

Mayor and Council Communication

DATE: 08/25/20

M&C FILE NUMBER: M&C 20-0601

LOG NAME: 60SMALLDWMERR2019R1-TEJASC

SUBJECT

(ALL) Adopt Appropriation Ordinance in the Amount of \$900,000.00 to Fund the First Renewal with Tejas Commercial Construction, LLC, for Small Diameter Water Main Extensions, Replacements and Relocations Contract 2019 for Various Locations Throughout the City

RECOMMENDATION:

It is recommended that the City Council adopt the attached Appropriation Ordinance adjusting receipts and appropriations within the Water Capital Fund by increasing receipts and appropriations in the Small Diameter Water Main Extensions, Replacements and Relocations Contract 2019 project (City Project No. 102197) in the amount of \$900,000.00, and decreasing receipts and appropriations in the Unspecified project (City Project No. UNSPEC) in the Water Capital Fund by the same amount to fund the First Renewal of City Secretary Contract No. 53038 with Tejas Commercial Construction, LLC.

DISCUSSION:

On September 17, 2019 (M&C 19-0164) the City Council authorized execution of a contract in the amount of \$750,000.00, with the option of two renewals, subject to appropriated funding with Tejas Commercial Construction, LLC for Small Diameter Water Main Extensions, Replacements and Relocations Contract 2019 (City Secretary Contract No. 53038).

The City and the Contractor desire to exercise the first renewal of the contract in the amount of \$750,000.00 and with the same terms and conditions.

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 Capital Fund, the Water Department issues work orders to the Contractor after payment of applicable estimated costs by the Customer and/or Developer.

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

This project will have no impact on the Water Department's operating budget when completed.

Appropriations for the Small Diameter Water Main Extensions, Replacements and Relocations Contract 2019 for various locations throughout the city are depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W & S Capital Projects - Fund 56002	\$900,000.00	\$0.00	\$900,000.00
Water Capital - Fund 59601	\$0.00	\$900,000.00	\$900,000.00
Project Total	\$900,000.00	\$900,000.00	\$1,800,000.00

*Numbers rounded for presentation.

M/WBE OFFICE: Tejas Commercial Construction, LLC is in compliance with the City's BDE Ordinance by committing to five percent MBE participation on the 1st renewal. The City's MBE goal on this project is five percent. Additionally, Tejas Commercial Construction, LLC is a certified M/WBE firm.

This project is located in ALL COUNCIL DISTRICTS.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Unspecified project within the Water Capital fund and upon approval of the above recommendation and adoption of the attached appropriation ordinance, funds will be available in the Water Capital fund for the Small Dia. Water Contract 2019 project to support the renewal of the contract. Prior to an expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

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