLINDER FOR AR HP300, X02AR90D3000979, HE UHPE300, X02AR95D3002178, OX UHP300	9814180205	3,874	DAY	$0.17	$658.58
2.19 STORAGE TANK RENTAL- RRLIIM-AR - RENTAL OF LIQUID	9814180210	5	DAY	$1.50	$7.50
2.20 CYLINDERS, LIQUID (EMPTY) 160 - 230 LT. LIQUID CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)		5	EACH	$3,885.00	$19,425.00
GROUP C					
3.1 CYLINDERS, GAS (EMPTY)-0-130 CUFT. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730200	100	EACH	$215.00	$21,500.00
3.2 CYLINDERS, GAS (EMPTY) - 131 CUFT OR LARGER. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730030	100	EACH	$325.00	$32,500.00
3.3 CYLINDERS, GAS (EMPTY)- ACETYLENE-SMALL. CYLINDER	4302730200	5	EACH	$75.77	$378.85

REPLACEMENT COST (LOSS OF USE CHARGE)					
3.4 CYLINDERS, GAS (EMPTY)- ACETYLENE-MEDIUM. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730210	5	EACH	$136.08	$680.40
3.5 CYLINDERS, GAS (EMPTY)- ACETYLENE-LARGE. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730220	5	EACH	$425.90	$2,129.50
3.6 CYLINDERS,AIR-CYLINDERS, BREATHABLE AIR, (310 CUFT/CYL) #BATM	4302731100	5	CYLINDER	$16.56	$82.80
3.7 GASES, INDUSTRIAL- 12 CYLINDERS PER CRADLE/337 CUBIC FEET PER CYLINDER	4302733102	52	CYLINDER	$85.32	$4,436.64
3.8 GASES, INDUSTRIAL - ACETYLENE B (40CF)	4309250010	90	CYLINDER	$20.94	$1,884.60
3.9 GASES, INDUSTRIAL - ACETYLENE MC (10CF)	4309250025	188	CYLINDER	$16.58	$3,117.04
3.12 GASES, INDUSTRIAL - ACETYLENE WTL (367 CFT)	4309250039	700	CYLINDER	$83.72	$58,604.00
3.14 GASES, INDUSTRIAL - ACETYLENE WS (123CF)	4309250042	600	CYLINDER	$34.21	$20,526.00
3.15 GASES, INDUSTRIAL - AIR, COMP., T (311 CFT)	4309250051	400	CYLINDER	$35.00	$14,000.00
3.16 GASES, INDUSTRIAL - NITROGEN (200 CFT)	4309250414	200	CYLINDER	$12.69	$2,538.00
3.17 GASES, INDUSTRIAL-NITROGEN K (CLSTR) (2736CF)	4309250419	350	CYLINDER	$58.32	$20,412.00
3.18 GASES, INDUSTRIAL - NITROGEN Q (76CF)	4309250440	25	CYLINDER	$12.00	$300.00
3.19 GASES, INDUSTRIAL - NITROGEN S (142CF)	4309250441	140	CYLINDER	$13.00	$1,820.00
3.20 GASES, INDUSTRIAL - NITROGEN T (304 CFT)	4309250449	100	CYLINDER	$15.00	$1,500.00
3.21 GASES, INDUSTRIAL - NITROGEN T (CLSTR) (3648 CF)	4309250451	200	CYLINDER	$86.40	$17,280.00
3.22 GASES, INDUSTRIAL - OXYGEN DEY (124CF)	4309250478	3,700	CYLINDER	$12.00	$44,400.00
3.23 GASES, INDUSTRIAL - OXYGEN K (249CF)	4309250479	150	CYLINDER	$13.00	$1,950.00
3.24 GASES, INDUSTRIAL - OXYGEN R (20CF)	4309250498	2,545	CYLINDER	$8.00	$20,360.00
3.25 GASES, INDUSTRIAL - OXYGEN T (337 CFT)	4309250501	200,000	CYLINDER	$15.00	$3,000,000.00
3.26 GASES, INDUSTRIAL - RENTAL AND DEMURRAGE	9814166135	318,890	DAY	$2.75	$876,947.50

ON CYLINDERS - RENTAL OF CLUSTER					
GROUP D					
4.1 DECALS, PRESSURE SENSITIVE ADHESIVE PROVIDED AND AFFIX SAFETY STICKERS (OSHA, WARNING OF FLAMMABLE MATERIAL) TO CYLINDERS AND TANKS WHEN REQUIRED	2552699100	5	EACH	$16.20	$81.00
4.2 PROPANE GAS - BNP PRICE FOR LP- GAS AT LEMONT, ILLINOIS TERMINAL AS PUBLISHED AND ADJUSTED MONTHLY	4050350150	811,418	GALLON	$1.59	$1,286,097.53
4.3 PROPANE GAS - MARGIN OVER BNP: FIXED COSTS PER GALLON FOR TRANSPORTATION, OVERHEAD, PROFIT AND ALL APPLICABLE FEES AND TAXES.	4050350160	663,173	GALLON	$0.80	$530,538.40
4.7 PROPANE GAS - REFILL TRANSACTION COSTS FOR 20 LB. VAPOR TANKS FILLED ON SITE EXCLUDING PRICE OF GAS FIXED COSTS FORCOUPLING/UNCOUPLING, LABOR AND MISCELLANEOUS REFILL CHARGES.	4050350430	3,669	EACH	$5.17	$18,968.73
4.8 PROPANE GAS CYLINDER - 20 LB PROPANE CYLINDER EXCHANGE	4050350435	3,245	CYLINDER	$17.82	$57,825.90
4.10 PROPANE GAS - REFILL TRANSACTION COSTS FOR 30 LB. TANKS EXCLUDING PRICE OF GAS FIXED COSTS FORCOUPLING/UNCOUPLING, LABOR AND MISCELLANEOUS REFILL CHARGES.	4050350445	312	EACH	$7.77	$2,424.24
4.11 PROPANE GAS - REFILL TRANSACTION COSTS FOR 33 LB. TANKS EXCLUDING PRICE OF GAS FIXED COSTS FORCOUPLING/UNCOUPLING, LABOR AND MISCELLANEOUS REFILL CHARGES.	4050350455	4,340	EACH	$7.77	$33,721.80

4.12 PROPANE GAS - REFILL TRANSACTION COSTS FOR 40 LB. TANKS EXCLUDING PRICE OF GAS FIXED COSTS FORCOUPLING/UNCOUPLING, LABOR AND MISCELLANEOUS REFILL CHARGES.	4050350460	30	EACH	$7.77	$233.10
4.13 PROPANE GAS - REFILL TRANSACTION COSTS FOR 43 LB. TANKS EXCLUDING PRICE OF GAS FIXED COSTS FORCOUPLING/UNCOUPLING, LABOR AND MISCELLANEOUS REFILL CHARGES.	4050350465	3,585	EACH	$7.77	$27,855.45
4.14 PROPANE GAS - REFILL TRANSACTION COSTS FOR 50 LB. TANKS EXCLUDING PRICE OF GAS FIXED COSTS FORCOUPLING/UNCOUPLING, LABOR AND MISCELLANEOUS REFILL CHARGES.	4050350470	5	EACH	$7.77	$38.85
4.15 PROPANE GAS - REFILL TRANSACTION COSTS FOR 60 LB. TANKS EXCLUDING PRICE OF GAS FIXED COSTS FORCOUPLING/UNCOUPLING, LABOR AND MISCELLANEOUS REFILL CHARGES.	4050350480	5	EACH	$7.77	$38.85
4.16 PROPANE GAS - REFILL TRANSACTION COSTS FOR 100 LB. TANKS EXCLUDING PRICE OF GAS FIXED COSTS FORCOUPLING/UNCOUPLING, LABOR AND MISCELLANEOUS REFILL CHARGES.	4050350485	380	EACH	$7.77	$2,952.60
4.17 PROPANE GAS - REFILL TRANSACTION COSTS FOR 200 LB. TANKS EXCLUDING PRICE OF GAS FIXED COSTS FORCOUPLING/UNCOUPLING, LABOR AND MISCELLANEOUS REFILL CHARGES.	4050350490	5	EACH	$135.00	$675.00
4.18 PROPANE GAS - REFILL TRANSACTION COSTS FOR 420 LB. TANKS EXCLUDING PRICE OF GAS FIXED COSTS FOR	4050350495	30	EACH	$135.00	$4,050.00

