



## AGENDA MEMORANDUM

Future Item for the City Council Meeting of June 10, 2014

Action Item for the City Council Meeting of June 17, 2014

**DATE:** June 10, 2014

**TO:** Ronald L. Olson, City Manager

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### Service Agreement for Mary Rhodes Pipeline Easement Mowing

**CAPTION:**

Motion approving a service agreement with Diamond M Field Services, Schertz, Texas for Mary Rhodes Pipeline Easement Mowing in accordance with Bid Invitation No. BI-0115-14, based on only bid for an estimated annual expenditure of \$125,600.00, of which \$52,333.33 is required for the remainder of FY 2013-2014. The term of the contract will be for twelve (12) months with options to extend for up to four (4) additional twelve-month periods, subject to the approval of the Contractor and the City Manager or designee. Funds have been budgeted by the Utilities Department in FY 2013-2014.

**PURPOSE:**

This service agreement will provide for the mowing of the Mary Rhodes Pipeline easement.

**BACKGROUND AND FINDINGS:**

All options to extend the previous contract have been exercised.

**ALTERNATIVES:**

Not applicable.

**OTHER CONSIDERATIONS:**

Not applicable.

**CONFORMITY TO CITY POLICY:**

This purchase conforms to the City's purchasing policies and procedures and State statutes regulating procurement.

**EMERGENCY / NON-EMERGENCY:**

Non-emergency.

**DEPARTMENTAL CLEARANCES:**

Utilities Department

**FINANCIAL IMPACT:**

Operating

Revenue

Capital

Not applicable

<b>Fiscal Year: 2013-2014</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		\$75,000.00	\$73,266.67	\$148,266.67
Encumbered / Expended Amount		\$20,318.42	\$0	\$20,318.42
This item		\$52,333.33	\$73,266.67	\$125,600.00
BALANCE		\$2,348.25	\$0	\$2,348.25

Fund(s): Water Fund

**Comments:** The \$52,333.33 financial impact shown above represents five (5) months of expenditures that will be encumbered through the end of this fiscal year. The remaining \$73,266.67 for the last seven (7) months of the contract will be requested during the normal FY 2014-2015 budget approval process.

**RECOMMENDATION:**

Staff recommends approval of the motion as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Bid Tabulation

Service Agreement