



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 9/11/2025

File ID: TMP-5961

Department: Huntsville Utilities

Subject:

Type of Action: Approval/Action

Resolution authorizing the Mayor to approve Budget Work Orders and Project Work Orders for new construction for system improvements, capital projects including material purchasing, outside services, and labor, transportation, and other expenses, as outlined in the Budget for the Gas Department for the Fiscal Year 2026 at a total estimated cost of \$11,180,334. (Utilities: Gas)

Choose an item.

Finance Information:

Account Number: N/A

City Cost Amount: \$ N/A

Total Cost: \$ N/A

Special Circumstances:

Grant Funded: \$ N/A

Grant Title - CFDA or granting Agency: N/A

Resolution #: N/A

Location: (list below)

Address: N/A

District: District 1 ☐ District 2 ☐ District 3 ☐ District 4 ☐ District 5 ☐

Additional Comments:

RESOLUTION 25- _____

WHEREAS, on August 26, 2025, the City of Huntsville Gas Utility Board has approved the Budget for the Gas Department for the Fiscal Year of 2026, which includes Budget Work Orders and Project Work Orders for new construction for system improvements, capital projects including material purchasing, outside services, and labor, transportation, and other expenses, as outlined in the Budget for the Gas Department for the Fiscal Year 2026 at a total estimated cost of \$11,180,334; and

WHEREAS, the Budget Work Orders and Project Work Orders relevant to the Fiscal Year 2026 Budget for the Gas Department Budget are described as follows:

Budget Work Order 251-2026 –New Construction. Materials, outside services, and labor for new construction items for the Gas Departments for fiscal year 2026 at an estimated cost of \$4,350,000.00.

Budget Work Order 252-2026 –Renewal and Replacements. Materials for renewal and replacement items for the Gas Departments for fiscal year 2026. These items include miscellaneous renewals, replacements, and relocation work at an estimated cost of \$200,000.00.

Budget Work Order 270-2026 – Land. Land as outlined in the budget for the Gas Departments for fiscal year 2026. This includes the purchase of land for future pipeline easements and cathodic protection ground beds at an estimated cost of \$200,000.00.

Budget Work Order 272-2026 –Tools & Work Equipment. Work equipment as outlined in the budget for the Gas Department for fiscal year 2026. This includes the items too large or costly to be included in the operating expense budget at an estimated cost of \$78,749.00.

Budget Work Order 273-2026 –Transportation. New transportation items as outlined in the budget for the Gas Departments for fiscal years 2026 through 2027. This includes new and replacement vehicles and other miscellaneous items at an estimated cost of \$1,576,260.00.

Budget Work Order 276-2026 –Metering Equipment. New metering equipment as outlined in the budget for the Gas Departments for fiscal year 2026 through 2027. These items include gas meters, electronic instruments, transducers, and replacement AMI modules at an estimated cost of \$1,474,500.00.

Budget Work Order 278-2026 –Regulators. New regulators as outlined in the budget for the Gas Departments for fiscal year 2026 through 2027 at an estimated cost of \$292,800.00.

Project Work Order – McKee/Wall Triana Connection. Materials, outside services, and labor to construct a new natural gas main distribution line for system reliability and growth in the northwest area of Madison County at an estimated cost of \$1,900,000.00.

Project Work Order – Providence Main Relocation- AMENDED. Materials, outside services, and labor to relocate an existing natural gas main distribution line for system reliability in the northwest area of Madison County at an estimated cost of \$900,000.00.

Project Work Order – OneStream SaaS Platform. Materials, outside services, and labor to implement a budgeting and forecasting SaaS system at an estimated cost of \$83,025.00.

Project Work Order – Indian Creek Cathodic Protection- AMENDED. Materials, outside services, and labor to replace the existing equipment and anodes in the southwest area of Madison County at an estimated cost of \$125,000.00.

WHEREAS, the estimated cost of said Purchases is in excess of \$25,000.00 and requires the consent and approval of the City Council of the City of Huntsville, Alabama;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Huntsville, Alabama that the Budget Work Orders and Project Work Orders for new construction for system improvements, capital projects including material purchasing, outside services, and labor, transportation, and other expenses, as outlined in the Budget for the Gas Department for the Fiscal Year 2026 and listed above at a total estimated cost of \$11,180,334 be, and the same is hereby approved and the written consent or approval of the City Council of the City of Huntsville is hereby granted to the City of Huntsville Gas Utility Board for the expenditure of sufficient funds from the proper fund belonging to the City of Huntsville Gas Utility Board for the payment of the cost thereof.

ADOPTED this the ____ day of _____, 2025.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the ____ day of _____, 2025.

