

Memorandum

To: Mayor and City Council Members
Steve Parker, City Manager

From: Terri Lynn Ruckstuhl, Senior Utilities Engineer

Through: Timothy J. Howe, Director of Utilities and Rick Cortes, Deputy City Manager

Subject: Resolution authorizing the City Manager to enter into an agreement with M&C Fonseca Construction Co. Inc., in the amount of \$1,000,000.00 for the construction of the FM 20 / Hannah Heights Water Line; and declaring an effective date.

Date: November 4, 2025

Historical Background

On February 6, 2024, Council approved a professional service agreement with Lochner formerly K Friese & Associates, LLC, for engineering services related to the FM 20 and Hannah Heights 12" water pipeline project of approximately 8,300 linear feet to loop the existing 12-inch at SH 123 along the east side of the Woodside and Hannah Heights neighborhoods. This project was prescribed as part of the 2022 Water Master Plan and is designed to improve service to the existing developments as well as provide adequate capacity for the parcels immediately south and east. The scope of work included both engineering design and construction administration.

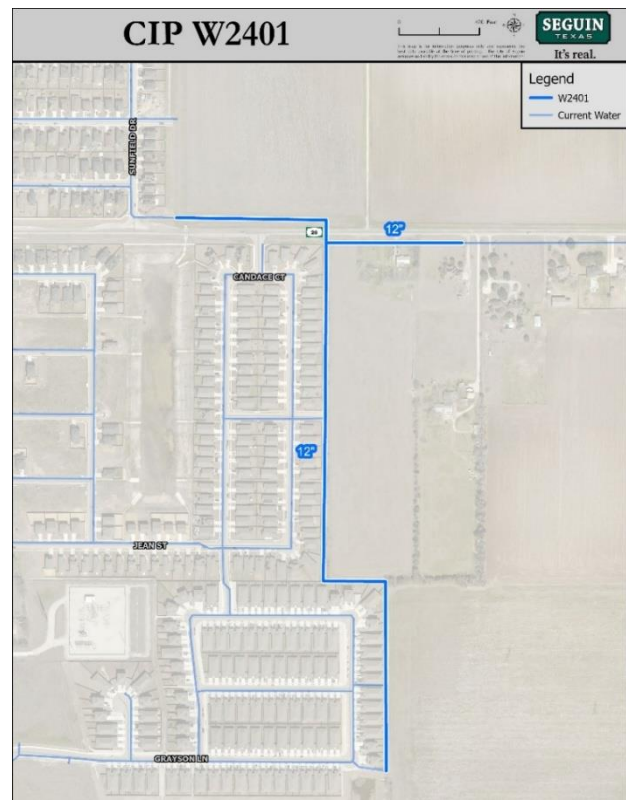
Action Requested

Consider a resolution authorizing the award of a construction contract to install approximately 4,000 linear feet of 12" PVC water main with all other necessary appurtenances.

Procurement Methodology & Funding Source

Seven (7) sealed bids were read on October 14, 2025, at 3:00 P.M. to begin construction. The total bid amounts for the seven bidders ranged from \$908,389.10 from M&C Fonseca Construction Co. Inc., of Granite Shoals to \$1,716,601.85 from GO Underground, LLC of Harlingen.

Funding for this project has been secured through certificates of obligation.



It's real.

Staff Recommendation

It is recommended that M&C Fonseca Construction Co. Inc. be awarded a construction contract for \$908,389.10, plus \$91,610.90 in contingencies, for a total amount of \$1,000,000.00. Lochner conducted reference checks and found that M&C Fonseca Construction Co. Inc. has completed similar projects to the satisfaction of the Owners and Engineers.

The Contractor has a bid bond and will be required to furnish a Standard Form of Agreement, Performance Bond, and Payment Bond to the City. The construction completion period is one hundred and eighty (180) consecutive calendar days.

ATTACHMENTS

1. Resolution - FM 20 Hannah Heights Water Line Project
2. Lochner Bid Evaluation and Award Recommendation Letter