

#### AGENDA MEMORANDUM

Action Item for the City Council Meeting of October 21, 2025

**DATE:** October 21, 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 a Compressed Natural Gas Storage Tank**

#### **CAPTION:**

Motion authorizing a one-time purchase of a compressed natural gas storage tank from ZeitEnergy, LLC of Irving, Texas for \$137,700.00 for the City's CNG fleet with FY 2026 funding from the Gas Fund.

# **SUMMARY:**

CCGAS is enhancing its Compressed Natural Gas (CNG) fueling infrastructure with the addition of FIBA high-pressure storage tanks. These tanks are engineered to maintain stable gas pressure, enabling fast, safe, and efficient refueling for CNG vehicles. Their advanced design reduces compressor strain, lowers energy consumption, and extends the lifespan of critical equipment, resulting in reduced maintenance and long-term cost savings.

Currently supporting more than 185 municipal vehicles and major private fleets, the CNG station serves as a key asset in the region's low-emission transportation ecosystem. This investment reinforces infrastructure reliability, enhances operational resilience, and reflects CCGAS's continued commitment to sustainable, low-emission mobility solutions.

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

CCGAS has identified a critical need to upgrade the high-pressure storage systems at its compressed natural gas (CNG) fueling station located at 5352 Ayers Street. This initiative is driven by rising demand and the necessity to enhance the reliability and performance of existing fueling infrastructure. The proposed improvements are designed to optimize fuel management, which will result in lower energy consumption and reduced operational costs over time.

This one-time purchase will help streamline fueling operations, reduce maintenance, and support CCGAS's long-term goals for resilient, efficient energy infrastructure.

### PROCUREMENT DETAIL:

Finance & Procurement conducted a competitive Request for Bid process for the one-time purchase of a compressed natural gas storage tank for Gas Operations. The City received three responses; staff recommends awarding the lowest, responsive, responsible bidder, ZeitEnergy, LLC of Irving, Texas.

### **ALTERNATIVES:**

With the addition of FIBA's advanced high-pressure storage tanks, CCGAS can ensure consistent pressure, enhance fuel efficiency, and achieve long-term cost savings while choosing not to proceed risks overburdening compressors, increasing energy consumption, accelerating equipment wear, and turning a high-performing energy hub into a costly liability.

### **FISCAL IMPACT:**

The fiscal impact for the Gas Fund 4130 in FY 2026 is not to exceed \$137,700.00 with ZeitEnergy, LLC of Irving, Texas for the purchase of a compressed natural gas storage tank.

## **FUNDING DETAIL:**

Fund: 4130 Gas

Organization/Activity: 34105 Compressed Natural Gas

Department: 011 Gas

Project # (CIP Only): N/A

Account: 520130 Maintenance and Repairs

#### **RECOMMENDATION:**

Staff recommends approval of this motion as presented.

# **LIST OF SUPPORTING DOCUMENTS:**

**Bid Tabulation**