

**SPECIAL MEETING MINUTES**  
**City Council-Special Meeting**  
**March 1, 2022 - 6:00 p.m.**

**PRESENT:** Mayor Wyman Williams, Mayor Pro Tempore Anthony Henry,  
Council Members Beckey Thompson, Stephanie Muller & Teddy Reel

**STAFF PRESENT:** City Manager Howdy Lisenbee  
Finance Director Jamie Campbell  
Director of Administrative Services Molly Jacobsen  
Accountant Matthew Prater  
Executive Director of Commerce Economic Development Corporation Bonnie Hunter

**ABSENT:** None

**1. Call to Order**

Mayor Wyman Williams called the meeting to order at 6:00 p.m.

**2. Discussion and Possible Action on a Resolution Awarding a Contract for the Construction of the City of Commerce Raw Water Pump Station & Electrical Improvements at lake Tawakoni for TxCDBG Project #7219081.**

City Manager Howdy Lisenbee reminded the Council that the last time this work was bid out, we received zero bids and staff was working to meet a deadline related to the grant tied to this project. Manager Lisenbee provided the Council with some history related to the project and summarized that the pump station at Lake Tawakoni has electrical controls that are over 70 years old. It has become increasingly difficult to get parts for it and it is potentially a fire hazard as a motor control center of the same age caught on fire at the water plant a few years ago. Manager Lisenbee reminded the Council that part of the funding for this project will come from a \$500,000 grant from the Texas Department of Agriculture (TDA). The grant had a deadline to award a construction contract in December 2021. Staff bid the project out with KSA and no one submitted a proposal or bid. Staff worked to get TDA to give us an extension. The first condition of the extension we were given is that we would award the construction contract by March 15, 2022.

Staff opened bids on Thursday, February 24<sup>th</sup> and received a bid from one qualified firm. However, that firm's cost estimate for completion of the project is not anywhere near the city's budget for the project. The bid was from Taknek, out of Gainesville. The base bid was for all the core elements to keep producing water. Additionally, there are three add-alternates for work that the City would like to have done if we had the budget.

There are four pumps in total at Lake Tawakoni. Pump number 1 is not necessary and the City does not use it. Pump number 2 is a back-up and pump number 3 is the primary pump while pump number 4 is only used during drought emergencies. Everything in the base bid will give the City everything we need to run Pump number 3, which is our primary pump. Add-alternate number 1 would add the equipment to also run Pump number 2, which is our back-up pump. Add-alternate number 2 is a permanent, pad-mounted generator so that we would have emergency, back-up power always at the pump station should we lose power there. Add-alternate number 3 is the complete demolition and removal of all the old equipment that we are not going to use any more.

The base bid was for \$752,633. The city has \$500,000 from the TDA grant, meaning the grant does not cover even the minimum work that has to be done. Staff recommends the award for the base bid of \$752,633. Staff further recommends add-alternate Number 1, so that the City can run the second back-up pump. Staff is not recommending add-alternate number 2. Staff is recommending add-alternate number 3, which is the demolition and removal of all the old equipment that we will not use any more. An Owner Contingency of \$47,437 is being added for a total potential award of \$890,000.

City Manager Lisenbee noted that the next logical question is, "how will this be funded?" The City has the TDA grant of \$500,000. In the fiscal year 2021 ("FY 2021") Capital Improvements Plan ("CIP"), we had the rehab of the three pumps at the wastewater treatment plant ("WWTP") in which we allocated \$500,000 to rehab all three pumps. The bid came in at about \$359,000 and change for that project, meaning there is still \$199,000 of state funds available from that. Staff will spend that money first, and then we will spend \$160,000 of our own money. Of our \$500,000 we would have money left over, so it is recommended that we move \$140,000 of that leftover money over to this project.

In the final piece of the 2022 CIP, we included \$250,000 to start the study and design for an equalization basin at the wastewater treatment plant. The engineers recommended during design of this project that the pumps be replaced at the wastewater treatment plant and then we watch the results for a year and see how much that improves the drainage issue at the plant. Further, that could tell us how big of an equalization basin we would need. As a result of that recommendation, staff recommends taking \$250,000 from that study, and rolling it over to the funding of this project. This would fully fund the raw water control center at Lake Tawakoni. Staff recommends an award of \$890,000 for this project using \$500,000 of state money and \$390,000 of the city's own money.

Manager Lisenbee noted that the last piece for consideration this evening is add-alternate number 2 for a pad-mounted generator at the raw water pump station that would be there all the time with a 500 KVA capacity in case we ever needed to use pump number 1. A problem with that scenario is that if we turned that large pump on, it would be pushing so much water down our transmission line that it would likely start causing leaks. Staff does not anticipate using pump number 1 at all. The plan then is to take that \$175,000 and instead buy a mobile, trailer-mounted 300kw generator. This would give the city more flexibility in that if we had a power outage, we could take that generator to the lake to hook up pump number 3, and it would keep moving water. Manager Lisenbee noted that in the last two winters, the City never lost power at Lake Tawakoni; but that we did lose power at the water treatment plant here in town. If we get this generator, we could take it to wherever power is needed to run equipment. Staff is recommending, outside of this contract, that we be permitted to start exploring the purchase of a different portable generator and using some of the savings from our wastewater treatment plant project to fund the generator.

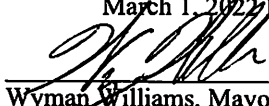
Manager Lisenbee noted that all that is up for consideration tonight is the potential award of the contract to Taknek for the construction of the raw water pump station and motor control center project. In summary, staff is not recommending the full contract award, but is recommending award of the base bid, and add-alternate 1 and add-alternate 3, as well as an owner contingency for a total award of \$890,000 to TAKNEK Construction out of Gainesville, Texas.

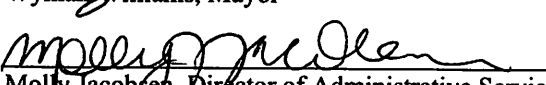
Council Member Stephanie Muller made a motion to approve a resolution awarding of a contract to Taknek, which includes the base bid, add-alternate 1, add-alternate 3 and an owner's contingency for a total award of \$890,000. Council Member Beckey Thompson seconded the motion, and it carried unanimously.

### 3. Adjourn

Council Member Stephanie Muller made a motion to adjourn. Mayor Pro Tem Anthony Henry seconded the motion, and it carried unanimously.

Mayor Wyman Williams adjourned the special meeting at 6:18 p.m. The Council then proceeded to their March 1, 2022 Budget Kickoff Workshop.

  
Wyman Williams, Mayor

  
Molly Jacobsen, Director of Administrative Services

03/15/2022  
Date

CityCouncil Meetings/2022/March/03.01.2022.SPECLMTGMIN5