



AGENDA MEMORANDUM

Action Item for the City Council Meeting of July 26, 2016

DATE: July 19, 2016

TO: Margie C. Rose, City Manager

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<p style="text-align: center;"><u>One Reading Action Item</u> Expediting Payment to National Power Rodding for Emergency Wastewater Repairs</p>

CAPTION:

Ordinance authorizing transfer of Wastewater reserves in the amount of \$241,335.85 in Fund No. 4249 to Project E16331 for payment to National Power Rodding for emergency wastewater repairs on May 17 and May 22, 2016; changing the FY 2015-2016 Capital Improvement Budget adopted by Ordinance No. 030621 to increase expenditures by \$241,335.85; and declaring an emergency.

PURPOSE:

The purpose of this Agenda Item is to obtain authority to expedite payment to National Power Rodding for emergency wastewater line repairs performed on May 17, 2016 and May 22, 2016.

BACKGROUND AND FINDINGS:

On May 17, 2016 a 12-inch wastewater force main located underneath Wooldridge Road broke, resulting in a street cave-in approximately 18 feet deep. On May 22, 2016 an 8-inch wastewater main located in residential rear easement broke, resulting in a cave-in at the intersection of Melisa Lane and Treyway Lane. In both cases, due to the risk to public health, safety and welfare as well as additional damage to City infrastructure, wastewater staff in the Utilities Department issued an emergency Delivery Order (DO) to National Power Rodding in order for repairs to be executed immediately.

The Indefinite Delivery Indefinite Quantity (IDIQ) contract with National Power Rodding includes a clause which allows the City to call on the contractor during a City emergency using line items in the IDIQ, to facilitate repairs and to minimize costs. At the time invoices for the repairs were received from the vendor, it was determined that an emergency should have been declared by the City Manager and appropriate procedures followed. Invoices for other work performed under the IDIQ were in process which caused expenditures to reach the contract ceiling. As a result, there were insufficient funds available in the contract to pay the \$241,335.85 invoice for the two cave-ins.

Declared City emergencies are typically handled through the Engineering Services Department and normal procurement requirements are suspended in order that the emergency condition (in this case two wastewater main breaks resulting in cave-ins) may be resolved immediately. The emergency clause in the IDIQ contract appropriately allowed for mobilizing National Power Rodding to effect the repairs using line items from the IDIQ contract. However, funding external to the contract should have been used to pay for the repairs.

ALTERNATIVES:

None

OTHER CONSIDERATIONS:

The Engineering Services Department has implemented procedures to ensure that processes for declared City emergency repairs are properly followed.

CONFORMITY TO CITY POLICY:

This item is exempt from competitive bidding requirements under Texas Local Government Code Section 252.022(a)(3) as a procurement necessary because of unforeseen damage to public machinery, equipment, or other property.

EMERGENCY / NON-EMERGENCY:

Emergency

DEPARTMENTAL CLEARANCES:

Utilities Department

FINANCIAL IMPACT:

☐ Operating ☐ Revenue ☒ Capital ☐ Not applicable

Fiscal Year 2015-2016	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Budget (This element of work only)		\$241,335.85		\$241,335.85
Encumbered / Expended Amount		\$0.00		\$0.00
This item		\$241,335.85		\$241,335.85
Future Anticipated Expenditures This Project		\$0.00		\$0.00
BALANCE		\$241,335.85		\$241,335.85

Fund(s): Wastewater Capital Reserves

RECOMMENDATION:

City staff recommends approval of the Ordinance.

LIST OF SUPPORTING DOCUMENTS:

Ordinance