



MEMORANDUM

To: Mayor and City Council

From: James D. Meier, P.E., Assistant Director of Public Works
Mike Garza, P.E., Director of Public Works

Date: August 25, 2026

Reference: Consider approval to enter into an agreement with Gulf Coast Underground, LLC (GCU) utilizing HGAC ID:14510-TP07-25; for condition assessment services for 6.3 miles of 24-inch bar wrapped pipeline (BWP), 2.2 miles of 30 inch BWP, as well as approximately 2,500 ft of ductile iron pipe (DIP) as part of the Water Condition Assessment Improvements Design project; in the amount of \$771,865.87; provided by the Water/Sewer retained earnings fund; and authorizing the City Manager to sign any necessary documents.

2040: **Sustainable Government**

Introduction:

The purpose of this agenda item is to request approval to enter into an agreement with Gulf Coast Underground, LLC (GCU) utilizing HGAC ID:14510-TP07-25; for condition assessment services for 6.3 miles of 24-inch bar wrapped pipeline (BWP), 2.2 miles of 30 inch BWP, as well as approximately 2,500 ft of ductile iron pipe (DIP) as part of the Water Condition Assessment Improvements Design project; in the amount of \$771,865.87; as budgeted in the Water/Sewer Fund retained earnings; and authorizing the City Manager to sign necessary documents.

Background:

In 2015, staff began developing an asset management plan for critical utility infrastructure, which included the sanitary sewer system, water system, and storm drainage system. A key component of that plan was conducting condition assessments to establish maintenance and replacement schedules. Condition assessments of the sanitary sewer and portions of the storm sewer (gravity-fed systems) are relatively easy to inspect and have been completed. However, the water system is pressurized, making the required inspection technology more complex.

In 2024, the City engaged Kimley-Horn Associates to assist in determining the best approach for conducting condition assessments of the water system at specific locations and selecting appropriate methods. At the conclusion of that study, Kimley-Horn provided technology recommendations for condition assessments and preliminary recommendations for necessary improvements to the

pipeline system to allow inspection equipment to pass through our critical water lines to determine pipeline integrity.

The Water Condition Assessment Improvements Design project utilizes the recommendations from the Water Condition Assessment study to begin the next phase of the project, which will include designing the outlets and manholes that need to be added to the two primary transmission lines from the Village Parkway Pump Station to the City's two elevated storage tanks for insertion, extraction, and monitoring of the inspection equipment. That scope also includes coordination with the recommended vendor, Insight Water Technologies, on behalf of the City throughout the inspection process.

At this time, it is necessary to enter into an agreement with the inspection vendor to be able to freely share data between Insight, Kimley-Horn, and the City to ensure the proper design of the necessary improvements. Phase 1 of this scope is \$49,619.20 and includes project planning, site visits, drawing reviews, and workshops necessary for the planning of these inspections. Phase 2 of this scope is \$722,246.67 and includes mobilization, inspection, data collection, and final report. By awarding Phase 2 now, the City is locking in the future cost of this work from additional escalation and creating priority in Insight's work schedule.

The proposed agreement with GCU, who is representing Insight Water Technologies, is being awarded through the HGAC cooperative purchasing program. HGAC is a cooperative purchasing platform that meets state and local purchasing requirements through interlocal purchasing agreements. All awarded vendors are competitively procured and by combining the purchasing power of multiple local governments, HGAC achieves bulk discounts and reduced administrative costs. Because vendors are already vetted and contracts are pre-awarded, members are not required to issue formal RFPs. This agreement will enable the Public Works Department to obtain pressurized pipe inspection services by the vendor recommended by our design engineer, Kimley-Horn, to support the continued reliable operation of the City's water utility systems.

Benefit to the Community:

To provide Sustainable Government, performing condition assessments of our critical water infrastructure will help us understand the current condition of our existing distribution system, prioritize maintenance and future line replacements, and improve our water system operation.

Legal Review:

The Procurement Department has reviewed the documents, and agreements are periodically reviewed by the City Attorney.

Fiscal Impact:

The fiscal impact of this agenda item is \$771,865.87, is included in the Water/Sewer Fund assigned retained earnings, and will be included in the final fiscal year 2026 budget amendment.

Recommendation:

The Public Works Department recommends approval of this contract.