



AGENDA MEMORANDUM

Future Item for the City Council Meeting of May 21, 2019
Action Item for the City Council Meeting of June 11, 2019

DATE: May 21, 2019

TO: Peter Zaroni, City Manager

FROM: Kevin Norton, Director of Utilities
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Backflow Preventer Services for Commercial Accounts

CAPTION:

Motion authorizing six two-year service agreements for non-fire backflow preventer services for commercial accounts with Koetter Fire Protection, Hebert Irrigation, Graf Plumbing, Smart Plumbing, and KimJon Backflow Service, all of Corpus Christi, Texas, and TD Backflow Services of Orange Grove, Texas for an amount not to exceed \$142,800 for each contract; and, one two-year service agreement for fire backflow preventer for commercial accounts with Koetter Fire Protection of Corpus Christi, Texas for an amount not to exceed \$142,800, for a combined total amount not to exceed \$999,600, each with one two-year option for a total potential multi-year amount not to exceed \$1,999,200, funded by the Backflow Prevention Fund.

PURPOSE:

The purpose of this item is to contract with licensed professionals who will bring delinquent backflow-preventers owned by commercial customers into compliance.

BACKGROUND AND FINDINGS:

Local codes and State laws require that commercial backflow assemblies be tested and serviced annually by a State licensed backflow prevention assembly tester. A backflow prevention device is used to protect potable water supplies from contamination or pollution due to backflow.

There are approximately 2,500 commercial customers that own a backflow preventer which are delinquent. These customers have been notified, but no action has been taken by the customer to bring the backflow preventer into compliance. Per City Code 55-37, the City may now inspect, install, repair and/or replace backflow preventers to bring them into compliance, billing the commercial customer for this cost on their utility bill. The revenue collected from the commercial customer will offset the cost of the inspections and/or repairs.

The Contracts and Procurement Department conducted a Request for Qualifications (RFQ) process to obtain Statements of Qualifications for new contracts. The City received six responsive and responsible Statements of Qualifications for Non-Fire Devices and one Statement of Qualifications for Fire Devices. Staff is recommending all six Contractors for award to have an adequate bench of Contractors to perform the work. The City staff set the contract rates so all contracts pay the same with the exception of the fire devices which are higher.

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:

X Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2018-2019	Current Year	Future Years	TOTALS
Line Item Budget	\$500,000	\$1,832,600	\$2,332,600
Encumbered / Expended Amount	\$0	\$0	\$0
This item	\$166,600	\$1,832,600	\$1,999,200
BALANCE	\$333,400	\$0	\$333,400

COMMENTS: In the Fiscal Year 2018-2019 operating budget, \$500,000 was budgeted as both revenue and expenses in the Backflow Prevention Fund 4022. The services provided through the agreements in this agenda item will be billed to each commercial customer and will be reflected as revenue in the Backflow Prevention Fund 4022. There should be no direct cost to the City since the services will be reimbursed by each benefiting customer.

Funding Detail:

Fund:	4022 Backflow Prevention
Organization/Activity:	31515 Backflow Prevention
Mission Element:	041 Distribute Water
Project # (CIP Only):	N/A
Expenditure Account:	530000 Professional Services
Revenue Account:	324285 Backflow Program Charges

RECOMMENDATION:

Staff recommends approval of the action as presented

LIST OF SUPPORTING DOCUMENTS:

Service Agreements (seven each)