

# Mayor and Council Communication

DATE: 09/17/19

M&C FILE NUMBER: M&C 19-0162

LOG NAME: 60SSERRRCON2019-CIRCLEC

**SUBJECT**

Authorize Execution of a Contract with William J. Schultz, Inc., dba Circle C Construction Company, in the Amount of \$1,000,000.00, for Sanitary Sewer Main Extensions, Replacements and Relocations Contract 2019, Provide for Project Costs and Contingencies for a Project Amount of \$1,300,000.00 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 Capital Projects Fund from available funds in the amount of \$1,300,000.00; and
2. Authorize execution of a contract with William J. Schultz, Inc., dba Circle C Construction Company, in the amount of \$1,000,000.00, for Sanitary Sewer Main Extensions, Replacements and Relocations Contract 2019, with up to two renewals. (City Project No. 102196)

**DISCUSSION:**

The work to be performed under this contract consists of extending, replacing and/or relocating sewer mains, service lines, and other pertinent construction required to upgrade existing sanitary sewer infrastructure or as required to provide sewer 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 \$1,000,000.00. 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, \$300,000.00 is required for project management, real property acquisitions, survey, material testing and inspection.

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 – William J. Schultz, Inc., dba Circle C Construction Company is in compliance with the City's BDE Ordinance by committing to zero percent MBE participation and documenting good faith effort. William J. Schultz, Inc. dba Circle C Construction Company identified several subcontracting and supplier opportunities. However, the firms contacted in the areas identified did not respond or did not submit the lowest bids. The City's MBE goal on this project is six percent.

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 \$35,856,873.00 within the Wastewater Operating Budget for the purpose of providing Pay-As-You-Go funding for Sewer Capital projects. After this transfer for Fiscal Year 2019, the balance will be \$12,348,027.00.

Appropriations for the Sanitary Sewer Main Extensions, Replacements and Relocations Contract 2019 project are depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Capital Projects Fund - 56002	\$0.00	\$1,300,000.00	\$1,300,000.00

Project Total	\$0.00	\$1,300,000.00	\$1,300,000.00
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\*Numbers rounded for presentation purposes.

**Submitted for City Manager's Office by:** Dana Burghdoff 8018

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