

Mayor and Council Communication

DATE: 09/17/19

M&C FILE NUMBER: M&C 19-0164

LOG NAME: 60SMALLDWMERR2019-TEJASC

SUBJECT

Authorize Execution of a Contract with Tejas Commercial Construction, LLC, in the Amount of \$750,000.00 for the Small Diameter Water Main Extensions, Replacements and Relocations Contract 2019, Provide for Project Costs and Contingencies for a Project Amount of \$900,000.00 and Adopt Appropriation Ordinance (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Water and Sewer Capital Projects Fund from available funds in the amount of \$900,000.00; and
2. Authorize execution of a contract with Tejas Commercial Construction, LLC, in the amount of \$750,000.00 for the Small Diameter Water Main Extensions, Replacements and Relocations Contract 2019, with up to two renewals. (City Project No. 102197)

DISCUSSION:

The work to be performed under this contract consists of extending, replacing and/or relocating small diameter water mains, service lines, and other pertinent construction required to upgrade existing small diameter water mains or as required to provide water service to individual customers or developers. While funding for this project comes from the Water and Sewer Capital Projects Fund, the Water Department issues work orders to the Contractor after payment of applicable estimated costs by the Customer and/or Developer.

The bid documents included a stipulation that the total quantities listed may not reflect actual quantities and that the amount budgeted for the project is \$750,000.00. Final payments will be made based on actual measured quantities. The bid documents also included a stipulation giving the City the option to renew (subject to appropriated funding) this contract two times under the same terms, conditions and unit prices.

In addition to the contract amount, \$150,000.00 is required for real property acquisition, material testing, inspection, project management and utility coordination.

This project will have no impact on the Water Department's operating budget when completed. Construction is expected to start November 2019 and be completed when the contract amount is exhausted.

M/WBE OFFICE: Tejas Commercial Construction, LLC, is in compliance with the City's BDE Ordinance by committing to five percent MBE participation on this project. The City's MBE goal on this project is five percent. Additionally, Tejas Commercial Construction, LLC, is a certified M/WBE firm.

The project is located in ALL COUNCIL DISTRICTS.

The appropriation is for funding of the FY2019 CIP.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the Fiscal Year 2019 capital budget, as appropriated, of the Water and Sewer Capital Projects Fund. The Fiscal Year 2019 Water and Sewer Operating Fund budget includes appropriations of \$23,865,180.00 within the Water Operating Budget for the purpose of providing Pay-As-You-Go funding for Water Capital projects. After this transfer for Fiscal Year 2019, the balance will be \$2,898,918.00.

Appropriations for the Small Diameter Water Main Extensions, Replacements and Relocations Contract 2019 Project are depicted in the table below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Capital Projects Fund 56002	\$0.00	\$900,000.00	\$900,000.00
Project Total	\$0.00	\$900,000.00	\$900,000.00

*Numbers rounded for presentation purposes.

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