COUPLING/UNCOUPLING, LABOR AND MISCELLANEOUS REFILL CHARGES.					
4.19 PROPANE GAS - REFILL TRANSACTION COSTS FOR BULK LPG AT CITY SITE IN EXCESS OF 420 LB TANK PICK-UP EXCLUDING PRICE OF GAS. FIXED COSTS FOR COUPLING/UNCOUPLING, LABOR AND MISCELLANEOUS REFILL CHARGES.	4050350757	2	EACH	$135.00	$270.00
4.20 PROPANE GAS - REFILL TRANSACTION COSTS FOR BULK LPG IN EXCESS OF 420 LB TANK PICK-UP FROM CONTRACTOR'S TERMINAL EXCLUDING PRICE OF GAS. FIXED COSTS FOR COUPLING/UNCOUPLING, LABOR AND MISCELLANEOUS REFILL CHARGES.	4050350760	183	EACH	$112.76	$20,635.08
4.21 CYLINDERS, GAS (EMPTY)- ALUMINUM CYL 33 LB (8 GAL)	4302730270	5	EACH	$500.00	$2,500.00
4.22 CYLINDERS, GAS (EMPTY) - STEEL CYLINDER, 10 LB. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730720	20	EACH	$53.46	$1,069.20
4.23 CYLINDERS, GAS (EMPTY) - STEEL CYLINDER, 11 LB. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730725	5	EACH	$53.46	$267.30
4.24 CYLINDERS, GAS (EMPTY) - STEEL CYLINDER, 20 LB. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730735	120	EACH	$53.46	$6,415.20
4.26 CYLINDERS, GAS (EMPTY) - STEEL CYLINDER, 33 LB. (8 GAL). CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730743	190	EACH	$189.00	$35,910.00
4.27 CYLINDERS, GAS (EMPTY) - STEEL CYLINDER, 40 LB. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730745	5	EACH	$138.15	$690.75

4.28 CYLINDERS, GAS (EMPTY) - STEEL CYLINDER, 43 LB. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730747	255	EACH	$175.59	$44,775.45
4.29 CYLINDERS, GAS (EMPTY) - STEEL CYLINDER, 50 LB. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730749	5	EACH	$286.80	$1,434.00
4.30 CYLINDERS, GAS (EMPTY) - STEEL CYLINDER, 60 LB. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730750	5	EACH	$176.52	$882.60
4.31 CYLINDERS, GAS (EMPTY) - STEEL CYLINDER, 100 LB. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730760	60	EACH	$193.94	$11,636.40
4.32 CYLINDERS, GAS (EMPTY) - STEEL CYLINDER, 200 LB. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730765	5	EACH	$872.10	$4,360.50
4.33 CYLINDERS, GAS (EMPTY) - STEEL CYLINDER, 420 LB. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302730770	5	EACH	$670.67	$3,353.35
4.34 CYLINDER PARTS, GAS-WHEEL, HAND	4302732040	5	EACH	$3.51	$17.55
4.35 CYLINDER PARTS, GAS-HOSE 3/8 INCH(UL LPG APPROVED)	4302732061	5	FOOT	$8.64	$43.20
4.36 CYLINDER PARTS, GAS-HOSE 1/2 (UL LPG APPROVED)	4302732062	10	FOOT	$8.64	$86.40
4.37 CYLINDER PARTS- PLUG, POL SAFETY	4302732565	5	EACH	$8.64	$43.20
4.38 CYLINDER PARTS, GAS - OPD	4302732785	5	EACH	$70.20	$351.00
4.39 CYLINDER PARTS - VAPOR OR LIQUIDE VALVES, CYL 100 LB	4302732790	5	EACH	$189.48	$947.40
4.40 CYLINDER PARTS - VALVES, PLUMBER'S POT 20 LB	4302732900	5	EACH	$50.44	$252.20
4.41 CYLINDER PARTS - VALVES, SERVICE 8 GAL	4302732910	5	EACH	$90.72	$453.60
4.42 CYLINDER PARTS - CYLINDER INSPECTION	4302732990	5	EACH	$44.60	$223.00

4.43 TANK, GAS(EMPTY)- 250 GALLON TANK. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302745010	5	EACH	$1,482.97	$7,414.85
4.44 TANK, GAS(EMPTY) - 320 GALLON TANK. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302745012	5	EACH	$1,482.97	$7,414.85
4.45 TANK, GAS (EMPTY) - 500 GALLON TANK. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302745015	807	EACH	$2,515.83	$2,030,274.81
4.46 TANK, GAS (EMPTY) - 1000 GALLON TANK. CYLINDER REPLACEMENT COST (LOSS OF USE CHARGE)	4302745020	3	EACH	$3,973.10	$11,919.30
4.47 TANK PARTS - LIQUID LEVEL VALVE FOR TANK	4302746010	5	EACH	$51.84	$259.20
4.48 TANK PARTS - % GAUGE FOR TANK	4302746030	5	EACH	$23.76	$118.80
4.49 TANK PARTS - SERVICE VALVE FOR TANK	4302746040	5	EACH	$90.72	$453.60
4.50 TANK PARTS - COPPER PIGTAIL FOR TANK	4302746050	5	EACH	$14.58	$72.90
4.51 TANK PARTS - REGULATOR FOR TANK	4302746060	5	EACH	$90.61	$453.05
4.52 TANK PARTS - FILLER VALVE FOR TANK	4302746070	5	EACH	$57.77	$288.85
4.53 TANK PARTS - RELIEF VALVE FOR TANK	4302746080	5	EACH	$101.03	$505.15
4.54 PURGING OF GAS CYLINDERS AND TANKS	9297450100	3	EACH	$46.44	$139.32
4.55 SCRAPPING OF PROPANE CYLINDERS SIZES 43 LB AND UNDER. PICK-UP AND DISPOSAL PER APPLICABLE REGULATIONS	9297450200	11	EACH	$37.80	$415.80

4.56 REPAIR OF BULK PROPANE TANKS - REPAIR SERVICE - LABOR - REGULAR HOURLY RATE (FROM 7:00 A.M. TO 5:00 P.M., MONDAY THROUGH FRIDAY, EXCLUDING SATURDAY, SUNDAY AND LEGAL HOLIDAYS).	9297465300	10	HOUR	$250.00	$2,500.00
4.57 REPAIR OF BULK PROPANE TANKS - REPAIR SERVICE - LABOR - OVERTIME HOURLY RATE (FROM 5:01 P.M. TO 6:59 A.M., SATURDAY, SUNDAY, AND HOLIDAYS).	9297465400	5	HOUR	$300.00	$1,500.00
4.58 MAINTENANCE, DELIVERY, AND TESTING GAS CYLINDERS - EMERGENCY DELIVERY CHARGE SATURDAYS, SUNDAYS, PUBLIC HOLIDAYS AND DELIVERY BETWEEN 4:31 P.M. AND 6:59 A.M. DAILY.	9385041983	130	HOUR	$250.00	$32,500.00
4.59 RENTAL OF CYLINDERS AND TANKS - ALUMINUM CYC. 33 LB. (8 GAL) EMPTY	9814120105	915	MONTH	$3.02	$2,763.30
4.60 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 100 LB. (EMPTY)	9814120192	1,570	MONTH	$3.02	$4,741.40
4.61 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 200 LB. (EMPTY)	9814120194	5	MONTH	$25.26	$126.30
4.62 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 20 LB. (EMPTY)	9814120420	1,896	MONTH	$3.02	$5,725.92
4.63 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 30 LB. (EMPTY)	9814120440	641	MONTH	$3.02	$1,935.82
4.64 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 33 LB. (EMPTY)	9814120450	252	MONTH	$3.02	$761.04

