



## AGENDA MEMORANDUM

Action Item for the City Council Meeting of November 12, 2019

**DATE:** November 12, 2019

**TO:** Peter Zaroni, City Manager

**FROM:** Bill Mahaffey, Director of Gas Operations  
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### Supply Agreement for Residential Gas Regulators

#### **CAPTION:**

Motion authorizing a two-year supply agreement with Wilnat Inc., dba Koons Gas Measurement of Tulsa, Oklahoma in an amount not to exceed \$139,750.00 to purchase residential gas regulators, effective upon issuance of notice to proceed, with FY 2020 funding in an amount of \$58,229.17 available through the Gas Fund.

#### **SUMMARY:**

This motion authorizes a supply agreement with Wilnat Inc., dba Koons Gas Measurement of Tulsa, Oklahoma for an amount not to exceed \$139,750.00 for residential gas regulators for the Gas Department. These regulators will be used to replace aging regulators, for new construction, and for meter exchanges that utilize the old-style regulator.

#### **BACKGROUND AND FINDINGS:**

The Gas Department uses residential gas regulators to reduce the gas pressure from the City's main gas line into the customer's line. Regulating the gas pressure is a necessary safety measure which allows the customer to safely operate gas appliances.

Currently, there is no supply agreement in place for this item. The department has been procuring regulators, on an as needed basis, via individual Request for Quotes (RFQs). Koons Gas Measurement has been the main supplier of regulators in previous procurements.

The Contracts and Procurement Department conducted a competitive RFB process to obtain bids for a supply agreement. The City received three qualified bids for gas regulators. Staff recommends award to the lowest responsive, responsible bidder, Wilnat, Inc dba Koons Gas Measurement.

**ALTERNATIVES:**

There are no viable alternatives. Gas regulators are necessary to protect the safety of City residents. The bid from Wilnat Inc. is responsive and within budget.

**FISCAL IMPACT:**

The fiscal impact for Gas Operations in FY 2020 is \$58,229.17 for this two-year supply agreement with Wilnat, Inc, dba Koons Gas Measurement for the purchase of residential gas regulators, with the remaining cost funded in future years through the annual budget process.

**Funding Detail:**

Fund:	4130 Gas Fund
Organization/Activity:	34130 Gas Construction
Mission Element:	022 Manage Gas distribution system
Project # (CIP Only):	N/A
Account:	520150 Meter/serv

**RECOMMENDATION:**

Staff recommends approval of this motion authorizing a two-year supply agreement with Wilnat Inc., dba Koons Gas Measurement for residential gas regulators as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Supply Agreement  
Bid Tabulation