



AGENDA MEMORANDUM

Action Item for the City Council Meeting April 14, 2020

DATE: April 21, 2020

TO: Peter Zaroni, City Manager

FROM: Kim Baker, Director of Contracts and Procurement
KimB2@cctexas.com
(361) 826-3169

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

Broen Gas Valves for the City Warehouse

CAPTION:

Motion authorizing a two-year supply agreement with Broen, Inc. in an amount not to exceed \$241,594.80 to purchase Broen gas valves that will be stocked in the warehouse for use by the Gas Operations Department, effective upon issuance of notice to proceed, with FY 2020 funding in the amount of \$50,332.00 available in the Stores Fund.

SUMMARY:

This motion authorizes a two-year supply agreement with Broen, Inc. in an amount not to exceed \$241,594.80 to purchase 2", 4" and 6" Broen gas ball valves to control the flow of gas. The various ball valves will be purchased by the City Warehouse as a central distribution center and will be sold to Gas Operations.

BACKGROUND AND FINDINGS:

These various gas valves will be used by the City of Corpus Christi Gas Operations on new or existing gas distribution gas mains and regulator stations to control the flow of gas. The weld x weld is designed for buried service to isolate gas in case of emergency or a by-pass. Ball valves are used for flow and pressure control and shut off for corrosive fluids, slurries, normal liquid, and gases. These ball valves deliver maximum strength and resistance to pipeline pressure and stress. Full-port ball valves have a bore internal diameter approximately equal to the pipeline ID, which reduces friction. Broen ball valves offer the following advantage's: long term 100% tightness, minimum pressure loss on the

bore, circular bore, easy control, maintenance free operation, compact construction and mechanical and chemical resistance.

The Contracts and Procurement Department conducted a competitive RFB process to obtain bids for a new contract. The City received three bids, two responsive, responsible bids and one non-responsive bid, and is recommending the award to the lowest responsive, responsible bidder, Broen Inc.

ALTERNATIVES:

An alternative to accepting this bid would be to require Gas Operations to purchase Broen gas valves on an as needed basis, which would not be as productive. In addition, a long-term agreement allows for better economy of scale.

FISCAL IMPACT:

The fiscal impact for Contracts and Procurement in FY 2020 is \$50,332.00 for this two-year supply, with the remaining cost of \$191,262.80 to be funded in future years through the annual budget process.

Funding Detail:

Fund:	5010	Stores
Organization/Activity:	40000	Warehouse Stores
Mission Element:	185	Centralized Purchasing System
Project # (CIP Only):	N/A	
Account:	520210	Cost of Goods Sold

RECOMMENDATION:

Staff recommends approval of this motion authorizing a two-year supply agreement with Broen Inc for Broen gas valves as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Supply Agreement