Mayor of the City of Huntsville,
Alabama



Huntsville Utilities

ELECTRICITY • NATURAL GAS • WATER

MEMORANDUM

To: Huntsville City Council

From: Wes Kelley, President & CEO

Date: August 29, 2025

Subject: Huntsville Utilities Item for City Council Agenda September 11, 2025

Resolution authorizing the Mayor to approve Budget Work Orders and Project Work Orders for new construction for system improvements, capital projects including material purchasing, outside services, and labor, transportation, and other expenses, as outlined in the Budget for the Gas Department for the Fiscal Year 2026 at a total estimated cost of \$11,180,334. (Utilities: Gas)

Approval of the resolution authorizing the Mayor to approve Budget Work Orders and Project Work Orders for new construction for system improvements, capital projects including material purchasing, outside services, and labor, transportation, and other expenses, as outlined in the Budget for the Gas Department for the Fiscal Year 2026 at a total estimated cost of \$11,180,334. (Utilities: Gas)

HUNTSVILLE UTILITIES GAS & WATER BOARD

CAPITAL EXPENDITURES FOR APPROVAL

AUGUST 2025

GAS EXPENDITURES

The following **Budget Work Orders** submitted for approval are Huntsville Utilities recurring capital expenditures over \$25,000. The total estimated cost shown for these items is expected to be incurred in the FY26 - FY27 budget year.

Item #1 Budget Work Order 251-2026 –New Construction
Request the approval to purchase materials, outside services, and labor for new construction items for the Gas Department for fiscal year 2026. These items include system improvements and capital projects and are 2025-2026 budgeted items, budget code 51.

Total Estimated Cost: \$4,350,000

Item #2 Budget Work Order 252-2026 –Renewal and Replacements
Request the approval to purchase materials for renewal and replacement items for the Gas Department for fiscal year 2026. These items include miscellaneous renewals, replacements, and relocation work and are 2025-2026 budgeted items, budget code 52.

Total Estimated Cost: \$200,000

Item #3 Budget Work Order 270-2026 – Land
Request the approval to purchase land as outlined in the budget for the Gas Department for fiscal year 2026. This includes the purchase of land for future pipeline easements and cathodic protection ground beds. This is a 2025-2026 budgeted item, budget code 70.

Total Estimated Cost: \$200,000

Item #4 Budget Work Order 272-2026 –Tools & Work Equipment
Request approval to purchase work equipment as outlined in the budget for the Gas Department for fiscal year 2026. This includes the items too large or costly to be included in the operating expense budget. These are 2025-2026 budgeted items, budget code 72.

Total Estimated Cost: \$78,749

Item #5 Budget Work Order 273-2026 –Transportation and Equipment
Request the approval to purchase new transportation items as outlined in the budget for the Gas Department for fiscal years 2026 through 2027. This includes new and replacement vehicles and other miscellaneous items. These are 2025-2027 budgeted items, budget code 73.

Total Estimated Cost: \$1,576,260

Item #6 Budget Work Order 276-2026 –Metering Equipment
Request the approval to purchase new metering equipment as outlined in the budget for the Gas Department for fiscal years 2026 through 2027. These items include gas meters, electronic instruments, transducers, and replacement AMI modules. These are 2025-2027 budgeted items, budget code 76.

Total Estimated Cost: \$1,474,500

- Item #7 Budget Work Order 278-2026 –Regulators**
Request the approval to purchase new regulators as outlined in the budget for the Gas Department for fiscal years 2026 through 2027. These are 2025-2027 budgeted items, budget code 78.
- Total Estimated Cost: \$292,800**

The following **Project Work Orders** submitted for approval are Huntsville Utilities projects with a defined life cycle that include multiple work phases. In many cases the project is expected to extend beyond the current budget year. The total estimated cost is based on current estimates of what is needed to complete the project unless otherwise noted.

- Item #8 Project Work Order – McKee/Wall Triana Connection**
Request the approval to purchase materials, outside services, and labor to construct a new natural gas main distribution line for system reliability and growth in the northwest area of Madison County. This project is a budgeted item, budget code 51.
- Total Estimated Cost: \$1,900,000**

- Item #9 Project Work Order – OneStream SaaS Platform**
Request the approval to for materials, outside services, and labor to implement a budgeting and forecasting SaaS system. This project is a budgeted item, budget code 51.
- Total Estimated Cost: \$83,025**

- Item #10 Project Work Order – Providence Main Relocation AMENDED**
Request the approval to purchase materials, outside services, and labor to relocate an existing natural gas main distribution for system reliability in the northwest area of Madison County. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$900,000**

- Item #11 Project Work Order – Indian Creek Cathodic Protection - AMENDED**
Request the approval to purchase materials, outside services, and labor to replace the existing equipment and anodes in the southwest area of Madison County. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$125,000**