

To: Board of Education

From: Kathy Johnson, executive director, finance  
Patrick Kelly, director, career and technical education

Re: Sales of Empty Gas Cylinders

Date: November 26, 2018

Background:

Lawrence USD 497 currently contracts with Thompson Brothers Welding and Industrial Supply for gasses used in the welding program. Each school year, Lawrence USD 497, in coordination with Neosho County Community College, completes a bidding process for welding gas supply. Gas suppliers typically replace empty bottles with full ones, charging a rental fee for the use of the cylinders. Hydro testing and cylinder requalification is required of all cylinders. Complicating that process is the number of cylinders owned by Lawrence USD 497. It is problematic, when auditing, invoicing and testing, for our suppliers to track and separate customer owned cylinders.

Rationale:

Lawrence USD 497 Board Policy DFM states that excess or unusable district-owned property, equipment and materials shall be disposed of at the discretion of the board. Lawrence USD 497 career and technical education staff have worked with Thompson Brothers Welding and Industrial Supply on an offer to sell all Lawrence USD 497 owned cylinders. Funds from this sale will be used to purchase welding gasses in the future. This will allow Lawrence USD 497 to align with current best practice of renting cylinders rather than owning them. Direct payment will be made from the sale rather than credit, allowing Lawrence USD 497 to contract with other vendors in the future to secure the best price for welding gases.

Recommendation:

Administration recommends that sale of nineteen gas cylinders to Thompson Brothers Welding & Industrial Supply for \$2,900 and that the funds generated from the sale go back to the districts welding program.

Motion:

"I move that the Board of Education approve the sale of nineteen gas cylinders to Thompson Brother Welding & Industrial Supply and that the funds generated from the sale go back to the districts welding program."