

AGENDA MEMORANDUM

Action Item for the City Council Meeting of June 10, 2025

DATE: June 10, 2025

TO: Peter Zanoni, City Manager

FROM: Bill Mahaffey, Director of Gas Operations

BillM@cctexas.com (361) 826-1801

Sergio Villasana, Director of Contracts and Procurement

SergioV2@cctexas.com

(361) 826-3169

Purchase of Galvanized Insulated Meter Gas Valves

CAPTION:

Motion authorizing a one-time purchase of one-inch galvanized insulated meter gas valves with A.Y. McDonald Mfg. Co. of Dubuque, Iowa, for a total amount not to exceed \$132,800.00 for Gas Operations with FY 2025 funding available from Gas CIP Funds.

SUMMARY:

The one-inch galvanized insulated meter gas valves are critical components of the CCGAS distribution network, playing a vital role in regulating gas flow and ensuring a secure shutoff mechanism. Engineered for 100% shutoff, the valves effectively prevent leaks and unintended gas flow, enhancing system reliability and safety. Additionally, they are designed to mitigate electrochemical degradation by separating cathodic protection, reducing corrosion, and prolonging the lifespan of the City's underground gas pipelines. This purchase will contribute to the continued integrity, safety, and efficiency of the gas distribution system while supporting long-term infrastructure sustainability.

BACKGROUND AND FINDINGS:

CCGAS manages approximately 61,000 gas meters and continues to expand its gas service infrastructure with new connections throughout the year. Each of these connections requires the installation of one-inch insulated gas meter valves to regulate gas flow and prevent cathodic protection measures used by CCGAS for corrosion prevention from affecting the customer's side of the pipeline. These valves play a vital role in enhancing public safety, preserving the

integrity of the gas distribution network and maintaining compliance with regulatory standards. By mitigating corrosion and extending the lifespan of pipeline infrastructure, they support the City's commitment to long-term sustainability while guaranteeing a reliable and secure gas service for residents and businesses.

PROCUREMENT DETAIL:

Finance & Procurement conducted a competitive Request for Bid process for the purchase of one-inch galvanized insulated meter gas valves. The City received four responses; one was deemed non-responsive due to the vendor submitting an altered bid form. Staff recommends awarding the lowest, responsive, responsible bidder, A.Y. McDonald Mfg. Co., of Dubuque, Iowa.

ALTERNATIVES:

There are no viable alternatives for the one-inch galvanized insulated meter gas valves. These valves are an essential component of the City's gas distribution system, ensuring the safe regulation of gas flow and the separation of cathodic protection measures used by CCGAS for corrosion prevention. Without these valves, the integrity of the pipeline network could be compromised, increasing the risk of corrosion, leaks, and potential hazards to public safety. The use of insulated gas valves is a necessary industry standard, providing long-term reliability, regulatory compliance, and enhanced protection for City residents. Therefore, moving forward with this purchase is the only practical solution to maintain the safety and efficiency of the gas distribution system.

FISCAL IMPACT:

The fiscal impact for Gas CIP Funds in FY 2025 is not to exceed \$132,800.00 with A.Y. McDonald Mfg. Co. of Dubuque, Iowa, for the one-time purchase of one-inch insulated meter gas valves.

FUNDING DETAIL:

Fund: 4563 Gas 2025 CIP

Organization/Activity: E12132014563EXP

Department: 11

Project # (CIP Only): E12132 Gas Life Cycle Replacement Program

Account: 520150 Meter & svc connection material

RECOMMENDATION:

Staff recommends approval of this motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation