



MEMORANDUM

To: Mayor and City Council

From: Mike Garza, P.E., Assistant Director of Public Works
Kent Collins, P.E., Director of Public Works

Date: July 14, 2020

Reference: USIC Change Order (Utility Line Locating Service)

General Information:

- USIC was awarded utility line locating service in 2018.
- This contract will go over 25% of original contract, which requires Council approval.
- The original contract was awarded by council for \$65,000.
- This change order is for an additional \$35,000.
- Funds provided through the Water/Sewer Fund.

Introduction:

This agenda item is being presented for approval of a Change Order with USIC, LLC., for the utility line locating contract in the amount of \$35,000.00.

Analysis:

This contract was originally bid in 2018 as an annual renewable contract. USIC was the low bidder and began this contract in summer of 2018. This year the city awarded a contract of \$65,000.00. Prior to hiring USIC, city staff would locate city utilities when they were called in. This became an everyday, multiple time a day occurrence, which would take staff away from being able to perform efficiently.

State law requires that anytime someone is going to dig, they need to call the state one-call number (811) to locate cable, gas, electric fiber, etc., and call the City's Public Works department to locate water, sewer, storm and fiber. This is required so that the buried utilities can be identified and marked prior to anybody digging. Most times contractors, homeowners etc. would only call the state number and not the city for locates, which could cause damage to the city's utilities. The city decided to include our utilities (water, sewer, storm, fiber) to the states one call system. This would allow a consultant to locate city utilities when they were called in to the states one call system.

The cost of the service is on a per ticket basis, which means when someone calls the 811 number for locates and if the area requested falls within our geographical right of way area, that is considered a

ticket. Based on past locate volume, a certain number of tickets was estimated for the year which was about \$65,000.00. That original estimate and contract has been exceeded and will go over 25% of the original amount, which requires council approval. Based on the average number of tickets per month staff anticipates the need for an additional \$35,000.00. Staff believes the increase in number of tickets is related to people performing more work at home while being quarantined.

Legal Review:

This Change Order did not require legal review.

Fiscal Impact:

This Change Order has a financial impact of \$35,000.00 as provided by the Water/Sewer fund.

Recommendation:

The Public Works Department recommends approval of this change order.