4.65 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 40 LB. (EMPTY)	9814120460	220	MONTH	$3.02	$664.40
4.66 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 43 LB. (EMPTY)	9814120470	3,700	MONTH	$3.02	$11,174.00
4.67 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 50 LB. (EMPTY)	9814120480	5	MONTH	$3.02	$15.10
4.68 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 60 LB. (EMPTY)	9814120490	5	MONTH	$3.02	$15.10
4.69 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 100 GAL. (EMPTY)	9814120500	20	MONTH	$25.26	$505.20
4.70 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 120 GAL. (EMPTY)	9814120510	5	MONTH	$25.26	$126.30
4.71 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 200 GAL. (EMPTY)	9814120520	5	MONTH	$25.26	$126.30
4.72 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 300 GAL. (EMPTY)	9814120530	5	MONTH	$37.90	$189.50
4.73 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 400 GAL. (EMPTY)	9814120540	5	MONTH	$37.90	$189.50
4.74 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 500 GAL. (EMPTY)	9814120550	5	MONTH	$50.53	$252.65
4.75 RENTAL OF CYLINDERS AND TANKS - STEEL CYL. 1000 GAL. (EMPTY)	9814120560	5	MONTH	$63.17	$315.85
GROUP E					
5.1 GASES, SPECIALTY - CARBON DIOXIDE (CO2) BULK FOR FIRE SUPPRESSION SYSTEMS, PRICED PER POUND, TRUCKLOAD DELIVERY. CITY ONLY RESPONSIBLE FOR PROCURING NUMBER OF POUNDS NECESSARY TO FULFILL ITS NEEDS. NO	4303374121	140,062	POUND	$0.32	$44,819.84

MINIMUM ORDER QUANTITY REQUIRED					
5.2 GASES, SPECIALTY - CARBON DIOXIDE (CO2) BULK FOR FIRE SUPPRESSION SYSTEMS, DELIVERY FEE PER TRUCKLOAD. APPROXIMATE CAPACITY OF TRUCKLOAD IS 20,000 POUNDS	4303374122	82	EACH	$189.00	$15,498.00
5.3 GASES, SPECIALTY - CARBON DIOXIDE (CO2) BULK FOR FIRE SUPPRESSION SYSTEMS, ONE TIME ENSPECTION FEE PRIOR TO DELIVERY TO A NEW LOCATION OR AN EMPTY TANK	4303374123	1,901	EACH	$379.04	$720,555.04

TOTAL SUM: **$10,356,305.34** for the 5 years, given the "Target Quantities" column provided represents the City's 5-year usage. Still, this number is an estimation, since as a commodity, unit pricing may change at any time due to the propane index or yearly due to price change provision index.

Airgas USA, LLC values your business and looks forward to supplying the City of Chicago with products and services that enhance your operations. Please feel free to contact me regarding any questions or concerns.

Best Regards,

Jake Downs
District Manager
Airgas USA, LLC

CITY OF CHICAGO

DEPARTMENT OF WATER MANAGEMENT

MEMORANDUM

TO: Aileen Velazquez
Chief Procurement Officer
Department of Procurement Services

FROM: Andrea R.H. Cheng, Ph.D., P.E.
Commissioner
Department of Water Management

ATTN: Steve Loboda

SUBJECT: Sole Source Procurement
Industrial, Medical, and Propane Gas in Cylinder
And Bulk Delivery
Req. No. 409884, Spec No. 1178867C

DATE: **October 29, 2021**

The Department of Water Management, Bureau of Operations and Distribution is requesting a five (5) year Sole Source Contract to include three (3) year extension options with Airgas USA, LLC for industrial, medical, and propane gas in cylinder and bulk delivery. Estimated cost $10,000,000.00. This contract is needed city-wide to purchase various medical, industrial and specialty gases.

Additionally, the reasons' concerning this request is as follows:

This commodity is critical to the operation of several City departments: CDOT, Animal Control, Dept. of Cultural Affairs, Dept. of Health, Dept. of Police, Aviation, DAIS, Street and San., OEMC, (including the Chicago Fire Dept. which uses oxygen on all ambulances.

On April 15, 2019, Progressive Industries contract was extended to December 2, 2021. However, on May 28, 2019, Progressive informed the City via email that their manufacturer would not supply the gas products past December 2019. In addition, DWM also submitted a Notice to Cure Letter to DPS on November 22, 2019.

July 11, 2019 the Department of Water Management, Bureau of Water Supply and Distribution submitted a request for a new Specification for a new five (5) year Term Agreement Contract for industrial, medical, and propane gas in cylinder and bulk delivery, Req, 275773/specification 1178867. In addition, DWM made calls to vendors: Airgas USA, and AmeriGas to let them know that the Bid Specification 1178867 for industrial, medical and propane gas in cylinder and bulk delivery was being advertised for competitive bid.

CITY OF CHICAGO

DEPARTMENT OF WATER MANAGEMENT

On October 13, 2020, the DWM submitted a request to DPS to reject the Sole Bid and also requested a seven-day re-bid the Specification 1178867, because the quantities listed in the bid proposal documents did not accurately reflect actual city-wide usage over a period of 5-years and some of the quantities were calculated as cubic feet rather than cylinder. On December 22, 2020, DPS received the sole bid from Airgas USA, based upon review, by DPS, Dept. of Law and DWM it was a decision to reject the bid, due to the exceptions taken by the sole bidder.

In addition, on December 4, 2019, DWM submitted a request to DPS for an Emergency Contract, for industrial, medical and propane gas in cylinders and bulk delivery, Req. 318223/Spec 1202387, to prevent any lapse in services. The contract was awarded 12/11/2019 with an expiration date of 12/10/2021.

Airgas USA was the supplier to Progressive Industries, Inc. for all products and services associated with previous PO 30871. In order to keep services intact without a disruption of services, DWM is requesting that this Sole Source Contract be awarded directly to Airgas USA, LLC.

Also, personnel at Airgas USA are familiar with orders, and locations for delivery City-wide. DWM Currently, utilize Airgas USA for City-wide Departments for all rental of cylinders and purchase of industrial, medical and propane gas under Exhibit B payment.

This contract is needed city-wide to purchase various medical, industrial and specialty gases. Therefore, Department of Water Management would like to request your approval for a Sole Source Contract immediately to prevent any lapse in services for city-wide for industrial, medical and propane gas in cylinder and bulk delivery. We respectfully ask that you approve our request.

Thank you in advance for your consideration. If you have any questions or require additional information in order to process this Sole Source request, please contact Felicia Rawlings, Deputy Commissioner at 745-0581.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/26/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Marsh USA Inc.
2929 Allen Parkway, Suite 2500
Houston, TX 77019
Attn: Houston.Certs@marsh.com

CN115323536-AIRGA-GAWU-21-22

CONTACT NAME: Areeba Viqar
PHONE (A/C, No, Ext):
FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Starr Indemnity & Liability Company	38318
INSURER B : Starr Specialty Insurance Company	16109
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
American Air Liquide Inc.
Airgas USA, LLC - Midwest Region
259 N. Radnor-Chester Rd
Radnor, PA 19087

COVERAGES **CERTIFICATE NUMBER:** HOU-003704076-04 **REVISION NUMBER:** 6

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	X COMMERCIAL GENERAL LIABILITY			1000090660211	07/01/2021	07/01/2022	EACH OCCURRENCE	$	2,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$	2,000,000
							MED EXP (Any one person)	$	1,000
							PERSONAL & ADV INJURY	$	2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$	6,000,000
	X POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$	6,000,000
	OTHER:							$	
A	AUTOMOBILE LIABILITY			1000635788211 (AOS)	07/01/2021	07/01/2022	COMBINED SINGLE LIMIT (Ea accident)	$	5,000,000
A	X ANY AUTO			1000635789211 (MA)	07/01/2021	07/01/2022	BODILY INJURY (Per person)	$	
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$	
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$	
								$	
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$	
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$	
	DED / RETENTION $							$	
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			1000004702 (FL, MA)	07/01/2021	07/01/2022	X PER STATUTE / OTH-ER		
B	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N N	N / A		1000004703(AK,AZ,CT,IA,NJ,NY,NC,VT)	07/01/2021	07/01/2022	E.L. EACH ACCIDENT	$	2,000,000
B	(Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			1000004704 (WI)	07/01/2021	07/01/2022	E.L. DISEASE - EA EMPLOYEE	$	2,000,000
				Please see Acord 101			E.L. DISEASE - POLICY LIMIT	$	2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
City of Chicago is included as additional insured (except Workers Compensation) but only to the limits and extent specified in and required by the referenced written contract. This insurance is primary and non-contributory over any existing insurance and limited to liability arising out of the operations of the named insured subject to policy terms and conditions. The above General Liability policy contains a Separation of Insureds clause subject to the policy terms, conditions and exclusions. Contractual Liability is included in General Liability subject to policy terms and conditions.

