

MAYOR AND COUNCIL COMMUNICATION

DATE: September 15, 2020 **M&C # 2020-09-15-05 M. MORITZ**
TO: Mayor and Council
FROM: Melinda Moritz, Public Works Director
THROUGH: Kelly Kuenstler, City Manager

SUBJECT: Discussion and Possible Action to Approve a Resolution Accepting a Bid, in the Amount of \$279,500.00, with 15% for Contingency, and Authorizing the City Manager to Enter into a Contract with A&M Construction & Utilities for the Grass Hill Elevated Tank Rehabilitation Project

PURPOSE

The purpose of this M&C is to consider approving a Resolution accepting a bid in the amount of \$279,500.00, with 15% for contingency, and authorizing the City Manager to enter into a contract with A & M Construction & Utilities, for the Grass Hill Elevated Tank Rehabilitation Project, located at 6210 Grass Hill Drive.

All four of the City's water tanks are inspected annually, as mandated by the Texas Commission on Environmental Quality (TCEQ). At its last inspection, both the interior and exterior of this tank were found to be in poor condition. The Grass Hill elevated water storage tank was last rehabilitated in 2001. Water tank rehabilitations typically last fifteen to twenty years.

This project was originally bid in March, but the bids came in too high and it was decided to reject all bids and re-advertise the project. A bid package was developed and advertised for 30 days, with the advertisement being placed in the Express News on two consecutive Sundays, and the bid document and plans being placed on the City's web site, the Public Purchase website, and announced to local companies. The bid opening was held on September 1, 2020 at 2:00 pm, with a total of six companies submitting timely bids.

Approved Bids	Total Bid
A & M Construction & Utilities	\$279,500
Tankez Coatings, Inc.	\$303,000
Viking Painting, LLC	\$331,250
Texas Tank Services	\$348,690

Maguire Iron	\$476,600
TMI Coatings, Inc.	\$659,000

The City Engineer reviewed the bids, checked company references and experience, and has recommended that the City award the bid to A & M Construction and Utilities, in the amount of \$279,500.00, with 15% for contingencies.

The project is scheduled to start in mid-November, as this is the time period of the least amount of water usage by our customers.

SEE LEON VALLEY

Social Equity - The more bids the City receives on any project, the better the value staff is able to provide to the citizens who pay for them.

Economic Development - Assuring a safe potable water supply may encourage businesses owners to develop in our city.

Environmental Stewardship - The rehabilitation of the tank will alleviate the potential for bacteria and pathogens to ensure safe drinking water to all users.

FISCAL IMPACT

The project was budgeted in the Water & Sewer Fund for FY 2019-2020 in the amount of \$400,000, but work will not be able to begin until November of 2020. Staff will be bringing this item back to City Council for a budget adjustment in October to move the funds necessary to complete this project, along with other capital projects in a project carryover Ordinance for FY2020-2021. The Water and Sewer Fund balance is estimated to be approximately \$2,000,000.

RECOMMENDATION

It is recommended that the City award a bid in the amount of \$279,500.00, with 15% for contingencies, and authorize the City Manager to enter into a contract with A & M Construction and Utilities, for the Grass Hill Elevated Water Tank Rehabilitation Project.

ATTEST:

SAUNDRA PASSAILAIGUE, TRMC
City Secretary

RESOLUTION No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY, TX., ACCEPTING A BID IN THE AMOUNT OF \$279,500.00, WITH 15% FOR CONTINGENCY, AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONSTRUCTION CONTRACT WITH A & M CONSTRUCTION AND UTILITIES, FOR THE GRASS HILL ELEVATED WATER TANK REHABILITATION PROJECT.

WHEREAS, the FY 2019-20 Water & Sewer Fund budget includes funds for rehabilitating the Grass Hill elevated water tank; and

WHEREAS, rehabilitating the tank will assure a safe, potable water supply for the Utility's customers and preserve an expensive and vital city asset; and

WHEREAS, the City of Leon Valley solicited bids, and on September 1, 2020, a bid opening was held, with a total of six companies submitting bids; and

WHEREAS, the City Council now wishes to accept the lowest responsible bid to perform the much-needed rehabilitation of the Grass Hill elevated water tank.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEON VALLEY, TEXAS, THAT:

1. The City Council hereby accepts a bid in the amount of \$279,500.00, with 15% for contingency, and authorizes the City Manager to enter into a construction contract with A & M Construction and Utilities for the Grass Hill Elevated Water Tank Rehabilitation Project.
2. The Mayor and City Council, with the adoption of this Resolution, further authorize the City Manager to act on behalf of the City of Leon Valley in all matters related to the construction contract.

PASSED, ADOPTED AND APPROVED by the City Council of the City of Leon Valley this the 15th day of September 2020.

APPROVED

CHRIS RILEY
MAYOR

Attest:

SAUNDRA PASSAILAIGUE, TRMC
City Secretary

Approved as to Form: City Attorney