

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: February 19, 2024

Topic:

Approve an agreement with Tracker Energy Services, Inc. for the construction of the Grand Parkway natural gas gate, for a not-to-exceed amount of \$449,776.40 (Bid No. 2024-07), approve the expenditure of funds therefor, and authorize the City Manager to execute any and all documents related to the purchases. These expenditures are included in the fiscal year 2023-2024 capital improvement budget.

Background:

To adequately service the new development on the south side of the city limits, Lovett Industrial and the Grand Parkway Town Center, the need for an additional gas gate was identified. Currently there are no gas distribution lines in the immediate vicinity of these developments, however both developments require gas service for their operations.

Staff has worked with Kinder Morgan Tejas Pipeline, LLC to develop a plan for the design and construction of an interconnect to service the proposed Grand Parkway Natural Gas Gate. City Council previously approved the Facilities Agreement for the construction of the interconnect. Based on the approved layout provided by Kinder Morgan, staff worked with our design consultant, Engineered Utility Solutions, Inc., to design the City’s gas gate.

The proposed agreement with Tracker Energy Services, Inc. is to complete the construction of the City’s natural gas gate to be located at the Grand Parkway. Tracker Energy was selected through the competitive sealed bid process (Bid. No. 2024-02), which allowed for interested parties to submit sealed bids to complete the proposed project and only one bid was received. After a thorough review of the submitted bid and company review depicting over 30 years combined experience in the industry, staff is recommending award of the agreement to Tracker Energy Services, Inc. The selection and discussions were held in accordance with the City’s adopted Procurement Policy and Manual and state procurement law.

The total cost of the project, including engineering, construction of the interconnect, and construction of the gas gate will be split between the City, LIT Interchange 249 Phase I, LLC, and A-K 133 Hwy 249-Grand Parkway, L.P., with each entity contributing approximately 33% for all components of the proposed Grand Parkway Natural Gas Gate. A total breakdown of all proposed expenses is reflected in the table below.

Project Element	Total Contract	Remaining Contract Amount
Engineered Utility Solutions	\$39,702.50	\$17,425.62
Kinder Morgan	\$236,762.00	\$0.00
Proposed – Tracker Energy	\$449,766.40	\$449,766.40
Project Budget: \$720,000.00	Total Contracts: \$716,230.90	Remaining Budget: \$3,769.10

This item authorizes an agreement with Tracker Energy Services, Inc. to complete the construction of the Grand Parkway natural gas gate for an amount not-to-exceed \$449,766.40, included in the adopted fiscal year 2023-2024 capital improvement budget.

Origination: Project Management

Recommendation:

Staff recommends approving an agreement with Tracker Energy Services, Inc. to complete the construction of the Grand Parkway natural gas gate for an amount not-to-exceed \$449,766.40.

Party(ies) responsible for placing this item on agenda: Meagan Mageo, Project Manager

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: #400-615-6409

If no, funds will be transferred from account # _____ To account # _____

Signed Meagan Mageo Approved by _____
Staff Member Date City Manager Date