



## AGENDA MEMORANDUM

Action Item for the City Council Meeting of March 26, 2024

**DATE:** March 26, 2024

**TO:** Peter Zanoni, City Manager

**FROM:** Bill Mahaffey, Director of Gas Operations  
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### Purchase of a Directional Drilling Rig and accessories

#### **CAPTION:**

Motion authorizing the purchase of a directional drilling rig and accessories from Vermeer Texas-Louisiana, of Corpus Christi, through the BuyBoard Cooperative, for \$175,865.00 for the Gas Operations Department, with FY 2024 funding from the Gas Operations Fund.

#### **SUMMARY:**

This motion authorizes the execution of the purchase of a 2024 Directional Drilling Rig D8X12 and accessories for Gas Operations. This equipment will be used for the installation of gas mains under heavily trafficked roadways and allows this installation to take place without disturbing the roadways and with smaller excavation of worksites.

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

The D8X12 Navigator is a horizontal directional drill that combines the strength of a large drill with the compact size and enhanced performance of a smaller drill. It offers two rod options, easy-to-use controls, a narrow footprint, and powerful operation that produces minimal noise disruption. This drill is ideal for small service installations, as it can navigate through difficult terrain with ease, allowing for tighter steering corrections. It's a perfect alternative to traditional open trenching, as it causes less disruption to existing infrastructure and roadways during construction.

**PROCUREMENT DETAIL:**

This procurement is through the BuyBoard Cooperative. Contracts awarded through the BuyBoard Purchasing Cooperative have been competitively procured in compliance with local and state procurement requirements.

The Procurement Division of Finance researched other cooperative contracts and service offerings to find the most cost-effective option for the City. Vermeer Texas-Louisiana is also the equipment distributor and authorized dealer for the directional drilling rig and the accessories. Below is a price comparison of cooperative pricing:

<b>Item</b>	<b>BuyBoard</b>	<b>Vermeer Texas-LA</b>
Directional Drilling Rig	\$190,815.00	\$175,865.00

**ALTERNATIVES:**

An Alternative is to outsource all directional drilling piping installations instead of purchasing the equipment.

**FISCAL IMPACT:**

The fiscal impact for Gas Operations in FY 2024 is not to exceed \$175,865.00 with Vermeer Texas-Louisiana, of Corpus Christi for the purchase of a 2024 Directional Drilling Rig D8X12 and accessories.

**FUNDING DETAIL:**

Fund: 4130 Gas  
Organization/Activity: 34130 Gas Construction  
Mission Element: 011 Gas Distribution System  
Project # (CIP Only): N/A  
Account: 520090 Minor tools & equipment

**RECOMMENDATION:**

Staff recommends approval to execute this motion with Vermeer Texas-Louisiana, as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Price Sheet