CERTIFICATE HOLDER

City of Chicago
Department of Procurement Services, City Hall, Room 806,
121 North LaSalle Street,
Chicago, IL 60602

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Marsh USA Inc.

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AGENCY CUSTOMER ID: CN115323536
LOC #: Houston

ADDITIONAL REMARKS SCHEDULE

AGENCY	NAMED INSURED
Marsh USA Inc.	American Air Liquide Inc. Airgas USA, LLC - Midwest Region 259 N. Radnor-Chester Rd Radnor, PA 19087
POLICY NUMBER	
CARRIER / NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Workers Compensation Continued: Effective Dates: 7/1/2021 - 7/1/2022
Carrier: Starr Specialty Insurance Company
Policy No.: 100 0004701 (AL, AR, CA, CO, DE, GA, HI, ID, IL, IN, KS, KY, LA, ME, MD, MI, MN, MS, MO, MT, NE, NV, NH, NM, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, WV)

NAMED INSUREDS ON THE ABOVE REFERENCED POLICIES INCLUDE BUT ARE NOT LIMITED TO THE FOLLOWING COMPANIES:

American Air Liquide Inc.
American Air Liquide Holdings, Inc.
Air Liquide Helium America, Inc.
Air Liquide Advanced Technologies U.S. LLC
Air Liquide America L.P.
AL America Holdings, Inc.
Air Liquide USA LLC
Air Liquide Industrial U.S. LP
Air Liquide Large Industries U.S. LP
Air Liquide Electronics U.S. LP
Air Liquide Global E&C Solutions US Inc.
Air Liquide Technical Services LLC
Air Liquide America Specialty Gases LLC
Air Liquide Global E&C Solutions Mexico LLC
Air Liquide Holdings LLC
Air Liquide LLC
Air Liquide Advanced Materials Inc.
Air Liquide Advanced Materials LLC
Plains Nitrogen, LLC
Progressive Resources LLC
WellGen Services, LLC
Airgas, Inc.
Airgas Carbonic, Inc.
Airgas Carbonic, Inc. d.b.a. Airgas Dry Ice
Airgas Data, LLC
Airgas Doral, Inc.
Airgas Merchant Gases, LLC
Airgas Nitrogen Services, LLC
Airgas Priority Nitrogen, LLC
Airgas Safety, Inc.
Airgas Specialty Products, Inc.
Airgas USA, LLC
Nitrous Oxide Corporation
Radnor Funding Corp.
Tool Plus, Inc.
Red-D-Arc Inc.
Hydrogen Distribution Services LLC

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CERTIFICATE OF FILING FOR

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT

EDS Number: 164651
Certificate Printed on: 08/30/2021

Date of This Filing:07/26/2021 02:24 PM
Original Filing Date:07/26/2021 02:24 PM

Disclosing Party: Airgas USA, LLC
Filed by: LLC Support

Title:Administrators

Matter: 1178867B: Industrial, Medical & Propane Gas in Cylinder & Bulk
Applicant: Airgas USA, LLC
Specification #: 1178867B
Contract #:

The Economic Disclosure Statement referenced above has been electronically filed with the City. Please provide a copy of this Certificate of Filing to your city contact with other required documents pertaining to the Matter. For additional guidance as to when to provide this Certificate and other required documents, please follow instructions provided to you about the Matter or consult with your City contact.

A copy of the EDS may be viewed and printed by visiting https://webapps1.chicago.gov/eds and entering the EDS number into the EDS Search. Prior to contract award, the filing is accessible online only to the disclosing party and the City, but is still subject to the Illinois Freedom of Information Act. The filing is visible online to the public after contract award.

Renee Milton

From:	Renee Milton
Sent:	Monday, August 2, 2021 9:21 AM
To:	DJURDJEVIC, Slavisa
Subject:	City of Chicago Terms & Conditions - Industrial, medical and propane gas in cylinder and bulk delivery
Attachments:	Commodities General Terms & Conditions.06.05.2019.pdf

Hello Slav, please see attached the City of Chicago, General Terms & Conditions for your review.

Renee Milton, Contracts Coordinator
Department of Water Management
312-742-3841
Renee.milton@cityofchicago.org

DEPARTMENT OF PROCUREMENT SERVICES

Project Checklist

Attach required forms for each procurement type and detailed scope of services and/or specifications and forward original documents to the Chief Procurement Officer; City Hall, Room 806.

Date: October 29, 2021

Department Name: DWM

Requisition No: 409884 | **Specification No:** 1178867C

PO No: | **Modification No:**

Contract Liaison: Felicia Rawlings/Renee Milton

Telephone: 312-745-0581/312-742-3841

Email: felicia.rawlings/renee.milton@cityofchicago.org

Project / Program Manager: Felicia Rawlings

Telephone: 312-745-0581

Email: felicia.rawlings@cityofchicago.org

For blanket agreements, original or lead department must consult with other potential departments who may want to participate on the blanket agreement. If grant funded, attach copy of the approved grant application and other terms and conditions of the funding source. **Note**: 1) Funding: Attach information if multiple funding lines; 2) Individual Contract Services: Include approval form signed by Department Head and OBM; 3) ITGB: IT project valued at $100,000.00 or more, attach approval transmittal sheet.

By signing this form, I attest that all information provided is true and accurate.

***Contract Liaison Signature** Renee Milton

Project Title:

SOLE SOURCE CONTRACT-NDUSTRIAL, MEDICAL AND PROPANE GAS IN CYLINDERS AND BULK DELIVERY

Project Description:

NEW 5 YEAR SOLE SOURCE TERM AGREEMENT CONTRACT FOR INDUSTRIAL, MEDICAL AND PROPANE GAS IN CYLINDERS AND BULK DELIVERY

Funding:

☐ Corporate	☐ Bond	☒ Enterprise	☐ Grant	☐ Other:
☐ IDOT/Transit	☐ IDOT/Highway	☐ FHWA	☐ FTA	☐ FAA

LINE	FY	FUND	DEPT	ORGN	APPR	ACTV	PROJECT	RPTG	ESTDOLLAR AMOUNT
001	021	0200	088	2025	0316		220316		$10,356,305.34

Check One:

☒ **New Contract Request**

***By signing below, I attest the estimates provided for this contract are true and accurate.**

*Project / Program Manager Signature X Felicia Rawlings RM

*Commissioner/Authorized Designee Signature X Andrea R Cheng

Purchase Order Type:

- ☒ Blanket/Purchase Order (DUR)
- ☐ Master Consultant Agreement (Task Order)
- ☐ Standard/One-Time Purchase

Procurement Method:

☐ Bid ☐ RFP ☐ RFQ ☐ RFI ☐ Small Order

Special Approvals Required:

- ☐ Emergency
- ☒ Non-Competitive Review Board (NCRB)
- ☐ *Request for Individual Contract Services*
- ☐ Information Technology Governance Board (ITGB)

Purchase Order Information:

Contract Term (No. of Months): 60 Months

Extension Options (Rate of Recurrence): 3 yr.

Estimated Spend/Value: $10,356,305.34

Grant Commitment / Expiration Date:

Pre-Bid/Submittal Conference: ☐ Yes ☒ No

☐ Mandatory ☐ Site Visit

Contract Type:

- ☐ Architect Engineering
- ☒ Commodity
- ☐ Construction ☐ JOC ☐ SBI
- ☐ Professional Services
- ☐ Revenue Generating
- ☐ Vehicle & Heavy Equipment
- ☐ Work Service
- ☐ Joint Procurement
- ☐ Reference Contract

☐ **Modification or Amendment**

Modification Information:

PO Start Date:

PO End Date:

Amount (Increase/Reduction):

Modification/Amendment Type:

- ☐ Time Extension
- ☐ Scope Change/Price Increase /Additional Line Item(s)
- ☐ Vendor Limit Increase
- ☐ Requisition Encumbrance Adjustment
- ☐ Other (specify):

MBE/WBE/DBE Analysis: *(Attach MBE/WBE/DBE Goal Setting Memo)*

- ☐ Full Compliance
- ☐ Contract Specific Goals
- ☐ No Stated Goals
- ☒ Waiver Request

Risk Management / EDS

Insurance Requirements (included) ☑ Yes ☐ No

EDS Certification of Filling (included) ☑ Yes ☐ No

Vendor Info:

Name:	Airgas USA LLC
Contact:	Slavisa Djurdjevic
Address:	1601 Nicholas Blvd, Elk Grove Village, IL 60007
E-mail:	slavisa.djurdjevic@airgas.com
Phone:	630-854-6715

SCOPE OF WORK AND DETAILED SPECIFICATIONS
Specification No. 1178867C

General
The Contractor will furnish and deliver Industrial, Medical and Propane Gas in Cylinder and Bulk Delivery.

