

CITY OF LAREDO

CITY COUNCIL MEETING

A-2005-S-11

CITY COUNCIL CHAMBERS

1110 HOUSTON STREET

LAREDO, TEXAS 78040

July 18, 2005

5:30 P.M.

SUPPLEMENTAL AGENDA

I. RESOLUTIONS

1. **2005-R-068** A resolution of the City Council of the City of Laredo, Texas, suspending the proposed new rates of CenterPoint Energy Natural Gas Company for a period of 90 Days.

II. MOTIONS

2. Authorizing the City Manager to award a contract to Engineered Arresting Systems Corporation (ESCO), sole source, in the amount of \$4,390,000.00 to provide 3,780 Engineered Material Arresting System (EMAS) blocks to include shipping, installation support materials, and technical support. The EMAS blocks placed at the departure end of the runway are designed to safely stop an aircraft traveling off the end of the runway. Funding is available in the Airport Construction Fund – FAA Grants Projects No. 41, 42, and 44.
3. Authorizing the City Manager to execute a contract for the sale of no more than 3000 linear feet of twelve (12) inch size pipe to Killam Development, Ltd., at a cost of \$7.56 per linear foot, to expedite the construction of a line that will be oversized, and finding that it is in the public interest to approve this sale in order to restore adequate water pressure and avoid potential public health issues without delay.

III. STAFF REPORT

4. Discussion with possible action regarding the City of Laredo's Emergency Management Plan.

IV. ADJOURNMENT

This notice was posted at the Municipal Government Offices, 1110 Houston Street, Laredo, Texas, at a place convenient and readily accessible to the public at all times. Said notice was posted on Friday, July 15, 2005 at 5:30 p.m.

for Hilda Negrete
Gustavo Guevara, Jr.
City Secretary

COUNCIL COMMUNICATION

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| DATE: 7/18/05 | SUBJECT: RESOLUTION 2005-R-068 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAREDO, TEXAS, SUSPENDING THE PROPOSED NEW RATES OF CENTERPOINT ENERGY NATURAL GAS COMPANY FOR A PERIOD OF 90 DAYS. | |
| INITIATED BY: Larry Dovalina City Manager | | STAFF SOURCE: Larry Dovalina City Manager |
| PREVIOUS COUNCIL ACTION: None | | |
| BACKGROUND: CenterPoint Energy provides natural gas service to the citizens of the City of Laredo and possesses a franchise with the City of Laredo. CenterPoint Energy has, in accordance with Section 36.102 of the Texas Utilities Code, filed a statement of intent to change natural gas rates for both residential and commercial customers within the City of Laredo. The City has the authority, in accordance with Section 36.108 of the Texas Utilities Code, to suspend natural gas rates for a period of ninety (90) days in order to review and ascertain that the proposed rates are fair and just. | | |
| FINANCIAL IMPACT: None | | |
| COMMITTEE RECOMMENDATION: | | STAFF RECOMMENDATION: That this resolution be passed. |

RESOLUTION NO. 2005-R-068

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAREDO,
TEXAS, SUSPENDING THE PROPOSED NEW RATES OF CENTERPOINT
ENERGY NATURAL GAS COMPANY FOR A PERIOD OF 90 DAYS.

WHEREAS, CenterPoint Energy provides natural gas service to the citizens of the City of Laredo and possesses a franchise with the City of Laredo for such purposes; and,

WHEREAS, CenterPoint Energy has, in accordance with Section 36.102 of the Texas Utilities Code, filed a statement of intent to change natural gas rates for both residential and commercial customers within the City of Laredo; and,

WHEREAS, the City of Laredo has the authority, in accordance with Section 36.108 of the Texas Utilities Code, to suspend natural gas rates for a period of ninety (90) days in order to review and ascertain that the proposed rates are fair and just.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAREDO, THAT:

1. The rates proposed by CenterPoint Energy for natural gas service to the citizens of Laredo are hereby, in accordance with Section 36.108 of the Texas Utilities Code, suspended for a period of 90 days from August 4, 2005, which is the date the rate change would otherwise be effective.
2. That with the authority given to the city by Section 33.021 of the Texas Utilities Code, the city staff is hereby instructed to commence a rate review process in order to prepare a recommendation for the City Council.
3. That, in accordance with Section 33.021 and 33.023 of the Texas Utilities Code, the city staff is hereby given authority to select rate review consultants for the express purpose of reviewing the proposed natural gas rates.

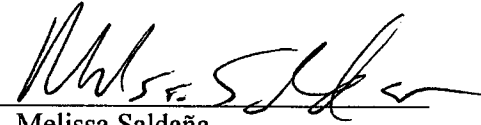
PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LAREDO ON THIS
THE _____ DAY OF _____, 2005.

