



AGENDA MEMO

Business of the City Council City of Sweeny, Texas

Meeting Date	01/21/2025	Agenda Items	
Approved by City Manager		Presenter(s)	Administration
Reviewed by City Attorney		Department	Grants/ Projects
Subject	Discussion and possible action on the Pecan Street Water Line Replacement Project		
Strategic Goal	This meets the strategic goal of Government Sustainability by protecting the City's financial integrity and ensuring government transparency.		
Financial Information	Expenditure Required:	\$263,000.00	
	Amount Budgeted:	\$0.00	
	Account Number:		
	Additional Appropriation Required:		
	Additional Account Number:		

Executive Summary

Staff is requesting direction for the Pecan Street Water Line Replacement Project. This item was discussed at the 09/17/24 meeting with motion to suspend the project until 01/21/25.

This is a CDBG project with a total project cost of \$463,200.

CDBG has pledged \$200,000 in funds.

The City would be responsible for approximately \$263,000. The City has paid \$32,900 for engineering services on the project to date.

The City needs to determine if the project will be proceeding.

- If proceeding, how the City will provide for the funds to be paid. The project is at the stage to advertise to request bids for contractor award.
- If the City chooses to cancel the CDBG Project, the **City must repay costs paid by the grant, in the amount of \$6,985.77 by 02/28/2025.** Written notice of cancellation is required.
- If the project is cancelled and funds returned, they can work with the city to hold the \$200,000 grant open for a replacement project. **The City would need to identify a project no later than June 1, 2025 to utilize this funding.** As long as repayment is made, it will not reflect negatively on the City for future applications.
 - Road improvement is being reviewed as an alternative project, as CDBG grant funds may be used for materials to reconstruct roads.
 - Proposed replacement project is to be presented at the February Regular Council meeting.

Recommended Action

To cancel the Pecan Street Water Line Replacement Project, repaying the expended grant funds in the amount of \$6,985.77, and determine a possible replacement project by the required deadline.