Funding
The source of funds for payments under this Contract is Fund number 021-0200-0882025-0316-220316-0000 and various. Funding for this Contract is subject to the availability of funds and their appropriation by the City Council of the City of Chicago.

Scope of Work
The Contractor will furnish and deliver various Medical, Industrial and Specialty Gases and related services as described below F.O.B, City of Chicago, Participating Departments, in accordance with all the terms and conditions of these Specifications and as set forth herein. When Contractor delivers any products, parts or equipment, the Contractor will bear the risk of loss or damage to the product and/or supplies in transit and during offloading. Wherever "specified" is used herein it will mean "specified in the order." Wherever reference is made herein to any other specification, standard, regulation or method, it will mean the "latest revision thereof in effect at the time of invitation to bid."

Contract Term
The Initial Term for this Contract will be sixty (60) months, unless terminated earlier pursuant to the Termination provision, or extended according to the terms of the Term Extension provision.

The City will establish the start and expiration dates at the time of formal award and release of this contract.

The start date will be no later than the first day of the succeeding month from the date shown as the Contract Award.

Extension Option

The City has the option to unilaterally extend the term of this Contract following the expiration of the Initial Term, for up to thirty-six (36) months, subject to acceptable performance by the Contractor and contingent upon the appropriation of sufficient funds. The option may be exercised as a single thirty-six-month extension or as up to three separate extensions, each with a term no less than twelve months.

No less than sixty (60) calendar days before the expiration of the Initial Term, or if previously extended, the expiration of the term as extended, the Chief Procurement Officer will give the Contractor notice of the City's intent to exercise its option to renew the Contract. The date on which the Chief Procurement Officer gives notice is the date the notice is mailed, if it is mailed, or the date the notice is delivered, if sent by courier or messenger service.

With the same amount of notice as for options, the City reserves the right to extend the contract period for a period of no more than one hundred eighty-one (181) calendar days, either in lieu of exercising an option period or following the exhaustion of all option periods, for the purpose of providing continuity of supply while procuring a replacement contract.

Authorized Dealer

The Contractor must be the manufacturer of, or an authorized dealer or distributor of the manufacturer of, the Industrial, Medical and Propane Gas in Cylinder. Further, the Contractor must be able to provide original product warranty and manufacturer's related services such as product information, product recall notices, etc.

Documentation which validates the Contractor's current status of authorized dealer or distributor must be submitted to the department if requested. Contractor must also demonstrate that it has authorization to transfer product warranties to the City of Chicago.

Analysis

When required by the Participating Department, an analysis of the ordered gas must be supplied with the order. The analysis must be of the component parts, specific impurities, or a complete analysis, as ordered by the Participating Department on the sub-order.

Existing Equipment

All cylinders and equipment supplied under this contract must be compatible with the City's existing equipment. In the event the Contractor's cylinders do not have the proper connections to match City equipment, the vendor must provide adaptors at no charge to the City.

Technical Services
The Contractor must make available to the Participating Department(s) all necessary technical services and assistance in setting up new installations and to solve problems which may arise in the operation of existing equipment.

Material Safety Data Sheet
Material Safety Data Sheet (OSHA Form 20) must be submitted for any substance described in the Illinois "Toxic Substances Disclosure Act" regardless of the quantity requested. The Contractor will furnish an OSHA 20 Form for each item contained in the releases against this contract with the delivery of those materials.

Safety
The Contractor, its agents, employees, suppliers and/or subcontractors, will perform all work related to this Contract in a safe and responsible manner. Contractors and subcontractors , will at their own expense, conform to the safety policies and regulations established and will comply with all specific safety requirements promulgated by the City of Chicago and any government authority, including without limitation the requirements of the Occupational Safety and Health Act of 1970 and the Construction Safety Act of 1969 and all standards and regulations which have been or will be promulgated by the parties or agencies which administer the Acts. Contractor and subcontractors will comply with said requirements, standards and regulations, as required and be directly responsible for compliance therewith on the part of its said agents, employees, and material suppliers; and will directly receive, respond to, defend, and be responsible for all citations, assessments, fines or penalties which may be incurred by reason of its failure on the part of its agent, employees, or material suppliers to so comply.

Clean Up
The Contractor must, during the progress of the work, remove and dispose of all demolished materials and the resultant dirt and debris on a daily basis and keep the work site(s) and adjacent premises in a clean condition satisfactory to the Participating Department. Upon completion of work, the Contractor must remove all surplus materials, tools and machinery from the work site, and restore the site to the same general condition that existed prior to the commencement of its operation.

Protection of Work, Damages and Repairs

The Contractor must provide protection for all uncompleted work under this contract until the work has been completed and accepted by the City.

The Contractor will be responsible **for** and will repair and pay **for** damages to new and existing structures, material, equipment, plant, stock and apparatus during the course of the work, where such damage is directly due to work under this contract, or where such damage is the result of the negligence, or carelessness on the part of the Contractor or of its employees, or on the part of the Contractors subcontractor or its employees

Use of City Facilities
Use of City telephones, equipment or other apparatus at City facilities is prohibited without the prior approval of the Commissioner of the Participating Department. While on City premises, the Contractor will not store any equipment, tools or materials without prior written authorization from the Commissioner, The City will not be responsible for or liable to pay the Contractor for any loss of equipment, tools or materials stored on City property.

Access to City Facilities
The Contractor must abide by all Participating Department policies and procedures for security clearance and access to City facilities, The Contractor, its employees and its subcontractors must comply with all security requirements and must perform work and schedule work in a way that does not disrupt the normal operations at each facility

Group A - Medical Gases

A. Scope

This specification describes oxygen for medical use.

B. Classification

Medical gases must be of one grade, as specified.

C. Applicable Documents

The following documents shall form a part of this document to the extent specified herein:

Food, Drug and Cosmetic Act and Regulations promulgated hereunder.

The United States Pharmaceutical Convention, Inc. Pharmacopoeia of the United States of America.

CFR Title 49, parts 170-190

ANSI 857.1 "Compressed Gas Cylinder Valve Outlet and Inlet Connections".

ANSI Z-48.1 "Method of Marking Portable Containers to Identify the Material-Contained."

CGA- C-9 "Standard Color-Marking of Compressed Gas Cylinders Intended for Medical Use in the United States".

CFR - Code of Federal Regulations

ANSI - American National Standards Institute

CGA - Compressed Gas Association

D. Material Medical gases covered under this specification must consist of the following:

These materials must conform to all regulations of the Food, Drug, and Cosmetics Act and the U. S. Pharmacopoeia, latest edition.

E. Cylinders and Valves

Medical gases will be contained in cylinders which must comply with regulations of the Department of Transportation, CFR Title 49, parts 170-190 and equipped with valves and outlet connections conforming to ANSI 857.1.

F. Cylinders Maintenance

The Contractor shall maintenance repaint and re-certify or replace the cylinders if they expire and also replace the vapor valve in case of damage. The Contractor shall remove and pick up for proper disposal to meet the requirements of this specification and 49 CFR 170-190.

G. Rental or Purchase of Tanks and Cylinders

The City may rent or purchase cylinders from the vendor.
If a participating Department requires the Contractor to supply tanks and cylinders, the Contractor must provide the participating Department with the required tank(s) and cylinders at the quoted rates and transfer any gas from the existing tank into the provided tank. This must be done within thirty (30) calendar days after receipt of purchase order release.
The city pays the Contractor fees for coupling, refilling, transporting and the cost of the gas.

Rental for gas cylinders is assessed per gas cylinder per day. For every day a gas cylinder is stored at a City facility, full or empty, a daily rate is charged based

on the specific gas as set in the contract specification. The City Department will fill out all necessary forms sent by the Contractor for the cylinders and fueling cost. Even without the benefit of an accurate count of empty cylinders, the Contractor is expected to routinely check the empty cylinder holding area when on site and before leaving, and sometimes the Contractor can only accommodate a partial pick up.

