



## **AGENDA MEMORANDUM**

Action Item for the City Council Meeting of March 16, 2021

**DATE:** March 16, 2021

**TO:** Peter Zanoni, City Manager

**FROM:** Bill Mahaffey, Director of Gas Operations  
[BillM@cctexas.com](mailto:BillM@cctexas.com)  
(361) 826-6927

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

### **Purchase of Stopple Equipment Parts for Gas Operations**

#### **CAPTION:**

Resolution authorizing a three-year supply agreement in an amount not to exceed \$612,537.94 with TDW (US), Inc. of Tulsa, Oklahoma, for the purchase of Stopple equipment parts for Gas Operations, effective upon issuance of notice to proceed, with FY 2021 funding in the amount not to exceed \$119,105.00 available in the Gas Fund.

#### **SUMMARY:**

This resolution authorizes a three-year supply agreement for the purchase of Stopple equipment parts for Gas Operations. This agreement is necessary to repair pipeline and isolate a section of a gas line in the absence of a pressure control fitting.

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

TDW provides hot tapping services and equipment that enable pipeline owners and operators to safely, efficiently, and cost effectively perform pipeline modification and repair activities without shutdown and with minimal disruption to product flow.

Stopple fittings can be used as an alternative to conventional stopple fittings in a variety of hot tapping and plugging operations. The fittings are a crucial part of pipeline integrity, enabling operators to isolate an in-services pipeline for repair, replacement, maintenance, or other work. The plugging system is designed for isolating metal pipelines and polyethylene lines. They are designed for use with TDW plugging machines. TDW shortstop provides a sound alternative to squeezing a PE line when you want to branch,

reroute, or relocate a system. TDW quality minimizes waste, enhances value, protects Health, Safety, and the environment. Their products deliver the highest quality products and services. The City of Corpus Christi Gas Department have exclusively utilized TDW to keep in uniform with existing equipment, tools, and training. Any other brand stopple equipment will or may not be true to size and very costly to the department since all equipment and fittings are TDW.

This is a sole source procurement. TDW is the sole distributor for Stopple fittings and are warranted and serviced at their facility.

### **ALTERNATIVES:**

An alternative is to not enter into a supply agreement, which would require separate procurements on an as needed basis. This would reduce the economies of scale pricing secured through a long-term contract and increase the time delay due to the procurement process, resulting in a longer lead time for needed services.

### **FISCAL IMPACT:**

The fiscal impact for the Gas Operations in FY 2021 is an amount not to exceed \$119,105.00. The remaining cost of \$493,433.00 will be budgeted in future years through the annual budget process.

### **FUNDING DETAIL:**

Fund:	4130	Gas Fund
Organization/Activity:	34130	Gas Construction
Mission Element:	022	Gas Distribution System
Project # (CIP Only):	N/A	
Account:	520160	Pipe, fittings, drng
Amount:		\$108,386.00
Fund:	4130	Gas Fund
Organization/Activity:	34110	Gas Maintenance and Operations
Mission Element:	022	Gas Distribution System
Project # (CIP Only):	N/A	
Account:	520160	Pipe, fittings, drng
Amount:		\$10,719.00

### **RECOMMENDATION:**

Staff recommends approval of this resolution authorizing a three-year supply agreement with TDW (US) Inc., for Stopple equipment parts for the Gas Operations as presented.

### **LIST OF SUPPORTING DOCUMENTS:**

Price Sheet  
Supply Agreement  
Resolution