



## **AGENDA MEMORANDUM**

Action Item for the City Council Meeting of August 11, 2020

**DATE:** August 11, 2020

**TO:** Peter Zaroni, City Manager

**FROM:** Bill Mahaffey, Director of Gas Operations  
[BillM@cctexas.com](mailto:BillM@cctexas.com)  
(361) 826-1801

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

|  |
|--|
| <p><b>Fire Extinguisher Inspection and Annual Maintenance for Gas Operations<br/>(Including Replacement Parts)</b></p> |
|--|

**CAPTION:**

Motion authorizing a three-year service agreement for fire extinguisher inspection, annual maintenance services, and the purchase of replacement fire extinguishers and parts with IFS Fire and Safety Inc., for a total amount of \$58,807.90, for field use by Gas Operations' employees, effective upon issuance of notice to proceed with FY 2020 funding available through the Gas Fund in the amount of \$3,267.11.

**SUMMARY:**

This motion authorizes a service agreement for fire extinguisher inspections and annual maintenance services. The service agreement includes replacement of fire extinguishers as needed, as well as the replacement of parts identified during inspections and the recharging of fire extinguishers after the performance of leak tests. Gas Operations issues a fire extinguisher to each City vehicle and physical facility under their operation. The fire extinguishers will be used as a protection device to extinguish or control small fires, often in emergency situations. All fire extinguishers are always present when working on live natural gas lines as it is safety requirement by OSHA and Texas Railroad Commission. All fire extinguishers will be in City units, CNG Regulator Station, and the Administration Facility.

**BACKGROUND AND FINDINGS:**

The Gas Operations Department has an operational need to have a service agreement in place for fire extinguisher inspection and annual maintenance services. Additionally,

the agreement will be for the purchase and/or replacement of fire extinguishers at a cost \$125.30 each. The fire extinguishers are issued to staff members as a protection device to extinguish or control small fires, often in emergency situations. The value of the inspections and annual maintenance service is \$7,455.00 (or 12.7% of the value of the service agreement). Replacement of fire extinguishers and parts accounts for \$51,352.90 of the \$58,807.90 of the value of the service agreement (or 87.3%).

The Contracts and Procurement Department conducted a competitive Request for Bid process to obtain bids for a new contract. The City received three responsive, responsible bids, and is recommending award to the lowest, responsive, responsible bidder, IFS Fire and Safety, Inc. This three-year contract will be the first long-term contract secured by the department. Prior years, this service had been obtained for individual extinguishers on an as needed basis. Through this bidding process, it was determined that IFS Fire and Safety, Inc.'s pricing is approximately 37% less than other bidders and having a longer term agreement will allow these needed services to be obtained more efficiently.

### **ALTERNATIVES:**

An alternative to not approving this service agreement will require the department to issue individual Request for Quotes for the annual inspection of the fire extinguishers annually and on an as needed basis for services and/or replacements. Additionally, securing a long-term agreement locks-in the prices for the three-year term of the contract.

### **FISCAL IMPACT:**

The fiscal impact for Gas Operations in FY 2020 is an amount of \$3,267.11. The remaining cost of \$55,540.79 will be funded 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:               | 520090 Minor Tools & Equipment |
| Cost:                  | \$1,260.46                     |

|                        |                                      |
|------------------------|--------------------------------------|
| Fund:                  | 4130 Gas Fund                        |
| Organization/Activity: | 34110 Gas Maintenance and Operations |
| Mission Element:       | 022 Gas Distribution System          |
| Project # (CIP Only):  | N/A                                  |
| Account:               | 520090 Minor Tools & Equipment       |
| Cost:                  | \$627.42                             |

|                        |                                    |
|------------------------|------------------------------------|
| Fund:                  | 4130 Gas Fund                      |
| Organization/Activity: | 34120 Gas Pressure and Measurement |
| Mission Element:       | 022 Gas Distribution System        |
| Project # (CIP Only):  | N/A                                |
| Account:               | 520090 Minor Tools & Equipment     |
| Cost:                  | \$627.42                           |

Fund: 4130 Gas Fund  
Organization/Activity: 34000 Gas Administration  
Mission Element: 021 Gas Supplies  
Project # **(CIP Only)**: N/A  
Account: 520090 Minor Tools & Equipment  
Cost: \$309.60

Fund: 4130 Gas Fund  
Organization/Activity: 34105 Compressed Natural Gas  
Mission Element: 021 Gas Supplies  
Project # **(CIP Only)**: N/A  
Account: 520090 Minor Tools & Equipment  
Cost: \$442.21

**RECOMMENDATION:**

Staff recommends approval of this motion authorizing the purchase of fire extinguishers and annual maintenance services as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Bid Tabulation  
Service Agreement