

RESOLUTION NO. {{item.sequential_number}}

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING THE CITY MANAGER, OR THE DIRECTOR OF FINANCE, TO ACT ON BEHALF OF THE CITY IN REVIEWING PRICING OFFERS SUBMITTED FOR THE SUPPLY OF NATURAL GAS FOR THE CITY OF TEMPLE'S COMPRESSED NATURAL GAS FUELING STATION, AND, IF IN THE BEST INTEREST OF THE CITY, TO ENTER INTO A CONTRACT WITH THE VENDOR OFFERING THE BEST VALUE FOR A PERIOD UP TO TEN YEARS, BEGINNING APRIL 1, 2025; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the City constructed and activated an unattended compressed natural gas (CNG) fueling station at 2325 East Avenue H in 2013 - the CNG fueling station currently provides for an alternative to diesel-fueled vehicles for 24 solid waste trucks;

Whereas, the City's current three-year contract with Cokinos for the purchase of natural gas that supplies the CNG station expires on March 31, 2025 - due to the highly volatile nature of the CNG market, pricing is only valid for a short time; therefore, Staff is requesting that Council pre-authorize the City Manager, or the Director of Finance, to execute a natural gas purchase agreement with the vendor offering the best value to the City for a period up to 10 years, beginning April 1, 2025;

Whereas, Tradition Energy, the City's contracted energy consultant, will assist City Staff by obtaining competitive pricing from reputable natural gas suppliers - because compressed natural gas is necessary to operate the City's solid waste vehicles, its purchase is exempt from the competitive purchase requirements of the Texas Local Government Code (LGC);

Whereas, this exemption is supported by Attorney General Opinion No. JC-0281, which provides that purchases to maintain trash service are necessary to preserve and protect the public health and safety of residents (LGC 252.022(a)(2));

Whereas, Staff anticipates purchasing approximately 12,000 MMBTus of natural gas per year - pricing offers received may have a fixed or variable rate structure; Tradition Energy will assist Staff in evaluating the offers to determine the best value for the City;

Whereas, Staff recommends Council authorize the City Manager, or the Director of Finance, to act on behalf of the City in reviewing pricing offers submitted for the supply of natural gas for the City's CNG fueling station, and, if in the best interest of the City, to enter into a contract with the vendor offering the best value for a period up to 10 years, beginning April 1, 2025;

Whereas, the cost of natural gas for the CNG fueling station is considered part of the cost components that are factored into the Solid Waste Department's Fiscal Year 2025 Fuel Budget within Account Nos. 110-2320-540-2115, 110-2330-540-2115, 110-2350-540-2115, 110-2360-540-2115, 110-2370-540-2115, and 110-2380-540-2115;

Whereas, the costs for the remaining term of the contract will be included in future fuel budgets for the Solid Waste Department; and

Whereas, the City Council has considered the matter and deems it in the public interest to authorize this action.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Part 2: The City Council authorizes the City Manager, or the Director of Finance, to act on behalf of the City in reviewing pricing offers submitted for the supply of natural gas for the City of Temple's compressed natural gas fueling station, and, if in the best interest of the City, and after approval as to form by the City Attorney's Office, to enter into a contract with the vendor offering the best value for a period up to 10 years, beginning April 1, 2025.

Part 3: It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED this the 6th day of **March, 2025**.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Jana Lewellen
City Secretary

Kathryn H. Davis
City Attorney