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## CITY COUNCIL CONSENT ITEM CITY OF FAIR OAKS RANCH, TEXAS

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AGENDA TOPIC: Approval of a resolution authorizing the execution of an agreement with Maguire Iron, Inc. for the Water Plant 5 Ground Storage Tank project

DATE: November 21, 2024

DEPARTMENT: Finance

PRESENTED BY: Consent Item: Clayton Hoelscher, Procurement Manager

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### **INTRODUCTION/BACKGROUND:**

The City budgeted \$1,320,800 for the expansion of Water Plant 5. This project constructs a new 500,000-gallon ground storage tank to increase storage capacity and improve system operations and resiliency. The existing 125,000-gallon ground storage tank turns over multiple times a day and is not adequate to meet peak demands or other emergency events such as extended power outages. The existing tank will remain in service and will be operated in parallel with the new tank.

Water Plant 5 is the City's Guadalupe-Blanco River Authority (GBRA) delivery point and supplies purchased water directly to Plant 3 (Zone A) and Elmo Davis (Zones B and C). Construction of the new ground storage tank at Plant 5 will benefit the City's entire water service area.

In July 2023, the City entered into a professional services agreement with Maguire Iron, Inc. for engineering and design services for the project. Tank design was completed in early 2024.

In October 2024, the City received a proposal (**Exhibit A**) from Maguire Iron, Inc. to construct the new ground storage tank. Construction is anticipated to be completed by August 2026. The City will utilize The Interlocal Purchasing System (TIPS) purchasing cooperative for this purchase. Utilizing the TIPS cooperative fulfills the City's competitive requirements.

City staff and GEC have reviewed the proposal and determined it to be fair and reasonable. A bid analysis using comparable projects from other Texas cities, water districts and utility providers is attached as **Exhibit B**.

### **POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:**

- Supports Priority 3.1 of the Strategic Action Plan to Enhance and Ensure Continuity of Reliable Water Resources.
- Complies with Competitive Procurement Requirements.

### **LONGTERM FINANCIAL & BUDGETARY IMPACT:**

The City budgeted \$1,320,800 in FY 2024-25 for this project, and \$206,429 in design savings are available from previously appropriated funds. The proposal from Maguire Iron, Inc. is for \$1,425,000.

**LEGAL ANALYSIS:**

The Contractor will be required to sign and adhere to the City's Standard Construction Agreement prior to the commencement of work. A copy is attached.

**RECOMMENDATION/PROPOSED MOTION:**

Consent Item - I move to approve a resolution authorizing the execution of an agreement with Maguire Iron, Inc. for the Water Plant 5 Ground Storage Tank project in the amount of \$1,425,000, expenditure of the required funds, and execution of all applicable documents by the City Manager.