



CITY COUNCIL AGENDA REPORT

DATE: February 19, 2025

AGENDA OF: February 25, 2024

DEPARTMENT: Public Works

SUBJECT: City Natural Gas System Update

RECOMMENDATION: Public Works Gas System Update. Incident report on odorizing system. No council action is required.

BACKGROUND:

Gas System Operations and Budget

- **Current Budget:** \$260K for gas system operations in 2024-25.
- **Cost Issues:** Municipality's cost proposal was over double the city's budget, comparable to CPS's proposed rate increase.
- **Consultants Hired:**
 - **TRC (Texas Regulatory Consultants):** Hired on October 1, 2024, for day-to-day operations at an estimated cost of \$135K.
 - **SRP (Simon R. Pena):** Hired on October 1, 2024, for compliance requirements at an estimated cost of \$94K.
- **Training:** TRC is training personnel to become operator qualified for future gas system maintenance.
- **Future Budget:** Yet to be established, pending operational cost, equipment, and labor cost assessment.

Gas Odor Incident (February 12-17, 2025)

- **Regulation Compliance:** Ensured gas odor detection meets regulatory standards.
- **Odorizing Incident:**
 - Sub-contractor filled the odorizer on 2-12-25 and noticed corroded pipes.
 - Residents near the city gate were notified of possible gas smell.
 - Increased gas odor reports began on 2-13-25, including from an elementary school.
 - Fire department and school maintenance personnel found no explosive gas levels, but strong gas odor was present.
 - Odor complaints continued on 2-13-25 and 2-17-25.
- **Possible Causes:**
 - Valves controlling the odorizer flow were not properly closed off.

- Odorizer flow-controlling valve may have been wide open, causing a "slug" of odor.
- **Positive Feedback:** several customers called to thank us as they did have a leak inside their homes and would not have known without this incident.

Actions Taken

- **Consultation:** Will check with CPS Energy odor personnel for past handling of similar incidents.
- **Odorizer State:** Odorizer is in disrepair; CPS Energy did not disclose issues during lock change in October 2024.
- **Odorant Monitoring:** Continued monitoring and adjustments as needed.

Customer Impact

- **900 Gas Customers:**
 - 43 gas smell calls received.
 - Leaks found and repaired on both customer (2)[known] and city (2) sides of the meter.
 - 3 commercial leaks on city side repaired.
 - 14 no leaks at meter but gas smell inside, advised to call plumbers.
 - 2 pipe leaks at the city gate repaired.
 - 20 no leaks detected, explained regulator "burping" due to elevated pressures. Advised to call plumbers for indoor gas odor and Public Works for outdoor gas odor.

If there's anything specific you'd like me to change or do let me know

DISCUSSION: Questions

FISCAL IMPACT/SOURCE OF FUNDING:

Cost: To be determined based off proposals

Submitted by: John Gomez / Scott Dixon

Approved by:
