



AGENDA MEMORANDUM

Action Item for the City Council Meeting January 27, 2026

DATE: December 24, 2025

TO: Peter Zaroni, City Manager

FROM: Bill Mahaffey, Director of Gas Operations
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Overhaul Maintenance of TDW Equipment for Gas Operations

CAPTION:

Resolution authorizing a three-year service agreement with TDW (US), Inc., of Tulsa, Oklahoma, in an amount not to exceed \$328,015.10 for overhaul maintenance of TDW equipment for the Gas Operations Department, with FY 2026 funding of \$91,115.30 from the Gas Fund 4130.

SUMMARY:

This resolution authorizes a three-year service agreement for the overhaul maintenance of TDW equipment used by CCGAS. The agreement is designed to ensure the continued safe, efficient, and reliable operation of critical equipment through a comprehensive maintenance process that includes disassembly, inspection, repair or replacement of components, reassembly, and post-overhaul testing. The objective is to extend the equipment's operational lifespan, minimize downtime, and reduce the risk of unexpected failures. All services will be performed by certified mechanics with extensive experience working on TDW equipment and the qualifications necessary to carry out the required maintenance.

BACKGROUND AND FINDINGS:

TDW equipment is critical to the safe and efficient operation of CCGAS's gas distribution system. As the equipment ages, wear and outdated components begin to affect performance, increase maintenance needs, and raise concerns about long-term reliability. To maintain system integrity and meet operational standards, a proactive and structured maintenance solution is necessary.

A comprehensive overhaul will address these issues by restoring the equipment to optimal conditions. This includes repairing worn parts, replacing obsolete components, and upgrading

systems to improve functionality. These improvements will enhance safety, increase energy efficiency, and extend the equipment's service life, helping to prevent leaks, failures, and pressure inconsistencies.

Choosing to overhaul existing equipment is a practical and financially responsible alternative to purchasing new units. This approach allows CCGAS to extend the life of its current assets, maintain reliable performance, and avoid the high costs associated with full replacement. Additionally, establishing clear documentation and tracking of maintenance activities will improve long-term planning, support preventive care, and ensure greater accountability in managing infrastructure.

PROCUREMENT DETAIL:

This procurement falls under the Local Government Codes, Section 252.022(a) (7) (A), as this item is available from only one source because of patents, copyrights, secret processes, or natural monopolies; there is a second statutory exemption for this procurement in the Local Government Code, Section 252.022(a)(7)(D), as these items are available from only one source as captive replacement parts or components for equipment; and there is a third statutory exemption for this procurement in the Local Government Code, Section 252.022(a)(2), as this purchase is necessary to preserve or protect the public health or safety of the municipality's residents

TDW (US), Inc. provides Maintenance, Repair, and Overhaul (MRO) services for TDW-branded equipment. TDW's specialty products are exclusively designed and manufactured by TDW, ensuring optimal performance and compatibility.

ALTERNATIVES:

Maintaining the current equipment through standard servicing does not address the underlying issues caused by aging components and continued wear. This approach may result in increased failures, safety concerns, and higher long-term maintenance costs. Replacing the equipment entirely would introduce new systems with improved reliability, but it requires a significant financial investment and may disrupt operations during procurement and installation. Overhauling the existing equipment offers a practical and cost-effective solution. It restores performance, extends asset life, and enhances safety and efficiency while preserving infrastructure and minimizing operational impact.

FISCAL IMPACT:

The fiscal impact for Gas Operations (Fund 4130) in FY 2026 is not to exceed \$91,115.30 with TDW (US), Inc., of Tulsa, Oklahoma for the overhaul maintenance of TDW equipment.

FUNDING DETAIL:

Fund:	4130 Gas
Organization/Activity:	34130 Gas Construction
Department:	11 Gas Distribution System
Project # (CIP Only):	N/A
Account:	520130 Maintenance & Repairs
Amount:	\$91,115.30

RECOMMENDATION:

Staff recommends approval of this resolution as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution

Price Sheet

Service Agreement