H. **Emergency Delivery**

The Contractor shall be able to supply Industrial, Medical and Propane Gas in Cylinder and Bulk Delivery in twenty-four (24) hrs.

Rented tanks and cylinders will come with all standard hookups, fittings and accessories necessary for immediate operation.

I. **Capacity**

Cylinders must be filled in accordance with DOT regulations and at no time be in excess of the service capacity marked on the cylinder.

J. **Leakage**

There must be no leakage from filled cylinders.

K. **Packaging-Packing and Marking**

Cylinders of medical gases must be packaged and marked to comply with DOT Regulations 49 CFR 170-190, and ANSI Z48.1, and OGA pamphlet C-9. Cylinders must be supplied with protective valve caps.

L. **Testing and Inspection**

All testing and inspection will be under the jurisdiction of the Chief Procurement Officer or her duly authorized representative.

M. **Rejection**

Medical Gases that do not meet the requirements of this specification may be rejected and, when so ordered by the Chief Procurement Officer, will be removed by the contractor at its own expense and will be replaced with Medical Gas which meets requirements within the delivery date specified.

GROUP B – Specialty Gases

A. Scope

This specification describes Specialty Gases as specified:

PRODUCT DESCRIPTION	SPECIALTY GASES	CONTENT
Oxygen, Ultra High Purity:	Minimum Purity:	99.994%
	Moisture:	‹ 2 PPM
	Total Hydrocarbons:	‹ .5 PPM
Carbon Dioxide, Instrument:	Minimum Purity:	99.99%
	Oxygen:	‹ 20 PPM
	Nitrogen:	‹ 70 PPM
	Methane:	‹ 10 PPM
Nitrogen, Ultra High Purity:	Minimum Purity:	99.999%
	Oxygen:	‹ 1 PPM
	Moisture:	‹ 3 PPM
	Total Hydrocarbons:	‹ 1 PPM
P-5 (Nuclear Counter Mixture)	Minimum Purity:	None established
	Argon:	
	Methane:	4.75% - 5.25%
	Oxygen:	‹10 PPM
	Moisture:	‹5 PPM
P-10(Nuclear Counter Mixture)	Minimum Purity:	None established
	Argon:	
	Methane:	9.5% - 10.5%
Helium, Ultra High Purity:	Minimum Purity:	99.999%
	Oxygen:	‹2 PPM
	Nitrogen:	‹6 PPM
	Total Hydrocarbons:	‹1 PPM
	Moisture:	‹3 PPM
Argon, Pre-purified:	Minimum Purity:	99.998%
	Oxygen:	‹3 PPM
	Moisture:	‹3 PPM
Air	Minimum Purity:	None established
	Oxygen:	
	Nitrogen:	
Argon, Zero:	Minimum Purity:	99.996%
	Total Hydrocarbons:	‹0.5 PPM
	Oxygen:	‹5 PPM
Helium Zero:	Minimum Purity:	99.995%
	Total Hydrocarbons:	‹0.5 PPM
	Oxygen:	‹5 PPM

B. Applicable Documents

CFR Title 49parts 170-190
ANSI 857.1"Compressed Gas Cylinder Valve Outlet and Inlet Connections"
ANSI Z48.1"Method of Marking Portable Gas Containers to Identify the Material Contained".
CFR - Code of Federal Regulations.
ANSI - American National Standards Institute.

C. Materials
See Chart above for specific material requirements

D. Breathing Air
Breathing air must conform to the requirements of Table 1 below. Gas Volumes are measured at, or calculated to, standard conditions, 29.92 inches (760 mm) of mercury (Hg) and 70°F. (21.1°C.).

1. **Balance of Products**
   The balance of the product will consist of nitrogen (N2) and if present the usual quantities (or less) of other gases usually found in the atmosphere.
2. **Production**
   Breathing air produced by combining nitrogen and oxygen, whether liquid or bottled, will be unacceptable under this specification. Due to nature of usage, the product must be produced by compression of atmospheric air only.
3. **Odor**
   Breathing air must be free from any pronounced or objectionable odors.

Table 1

COMPONENT	MEASUREMENT	REQUIREMENT
Oxygen (02)	Volume Per Cent	20-22
Carbon Dioxide	by volume	5000 PPM max.
Carbon Monoxide	by volume	10 PPM max.
Separated Water		none
Total Water	Weight/volume	0.02 mg/liter, max.
Oil (Mist and Vapor) and particulate matter	Weight/volume	005 mg/liter, max

E. Cylinders and Valves

Air will be contained in cylinders which must comply with regulations of the Department of Transportation (DOT), CFR Title 49, parts 170-190 and equipped with valves and outlet connections conforming to ANSI 857.1.

F. Cylinders Maintenance

The Contractor shall repaint and re-certify or replace the cylinders if they are expire, and also replace the vapor valve in case of damage. If required, the Contractor shall remove and pick up for proper disposal to meet the requirements of this specification and 49 CFR 170-190.

G. Capacity

Cylinders must be filled in accordance with DOT regulations and at no time in excess of the service capacity marked on the cylinder.

H. Rental or Purchase of Tanks and Cylinders

The City may rent or purchase cylinders from the vendor.

If a participating Department requires the Contractor to rent or purchase tanks and cylinders, the Contractor must provide the participating Department with the required tanks or cylinders at the quoted rates and transfer any gas from the existing tank/cylinder into the provided tank/cylinder. This must be done within thirty (30) calendar days after receipt of purchase order release.

Rental for gas cylinders is assessed per gas cylinder per day. For every day a gas cylinder is stored at a City facility, full or empty, a daily rate is charged based on the specific gas as set in the contract specification. The City Department will fill out all necessary forms sent by the Contractor for the cylinders and fueling cost.

Rented tanks and cylinders will come with all standard hookups, fittings and accessories necessary for immediate use.

I. Emergency Delivery

The Contractor shall be able to supply Industrial, Medical and Propane Gas in

Cylinder and Bulk Delivery in twenty-four (24) hrs.

Rented tanks and cylinders will come with all standard hookups, fittings and accessories necessary for immediate operation.

J. Leakage

There must be no leakage from filled cylinders.

K. Packaging - Packing and Marking

Cylinders of air will be packaged and marked to comply with DOT Regulations 49 CFR 170-190 and ANSI Z48.1. Cylinders must be supplied with protective valve caps

L. Testing and Inspection

All testing and inspection must be under the jurisdiction of the Chief Procurement Officer or her duly authorized representative.

M. Rejection

Specialty gases that do not meet the requirements of this specification will be rejected and, when so ordered by the Chief Procurement Officer, must be removed by the contractor at its own expense and must be replaced with acetylene which meets requirements within the delivery date specified

GROUP C – Industrial Gases

A. Scope

This specification describes gases used in industrial applications as specified:

PRODUCT DESCRIPTION	INDUSTRIAL GASES CONTENT	
Acetylene:	Minimum Purity:	98% (on a solvent-free basis)
Oxygen Gas:	Minimum Purity: Moisture	99.5% ‹50 PPM
Oxygen Liquid:	Minimum Purity:	99.5%
Nitrogen Gas:	Minimum Purity: Oxygen: Moisture	99.9% ‹1000 PPM ‹ 32 PPM

Carbon Dioxide Gas:	Minimum Purity: Moisture	99.5% min. ‹200 PPM
Carbon Dioxide Liquid:	Minimum Purity:	99.5% min.
Helium Gas:	Minimum Purity: Oxygen: Moisture:	99.995% ‹10 PPM ‹15 PPM
Oxygen, USP:	Minimum Purity: Odor:	99.5% None Detected
Nitrous Oxide, USP:	Minimum Purity:	99.0%
Carbon Dioxide, USP:	Minimum Purity: Hydrogen Sulfide: Nitric Oxide: Ammonia: Carbon Monoxide: Nitrogen Dioxide: Sulfur Dioxide: Moisture:	99.5% ‹1PPM ‹ 2.5PPM ‹ 25PPM ‹ 10 PPM ‹ 2.5 PPM ‹ 5 PPM ‹200 PPM
Argon Gas:	Minimum Purity: Oxygen: Moisture:	99.997% ‹ 5 PPM ‹ 10 PPM

B. Applicable documents

All items purchased in this Group must comply with applicable provisions of the following laws and regulations:

CFR Title 49, Parts 170-190

ANSI 857.1, "Compressed Gas Cylinder Outlet and Inlet Connections."

