

ACTION FORM BRYAN CITY COUNCIL

DATE OF COUNCIL MEETING: August 12, 2014		DATE SUBMITTED: August 4, 2014	
DEPARTMENT OF ORIGIN: Fiscal/Purchasing		SUBMITTED BY: Joe Hegwood	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	STRATEGIC INITIATIVE:
<input type="checkbox"/> BCD	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1ST READING	<input type="checkbox"/> PUBLIC SAFETY
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2ND READING	<input checked="" type="checkbox"/> SERVICE
<input checked="" type="checkbox"/> REGULAR	<input checked="" type="checkbox"/> STATUTORY		<input type="checkbox"/> ECONOMIC DEVELOP.
<input type="checkbox"/> WORKSHOP	<input type="checkbox"/> REGULAR		<input type="checkbox"/> INFRASTRUCTURE
			<input type="checkbox"/> QUALITY OF LIFE
AGENDA ITEM DESCRIPTION: Consideration to approve an increase to an existing Blanket Purchase Order (BPO) for natural gas with Atmos Energy, bringing the total amount to \$125,000.00.			
SUMMARY STATEMENT: On September 24, 2013, the City Council approved several purchase requests for FY2014 that are exempt from competitive bidding as described more fully in Texas Local Government Code (LGC), Chapter 252.011, and other expenditures for inter-local contracts or fees mandated by State law that are greater than \$50,000.00.			
<p>Of the aforementioned was a request for Atmos Energy in the amount of \$80,000.00, which is exempt from the competitive bidding process in accordance with LGC 252.022, (a) (7), (c) gas, water, and other utility services. This request is to increase the current amount by \$45,000.00. The City of Bryan has a current monthly average of approximately \$10,000.00. Historical expenditures were: FY2013 - \$64,917.74, FY2012 - \$52,279.16, FY2011 - \$66,649.85 and FY2010 - \$78,135.49.</p> <p>One reason for the increase was the numerous number of extremely cold winter days, which drove the consumption higher due to heating requirements. In a comparison between FY2013 and FY2014 winter weather, Bryan had thirty-three (33) additional days of colder weather from October to March. Bryan Aquatic Center gas usage expenses from October 2012 to March of 2013 were \$21,190.83 while October 2013 to March 2014 it was \$29,325.09. That is an increase of \$8,134.26 for this location. The Bryan Justice Center also had an increase from the same time period in the amount of \$2,573.27. The City of Bryan has a total sixteen (16) gas meters. Other reasons are due to the fact that Atmos Energy purchases their gas based on the Platts Waha Index, which fluctuates monthly; plus there are other charges and adjustment for transportation commodity rates, customer charge per meter, etc.</p>			
STAFF ANALYSIS AND RECOMMENDATION: Staff respectfully requests the City Council approve the increase of an existing Blanket Purchase Order in the amount of \$45,000.00, bringing the FY14 total for Atmos Energy to \$125,000.00.			
OPTIONS (In Suggested Order of Staff Preference):			
<ol style="list-style-type: none"> 1) Approve the increase 2) Do not approve the increase and provide staff direction 			
ATTACHMENTS: None			
FUNDING SOURCE: Various General Funds and Enterprise Funds			

APPROVALS: Hugh R. Walker, 08/05/2014

APPROVED FOR SUBMITTAL: CITY MANAGER

APPROVED FOR SUBMITTAL: CITY ATTORNEY Janis K. Hampton, 08-05-2014

Revised 05/2013