



AGENDA MEMORANDUM

Action Item for the City Council Meeting July 20, 2021

DATE: July 20, 2021

TO: Peter Zanoni, City Manager

FROM: Bill Mahaffey, Director of Gas Operations
BillM@cctexas.com
(361) 826-1801

Josh Chronley, Assistant Director of Contracts and Procurement
JoshC2@cctexas.com
(361) 826-3169

Residential Gas Regulators

CAPTION:

Motion authorizing a two-year supply agreement for 7,000 residential gas regulators for Gas Operations for an estimated amount of \$238,000.00 with Wilnat, Inc. dba Koons Gas Measurement of Tulsa, Oklahoma, effective upon issuance of notice to proceed, with FY 2021 funding in an amount not to exceed \$19,833.00 available through the Gas Fund.

SUMMARY:

This motion authorizes a supply agreement for residential gas regulators for Gas Operations. 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.

PROCUREMENT DETAIL:

Contracts and Procurement conducted a competitive Request for Bid process to obtain bids for new long-term contracts. The City received one responsive, responsible bid and is recommending Wilnat, Inc. dba Koons Gas Measurement. Koons Gas Measurement is the incumbent contractor.

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:

There fiscal impact for Gas Operations in FY 2021 is not to exceed \$19,833.00 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 |
| Organization/Activity: | 34130 Gas Construction |
| Mission Element: | 022 Gas Distribution System |
| Project # (CIP Only): | N/A |
| Account: | 520150 Meter/serv cnct mat |

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:

Bid Tabulation
Supply Agreement