ANSI Z48.1. "Method of Marking Portable Containers to Identify the Product Contained

CFR- Code of Federal Regulations

ANSI - American National Standards Institute

C. Material

See Chart above for specific material requirements

D. Cylinders Maintenance

The Contractor shall repaint and re-certify or replace the cylinders if they are expire, and also replace the vapor valve in case of damage. If required, the

Contractor shall remove and pick up for proper disposal to meet the requirements of this specification and 49 CFR 170-190.

E. Capacity
Cylinders will be filled to volume capacity. Cylinders must be filled in compliance with 49 CFR 170-190; the pressure in the filled cylinder must not exceed 250 PSIG at 70° F.

F. Rental or Purchase of Tanks and Cylinders
The City may rent or purchase cylinders from the vendor.

If a participating Department requires the Contractor to rent or purchase tanks and cylinders, the Contractor must provide the participating Department with the required tanks or cylinders at the quoted rates and transfer any gas from the existing tank/cylinder into the provided tank/cylinder. This must be done within thirty (30) calendar days after receipt of purchase order release.

Rental for gas cylinders is assessed per gas cylinder per day. For every day a gas cylinder is stored at a City facility, full or empty, a daily rate is charged based on the specific gas as set in the contract specification. The City Department will fill out all necessary forms sent by the Contractor for the cylinders and fueling cost.

Rented tanks and cylinders will come with all standard hookups, fittings and accessories necessary for immediate use.

G. Emergency Delivery

The Contractor shall be able to supply Industrial, Medical and Propane Gas in Cylinder and Bulk Delivery in twenty-four (24) hrs.

Rented tanks and cylinders will come with all standard hookups, fittings and accessories necessary for immediate operation.

H. Leakage
Cylinders and valves must not leak after being filled.

I. Packaging - Packing and Marking
1. Cylinders of acetylene will be packaged and marked to comply with DOT Regulations 49 CFR 170-190 and ANSI Z48.1. Cylinders must be supplied with

protective valve caps.

2. Cylinders of oxygen must be packaged and marked to comply with DOT Regulations 49 CFR 170-190 and ANSI Z48.1 Cylinders must be supplied with protective valve caps.

J. Testing and Inspection

All testing and inspection must be under the jurisdiction of the Chief Procurement Officer or her duly authorized representative.

K. Rejection

Industrial Gases that do not meet the requirements of this specification will be rejected and, when so ordered by the Chief Procurement Officer, must be removed by the contractor at its own expense and must be replaced with the appropriate gas which meets requirements within the delivery date specified.

GROUP D - Propane Gas/Liquefied Petroleum Gas (LPG)

The Contractor will furnish and deliver Propane Gas in Cylinders and in Bulk, to the City of Chicago, and participating Departments and provide parts and services for tanks and cylinders, including tank installation, in accordance with the requirements of this specification. When Contractor delivers any products, parts, or equipment, the Contractor will bear the risk of loss or damage to the product and/or supplies in transit and during offloading.

Prior to the start of any installation work, the Contractor must obtain written approval from the Commissioner of the requesting Department, or a duly authorized representative, to proceed with the installation.

Product Description

The LPG (Liquefied Propane Gas), equipment and accessories provided will be as specified on the Proposal Pages and will conform to these Detailed Specifications.

Specification for Liquefied Petroleum Gas (LPG)

Wherever reference is made herein to any other specification standard regulation or method, it will mean the "latest revision thereof in effect at the time of invitation to bid."

A. Scope

This specification covers LPG for various uses; LPG will be of the types specified

in ASTM D-1 835 or latest revision thereof.

B. Types of Product

Type I- Commercial Propane

A hydrocarbon product intended for use in all applications where high volatility is desirable.

C. Chemical Requirements

Type I will meet the requirements specified in ASTM D-1835 or latest revision thereof.

D. Odorization

LPG provided under this specification will be odorized in accordance with NFPA Publication No. 58.

E. Packaging

LPG will be supplied in containers provided by the City or by the Contractor.

F. Testing and Inspection

All testing and inspection will be under the jurisdiction of the Chief Procurement Officer, or her duly authorized representative. LPG will be tested as specified in ASTM D-1835 or latest revision thereof. Sampling of LPG will conform to applicable ASTM standards.

G. Rejection

LPG that does not meet the requirements of this specification will be rejected and when so ordered by the Chief Procurement Officer, they will be removed by the Contractor at its own expense and will be replaced with like quantities of LPG which do meet the requirements within the delivery date specified.

H. Compliance with LPG Regulations

The propane gas carrier must possess a Hazardous Materials Certificate of Registration from D.O.T. as required by CFR 49 part 107 subpart g. In addition, the carrier must comply with the requirements of NFPA Code Publication No, 58 and with the City of Chicago Fire Code Section 1 526, Article V-Liquefied Petroleum Gas. The documentation must be submitted with or upon request of the Chief Procurement Officer or a designee.

I. Rental or Purchase of Tanks and Cylinders

The City may rent or purchase cylinders from the vendor.

If a participating Department requires the Contractor to rent or purchase tanks and cylinders, the Contractor must provide the participating Department with the required tanks or cylinders at the quoted rates and transfer any gas from the existing tank/cylinder into the provided tank/cylinder. This must be done within thirty (30) calendar days after receipt of purchase order release.

Rental for gas cylinders is assessed per gas cylinder per day. For every day a gas cylinder is stored at a City facility, full or empty, a daily rate is charged based on the specific gas as set in the contract specification. The City Department will fill out all necessary forms sent by the Contractor for the cylinders and fueling cost.

Rented tanks and cylinders will come with all standard hookups, fittings and accessories necessary for immediate use.

J. Emergency Delivery

The Contractor shall be able to supply Industrial, Medical and Propane Gas in Cylinder and Bulk Delivery in twenty-four (24) hrs.

Rented tanks and cylinders will come with all standard hookups, fittings and accessories necessary for immediate operation.

GROUP E – Bulk CO_2 for Fire Suppression Systems.

Gases, specialty - carbon dioxide (CO_2) bulk for fire suppression systems, priced per pound, truckload delivery. City only responsible for procuring number of pounds necessary to fulfill its needs. No minimum order quantity required

A. Scope

The contractor will be required to deliver Carbon Dioxide (CO2) in bulk for fire suppression systems.

B. Pricing

The contractor will price the bulk delivery per pound necessary for application. No minimum quantity required.

C. Inspection

At the City's request the contractor will provide a one-time inspection see prior to delivery of material to the City's required location.

D. Delivery

Bulk CO2 will be delivered via Truck. The Contractor will coordinate delivery with appropriate City personnel

Additional Requirements

Price Adjustments for Groups A, B, C, D and E

Original contract prices will remain fixed throughout the first twelve (12) calendar months of the Contract term. Beginning on the date after the initial twelve (12) month term, and for each twelve (12) month anniversary thereafter, subject to acceptable performance by the Contractor and contingent upon the appropriation of sufficient funds for the procurement of services provided for in this Contract, annual price adjustments of the Contract pricing may be made after receipt of written request from the Contractor showing cause substantiating the need for the increase, made no later than thirty (30) calendar days after the expiration of each such twelve (12) month period. If Contractor does not request a price adjustment within such thirty (30) calendar day period, Contractor will not be entitled to a price adjustment for the upcoming year. Contract pricing adjustments will be calculated as outlined below.

The CPO may request additional information to verify the price change. Contractor's unit prices will be increased by no more than the percentage amount of increase in the Producer's Price Index (PPI) or five percent (5%), whichever is less, for each one (1) year term. Contractor's request for a price increase must be furnished as a certified statement or affidavit and must include the percentage increase requested in accordance with this section, detailed pricing data and any and all supporting documentation justifying the increase.

Annual requests for price adjustments will reference the Producer Price Index (PPI) for "Industrial Gas Manufacturing ", Series ID: PCU 325120325120T/204/207/20a/20C, not seasonally adjusted, as it appears in the periodical Producer Price Indices published by the U.S. Department of Labor, Bureau of Labor Statistics. This Index can currently be found on the Internet at http: //stats.bls.gov/ppi.; go to Series Report and enter Series ID number.

