



## 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:** October 26, 2021

**Reference:** USIC Line Locating Service Contract Renewal

**2040:** Sustainable City Government  
Excellent and Well-maintained City Infrastructure and Facilities

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### General Information:

- This is the third renewal of the contract approved in 2018.
- The original contract was a 1-year renewable contract for up to 5 years.
- USIC locates the City's underground water, sewer, fiber and storm drain systems.
- This renewal contract will be for \$85,000.
- Funds budgeted in the Water/Sewer Fund.

### Introduction:

This agenda item is being presented to consider approval of renewing the USIC Line Locating Services contract in the amount of \$85,000.

### Analysis:

This contract was originally bid in 2018 as a renewable contract. USIC was the low bidder and began this contract in summer of 2018. Prior to hiring USIC, staff would locate city utilities when requested. Constant requests for utility locates became a hindrance to efficiency and productivity. It would require 1.5 full time staff equivalents to provide this service in-house without impacting other operations negatively.

State law requires that any time 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 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 digging. In many instances the requestor (contractor, homeowner, etc.) would only call the state number and not the city for locates, which could result in damage to the city's utilities. The city

decided to include our utilities (water, sewer, storm, fiber) to the 811 system so that it becomes a true one-call for all locating needs.

The cost of the service is on a per ticket basis. In other words, 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. The current cost is \$17.51 per ticket. The original cost in 2018 was \$16.50 per ticket but they have increased 3% each year for the cost-of-living adjustment, which was expected. We have been averaging about 400 tickets per month for the last couple of years. In fiscal year 2020/2021 we spent \$71,000 on this service. This contract will be placed on the October 26<sup>th</sup> City Council agenda for consideration of approval.

**Legal Review:**

This contract renewal did not require legal review.

**Fiscal Impact:**

The fiscal impact of this agenda is \$85,000.00, as budgeted in Water/Sewer Funds.

**Recommendation:**

The Public Works Department recommends approval of this renewal with USIC.