



Legislation Text

File #: Res. 2023-99R, **Version:** 1

AGENDA CAPTION:

Consider approval of Resolution 2023-99R, granting an easement to Bluebonnet Electric Cooperative for electrical system upgrades benefitting the City, including converting the Surface Water Treatment Plant to a 3-wire system; approving the funding of electrical upgrades and line relocation in an amount not to exceed \$250,000.00, with Guadalupe Blanco River Authority funding the project equally for a total project cost not to exceed \$500,000; authorizing the City Manager or her designee to execute the easement and documents necessary for the project funding on behalf of the city; and declaring an effective date.

Meeting date: June 6, 2023

Department: Engineering/CIP, Shaun Condor, Director

Amount & Source of Funding

Funds Required: (Total = \$500,000.00) Split = COSM \$250,000.00 / GBRA \$250,000.00

Account Number: COSM = 52036369-70200 / GBRA = 52040363-70190

Funds Available: \$626,254.27

Account Name: C741 (ARWA Delivery Improvements)

Fiscal Note:

Prior Council Action: R2021-101 Awarding Contract to Archer Western, R2022-536 Change Order #2 & R2023-14 Change Order #4

City Council Strategic Initiative: [Please select from the dropdown menu below]

Choose an item.

City Facilities

Choose an item.

Comprehensive Plan Element (s): [Please select the Plan element(s) and Goal # from dropdown menu below]

☐ Economic Development - Choose an item.

☐ Environment & Resource Protection - Choose an item.

☐ Land Use - Choose an item.

☐ Neighborhoods & Housing - Choose an item.

☒ Parks, Public Spaces & Facilities - Well maintained public facilities that meet needs of our community

- ☐ Transportation - Choose an item.
- ☐ Core Services
- ☐ Not Applicable

Master Plan: *[Please select the corresponding Master Plan from the dropdown menu below (if applicable)]*

Water Master Plan

Background Information:

The attached resolution:

- Donates an easement to Bluebonnet Electric Cooperative
- Authorize payment up to \$500,000 to Bluebonnet Electric Cooperative to make the required upgrades to the electrical system at the Surface Water Treatment Plant (SWTP)

Alliance Regional Water Authority (ARWA) has leased groundwater rights in the eastern Caldwell County and will deliver treated Carrizo Aquifer groundwater to various Project Sponsors, including the City of San Marcos, beginning in 2023. The City will maintain two delivery points for the new ARWA water supply, a ground water storage tank at the City's SWTP and a new elevated storage tank in the Blanco Vista subdivision. The improvements at the SWTP proposed for this project are needed to take delivery of the new ARWA water supply to the City. This project includes improvements for the City, ARWA & the Guadalupe-Blanco River Authority (GBRA) under interlocal agreements (ILA) which define financial participation in the design and construction of the improvements.

The City has hired Archer Western Construction to complete the improvements at the SWTP. One of task in their scope it to connect the existing SMTXU switchgear and emergency generator to the Guadalupe Blanco River Authority (GBRA) switchgear and generator which will provide an extra layer of redundancy during emergency situations. In order to make this connection safe, simple, and reliable, we must convert the existing SMTXU switchgear configuration to a 3-wire system which matches the GBRA configuration.

In order to complete these improvements, Bluebonnet will need to install additional conduits, electrical lines and a transformer in the estimated amount of \$176,151.35. In addition, Bluebonnet will need to relocate the existing electrical lines at an estimated cost of \$117,000.00. Due to current market conditions on construction materials, Bluebonnet cannot hold prices for more than 60 days so we are asking for a contingency allowance up to a total amount not to exceed \$500,000.00. These electrical improvements require that the City donate an electrical easement to Bluebonnet as they are the sole providers in this area. The cost of these improvements will be split 50/50 with GBRA.

The \$13.5 million construction project is on track to be completed by the summer of 2024. The approximate cost sharing of this contract is split as shown: 7% for ARWA, 48% for GBRA and 45% for COSM.

Council Committee, Board/Commission Action:

Click or tap here to enter text.

Alternatives:

Click or tap here to enter text.

Recommendation:

Staff recommends approval of this easement donation and electrical upgrades in the amount not to exceed \$500,000.00, the City's portion being up to \$250,000.00.