ATTEST:

Elizabeth G. Flores

Gustavo Guevara
City Secretary

APPROVED AS TO FORM:
JAIME L. FLORES
CITY ATTORNEY

BY: 
V. Melissa Saldaña
Assistant City Attorney

COUNCIL COMMUNICATION

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| DATE: 7-18-05 | SUBJECT: MOTION Authorizing the City Manager to award a contract to Engineered Arresting Systems Corporation (ESCO), sole source, in the amount of \$4,390,000.00 to provide 3,780 Engineered Material Arresting System (EMAS) blocks to include shipping, installation support materials, and technical support. The EMAS blocks placed at the departure end of the runway are designed to safely stop an aircraft traveling off the end of the runway. Funding is available in the Airport Construction Fund - FAA Grants Projects No. 41, 42, and 44. | |
| INITIATED BY: Cynthia Collazo Deputy City Manager | | STAFF SOURCE: Jose L. Flores Airport Director |
| PREVIOUS COUNCIL ACTION: None. | | |
| BACKGROUND: <p>The EMAS project will improve the existing Runway Safety Area (RSA) on the Runway 35L end at the airport. EMAS consists of a material placed at the end of a runway (approximately 363 feet long x 170 feet wide) that will predictably and reliably crush under the weight of an aircraft traveling off the end of the runway. The resistance provided by the crushed material decelerates the aircraft and brings it to a safe stop within the confines of the overrun area. The designed aircraft is the Boeing 727-200.</p> <p>Supplemental monies were needed to award this contract; these funds are available under FAA Grant No. 42. FAA Grant No. 42 was amended to cover the EMAS project improvements.</p> <p>Freese and Nichols is the consultant engineer.</p> | | |
| FINANCIAL IMPACT: Funding is available in Airport Construction Fund | | |
| AIP FAA Project No. 41: Account No. 433-3661-585-9301 \$1,651,124.00 AIP FAA Project No. 44: Account No. 433-3665-585-9301 \$1,338,876.00 AIP FAA Project No. 42: Account No. 433-3664-585-9301 \$1,400,000.00 | | |
| COMMITTEE RECOMMENDATION: On July 12, 2005, the Airport Advisory Committee recommended approval. | | STAFF RECOMMENDATION: That the City Manager be authorized to award a contract to Engineered Arresting Systems Corporation (ESCO). |

COUNCIL COMMUNICATION

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| DATE: 7-18-05 | SUBJECT: MOTION Authorizing the City Manager to execute a contract for the sale of no more than 3000 linear feet of twelve (12) inch size pipe to Killam Development, Ltd., at a cost of \$7.56 per linear foot, to expedite the construction of a line that will be oversized, and finding that it is in the public interest to approve this sale in order to restore adequate water pressure and avoid potential public health issues without delay. |
| INITIATED BY: Larry Dovalina City Manager | STAFF SOURCE: John Hatchel, Consultant Pablo G. Martinez, Interim Utilities Director |
| PREVIOUS COUNCIL ACTION: None. | |
| BACKGROUND: <p>The City of Laredo currently has a 16 inch water pipeline located on Del Mar Blvd. that extends to Loop 20 and extends south to the Larga Vista Subdivision and beyond. The adjacent subdivision including Winfield and further south, Larga Vista, currently tap in to this main water line for their water needs. Due to high temperatures and high consumption and the absence of this "loop" of the water line in Winfield, water pressures have been adversely affected in Winfield and Larga Vista. In fact, as a precautionary measure only, and not due to any actual harm caused, the City has recommended that the residents of those areas boil tap water used for drinking or cooking, until better water pressure can be restored.</p> | |
| CONTINUED ON SECOND PAGE | |
| FINANCIAL: The difference in cost is absorbed by the City because of the need to expedite the project and ensure the public health and safety. Revenue Account: Reimbursement Other-557-0000-373-2050 Since the City is selling a 12 inch pipe for the price of an 8 inch pipe, the difference reflected on the Utility Inventory is an estimated amount of \$26,040. 12 inch pipe-\$16.24 per linear foot 8 inch pipe-\$7.56 per linear foot | |
| RECOMMENDATION: | STAFF RECOMMENDATION: Approval of the Motion |

BACKGROUND: CONTINUATION FROM PAGE 1.

Killam Development, Ltd., plans on constructing a water line north of the Winfield Subdivision in order to create a "loop" of the water pipeline system that services the area. This "loop" will serve to keep higher water pressure levels, thereby alleviating the current water pressure problems for those area residents, as well as residents of Larga Vista.

City staff wishes to expedite the construction of the loop system in order to alleviate current water pressure problems. Killam Development, Ltd., is by law only required to install an 8-inch line, however, the City needs to achieve the benefits of an oversized line to the area residents and all others that tap into the line further south of the Winfield Subdivision. Therefore, because of the need to provide oversized 12-inch capability to adequately address pressure problems and to address potentially related health issues resulting from the low pressure, the City will sell 12-inch pipe at the cost of an 8-inch pipe to Killam Development, Ltd. This sale will allow the line to be constructed by Killam Development, Ltd., within three weeks from the date the pipe is available for pick-up, which makes this a "fast-track" project, as it would take three to five months for Killam Development, Ltd., to obtain same. City staff, therefore, recommends that it is in the public interest to address the current problem in this manner and that City Council find that it is in the public interest to absorb the cost difference in the pipe in order to expedite the project and ensure the public health and safety.