

Mayor and Council Communication

DATE: 06/27/23

M&C FILE NUMBER: M&C 23-0527

LOG NAME: 60SDWMERRC2021R1-TEJAS

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 2021 to Effect a Portion of Water's Contribution to the Fiscal Years 2023-2027 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Water and Sewer Capital Projects Fund in the amount of \$900,000.00, transferred from available funds within the Water and Sewer Fund, for the purpose of funding Small Diameter Water Main Extensions, Replacements and Relocations Contract 2019 project (City Project No. 103388) and to effect a portion of Water's contribution to the Fiscal Years 2023-2027 Capital Improvement Program.

DISCUSSION:

On November 9, 2021, Mayor and Council Communication (M&C 21-0871), the City Council authorized execution of a contract in the amount of \$750,000.00, for the Small Diameter Water Main Extensions, Replacements, and Relocations Contract 2019 (City Secretary Contract No. 57137) and provided for the option of two renewals.

The City and the contractor desire to exercise the first renewal of the contract in the amount of \$750,000.00.

The work to be performed under this contract consists of extending, replacing, and/or relocating small diameter 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.

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.

60SDWMERRC2021R1-TEJAS

Capital Fund Name	Project Name	FY2023 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2023 Budget
Fund 56002 - W&S Capital Projects	103388 - Small Diameter WM REPL (2021)	\$0.00	This M&C	\$900,000.00	\$900,000.00

Funding is budgeted in the Transfer to Water/Sewer account of the Water operating budget for the purpose of funding the Small Diameter WM REPLC (2021) project within the Water & Sewer Capital Projects Fund.

Appropriations for the Small Diameter Water Main Extensions, Replacements, and Relocations Contract 2021 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	\$900,000.00	\$1,800,000.00
Project Total	\$900,000.00	\$900,000.00	\$1,800,000.00

*Numbers rounded for presentation.

This project is located in ALL COUNCIL DISTRICTS.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Water & Sewer Fund and upon approval of the above recommendation and adoption of the attached appropriation ordinance, funds will be available in the W&S Capital Projects Fund for the Small Diameter WM REPL (2021) project to support the approval of the above recommendation and execution of the contract. Prior to any expenditures being incurred, the Water Department has the responsibility of verifying the availability of funds.

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Expedited