

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: January 15, 2024

Topic:

Approve a purchase from K2 Controls, as a sole source provider, for an odorant injection system for the Grand Parkway Natural Gas Gate for a not-to-exceed amount of \$53,820, approve the expenditure of funds therefor, and authorize the City Manager to execute any and all documents related to the purchase. This expenditure is included in the FY 2023-2024 Capital Improvement Budget.

Background:

To adequately service the new development on the south side of the city limits, including the Lovett Industrial and Grand Parkway Town Center developments, the City identified a need for an additional gas gate. Currently there are no gas distribution lines in the immediate vicinity of these developments, so an additional gas gate is necessary to provide service.

Staff worked with Kinder Morgan to develop a plan for the design and construction of an interconnect to service the proposed Grand Parkway natural gas gate, and worked with our consultant, Engineering Utility Services, Inc., to design the City's gas gate.

Due to the extended lead times for certain equipment and material needed for the construction of the gas gate, the City will procure certain materials in anticipation of the bid and construction. This item approves the purchase of an odorant injection system as well as start-up and commissioning assistance and equipment instruction for the Grand Parkway natural gas gate that is pending construction.

The total cost for the interconnect with Kinder Morgan, gas gate construction and engineering, and equipment pre-procurement will be split between the City, LIT Interchange 249 Phase I, LLC (Lovett Industrial), and A-K 133 Hwy 249-Grand Parkway, L.P. (Grand Parkway Town Center), 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 Contracts	Remaining Contract Amount
Engineering – EUSI	\$29,702.50	\$7,400.00
Kinder Morgan	\$236,762.00	\$0.00
Equipment Pre-Procurement – K@	\$53,820.00	Pending
Equipment Pre-Procurement – Koons	\$37,842.00	Pending
Equipment Pre-Procurement – KingTool	\$10,256.00	Pending
Gas Gate Construction	\$275,000.00	Pending
Project Budget \$720,000.00	Total Contracts \$643,382.50	Remaining Funding \$76,617.50

This item authorizes a purchase from K2 Controls, as a sole source provider, for an odorant injection system for the Grand Parkway Natural Gas Gate.

Origination: Public Works Department

Recommendation:

Staff recommends approving the purchase from K2 Controls, as a sole source provider, for an odorant injection system for the Grand Parkway Town Center for a not-to-exceed amount of \$53,820.

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

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

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