The adjusted Contract price will be determined by performing the following calculation: The original contract price(s) will be multiplied by the quotient, and then be rounded to two (2) decimal places to calculate the adjusted contract price(s). The quotient will be calculated by dividing the index value of the last full month of the annual contract period available at the time of the price adjustment by the index value at the time of the contract award.

For subsequent increases, the formula should be applied again, taking that year's index value at the time of calculation, dividing it by the index value at the time of contract award, and proceeding as described in the example below.

Example:

Start date of the contract is January 1, 2010. If Contractor requests price increase January 20, 2011(within the 30-day request period), Calculation will be as follows:

Quotient will be calculated by using the ***Index at the time of contract award****;(i.e. Contract start date is January 1, 2010; --178.4)*

Index value of the last full month of the ***annual contract period*** *available at the time of price adjustment (i.e. December 31, 2010; -- 187.2)*

187.2 / 178.4 =1.049

1.049 x Original Price = Adjusted Price

Adjusted price(s) may be higher or lower than the Original Price as dictated by the applicable index values. Any price adjustments requested in subsequent years of the agreement will be calculated in the same manner.

All price adjustment calculations will be based upon the latest version of the PPI available on the eighteenth (18th) day of the month following the anniversary of the Contract. The effective date of an adjustment will be the twentieth (20th) day of the month following the month in which the adjustment is requested.

If Producer Price Index data are not available for any month of the final twelve (12) full months of the annual Contract period, the PPI data for the most recent twelve (12) full months preceding the anniversary of the Contract will be used in computing the price adjustment.

Price Escalation for Non-Indexed Items, Accessories

The original bid prices for Non-Indexed items will be valid and firm for the initial twelve (12) month contract period beginning with the start date of the Contract. Beginning on the date after the initial twelve (12) month term, and for each twelve (12) month anniversary thereafter, annual price adjustments of no more than five percent (5%) of the contract pricing will be considered after receipt of written request from the Contractor made no later than thirty (30) calendar days after the expiration of each such twelve (12) month period. If Contractor does not request a price adjustment within such thirty (30) calendar day period, Contractor will not be entitled to a price adjustment for the upcoming year.

Price escalation for items not otherwise covered under any specified index will be considered by the Chief Procurement Officer when the Contractor can show cause substantiating the need for an increase The Contractor will be required to furnish a certified statement or affidavit which states that the increase represents the cost for materials only

and in no way represents an increase for his profits, labor or other overhead. The Contractor must justify his request for an increase by submitting evidence from the manufacturer which details the pricing changes, the effective date for the change and any other Information requested by the Chief Procurement officer to verify the price change.

If approved by the Chief procurement Officer, a properly executed contract modification must be signed by the Contractor and the City to reflect the price change and the effective date for the change. Original bid prices are in effect until the modification has been fully executed and released to the Contractor unless the modification specifies an effective date for the agreed upon price change.

If approved by the Chief Procurement Officer, a properly executed contract modification must be signed by the Contractor and the City to reflect the price change and the effective date for the change. Original bid prices are in effect until the modification has been fully executed and released to the Contractor unless the modification specifies an effective date for the agreed upon price change.

Any items delivered by the Contractor at the new price, without properly executed contract modification signed by the Chief Procurement Officer, is made at the Contractor's risk. Consequently, in the event that such modification is not executed by the City, the Contractor hereby released the City from any liability

Additional Price Adjustment Requirements for Group *D (Propane only)

Prices for propane gas in Group D of this Contract will be based on the average OPIS price for Propane Gas, at the Chicago, Illinois terminal as listed in the weekly publication, oil price information service and published weekly by United Communications Group, 11300 Rockville Pike, Suite 1100, Rockville, MD 2-0852-3030, Phone: (301) 287-2645, (hereinafter referred to as OPIS - Oil Pricing Information Service).

This publication is published on Monday. Prices are confirmed as of the preceding Thursday. In the event the companies and prices for Chicago are not published the established contract will not be subject to-change until the Thursday following the next OPIS publication/issue which includes this information.

If an error occurs in a price listed in and by OPIS, it will be corrected and new prices determined front such correction only if it is corrected by OPIS in a subsequent issue within two (2) issues of the issue which had the error.

The first price of this contract will be based on the last OPIS price published before the effective date of this contract.

Prices for this contract will be adjusted on Thursday of each week based on OPIS average price for the preceding Monday.

It is understood and agreed that orders will be shipped and billed at the established contract price in effect on date orders are delivered. The Contractor will be expected to make deliveries as needed and as ordered. Contractor should be familiar with the local situation and the anticipated need and bid accordingly.

In the event that OPIS discontinues publishing price information during the contract period, the City reserves the right to choose at its discretion an alternate industry publication from which posted market prices will be obtained. Also, if it is deemed to be in the City's best interests, the City reserves the right to switch to an alternate industry pricing publication at any time during the contract period. The Contractor will agree to accept the posted prices shown in the alternate industry publication and will allow the quoted bid differential to be based from these posted market prices for the duration of the contract including any and all time extensions.

Conversion Formula
To determine the pound per gallon ratio, the Contractor is bound to the index on the date of publication in the LP Gas Handbook of latest edition.

Calculating Total Delivered Price/Gallon of Propane Gas
To determine the Total Delivered Price per gallon for Propane Gas, Chicago Illinois in Group D, the bidder must quote a Margin over OPIS that includes a cost per gallon for transportation, overhead, profit and all applicable fees and taxes. The Margin over OPIS will be a fixed cost added to the weekly OPIS price for the product. To determine the Total Refill Cost, the bidder must quote a separate Refill Transaction Cost that includes the cost per cylinder/tank size for coupling/uncoupling, labor and miscellaneous refill costs. The Refill Transaction Cost per cylinder/tank size as quoted in Group D will be added to the Total Delivered Price per gallon for Propane Gas, as applicable. See the example below:

Example
The Total Delivered Price per gallon for refilling a 43 lb. cylinder will be calculated as follows: Average OPIS price for LP Gas at Chicago, Illinois terminal on 6/18/02:
$0.5200/gal

+ Margin Over OPIS for 43 lb. cylinder (charges per gallon for freight, Handling, profit, overhead, all applicable fees, excluding gas price):	$0.0500/gal
Total Delivered Price per gallon for 43 lb cylinder:	**$0.5700/gal**
Assuming a 4.2 lb per gallon at 60 F. (35 lb./4.2 lb=8.33 Gal) and a refill of 35 lbs 8.33 Gal X $0.57/Gal=	$ 4.74
+ Re-fill Transaction Cost for 43 lb. cylinder as quoted in Group B: (Charges per tank size for coupling/uncoupling, labor and miscellaneous)	$ 26.00/cyl.
Total Price for Refill	**$ 30.74/cvl**

Invoices

This contract is subject to Centralized Invoice Processing ("CIP"). **Invoices must be submitted directly to the Comptroller's office via email to:**

INVOICES@cityofchicago.org with the word **INVOICE** in the subject line,

OR by US Postal Service mail to the following address:

INVOICES

City of Chicago, Office of the City Comptroller

121 N. LaSalle St., Room 700

Chicago, IL 60602

All invoices must be signed, marked "original," and include the following information or payment will be delayed:

- **Invoice number and date**
- **Contract/Purchase Order number**
- **Blanket Release number (if applicable)**
- **Vendor name and/or number**
- **Remittance address**
- **Name of City Department that ordered the goods or services**
- **Name and phone number of your contact at the ordering department**
- **Invoice quantities, commodity codes, description of deliverable(s)**
- **Amount due**
- **Receipt number (provided by the ordering department after delivery of goods/services)**

Invoice quantities, service description, unit of measure, pricing and/or catalog information must correspond to the terms of the Bid Page(s) (a.k.a. proposal pages).

If applicable, if invoicing Price List/Catalog items, indicate Price List/Catalog number, item number, Price List/Catalog date, and Price List/Catalog page number on the invoice.

Invoices for over-shipments or items with price/wage escalations will be rejected unless the Contract includes a provision for such an adjustment.

Freight, handling and shipping costs are not to be invoiced; deliveries are to be made F.O.B., City of Chicago.

As stated the City of Chicago is exempt from paying State of Illinois sales tax and Federal excise taxes on purchases.

If required, Subcontractor Payment Certification forms must be mailed to the department that ordered the goods or services.