

**CITY COUNCIL AGENDA ITEM COVER MEMO**

**FOR AGENDA OF COUNCIL MEETING/WORK SESSION – DATE: October 8, 2015**

**ACTION REQUESTED BY:** Huntsville Utilities

**COUNCILMAN: ALL**                      **DISTRICT: ALL**

**SUBJECT MATTER:** Gas Budget Work Order

**EXACT WORDING FOR AGENDA:** Resolution authorizing the approval and purchase of materials and labor for new construction items for FY2016 (BWO 251-2016) (Utilities: Gas).

**ORDINANCE:**                              **RESOLUTION:** X                              **MOTION:**

**(IF AMENDMENT, STATE TITLE AND NUMBER OF ORIGINAL):** N/A

**ITEM IS TO BE CONSIDERED FOR:**

**INTRODUCTION:**                      **ACTION:** X                              **DISCUSSION:**

**UNANIMOUS CONSENT REQUIRED?** No

**BRIEFLY STATE WHY THE ACTION IS REQUESTED; WHY IT IS RECOMMENDED OR NOT RECOMMENDED; WHAT COUNCIL ACTION WILL PROVIDE, ALLOW, OR ACCOMPLISH; ANY ASSOCIATED COST; BUDGETED (?); AND ANY OTHER INFORMATION THAT YOU THINK MIGHT BE HELPFUL.**

Approval to purchase materials and labor for new construction items for the Gas Department as outlined in the FY2016 budget. The total estimated cost to Huntsville Utilities is \$8,960,000.00. All items are FY2016 budgeted items. This will impact budget code 51. **(Budget Work Order 251-2016).**

**MAYOR RECOMMENDS OR CONCURS?** YES \_\_\_\_\_ NO \_\_\_\_\_ N/A \_\_\_\_\_

**SIGNATURE:** Jay C. Stowe, P.E., President/CEO

**DATE:** September 29, 2015

**RESOLUTION NO. 15-\_\_\_\_\_**

**WHEREAS**, the City of Huntsville City of Huntsville Gas Utility Board has approved Budget Work Order #251-2016 which provides for the purchase of new materials for new construction items and labor at a total estimated cost of \$8,960,000.00; and

**WHEREAS**, the estimated cost of said purchase is in excess of Twenty Five Thousand (\$25,000.00) Dollars, and requires the consent and approval of the City Council of the City of Huntsville, Alabama;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Huntsville, Alabama, that Budget Work Order #251-2016 which provides for the purchase of new materials for new construction items and labor at a total estimated cost of \$8,960,000.00 be, and the same is hereby approved and the written consent and approval of the City Council of the City of Huntsville, Alabama, is hereby granted to the City of Huntsville Gas Utility Board for the expenditures of sufficient funds from the proper fund belonging to the City of Huntsville Gas Utility Board for the payment of the costs thereof.

**ADOPTED** this the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
President of the City Council of  
The City of Huntsville, Alabama

**APPROVED** this the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Mayor of the City of Huntsville,  
Alabama

**HUNTSVILLE GAS SYSTEM  
Work Order (Budget)**

**Work Order #:** 251-2016

**Budget Code:** 51

**Budget Year:** 2016

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**Description:** Purchase materials for new construction items and labor as outlined in the FY2016 budget for the Gas Department for fiscal year 2016. These items include system improvements and capital projects and are 2015-2016 budgeted items, budget code 51.

**Budgeted Total: \$8,960,000.00**

**Prepared by:** Beth Newmy **Date:** 9/17/2015  
Engineering Analyst

**Authorized by:** Stacy Cantrell **Date:** 09/18/2015  
Vice President of Engineering

**Authorized by:** Tommy Owen **Date:** 09/18/15  
Vice President of Operations

**Authorized by:** [Signature] **Date:** 9-30-15  
President/CEO

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**Approved by:** Approved 9-29-15 **Date:** \_\_\_\_\_  
Gas & Water Board

**Approved by:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
City Council

Gas Capital Budget  
Fiscal Year 2016



**HUNTSVILLE UTILITIES**  
ELECTRICITY • NATURAL GAS • WATER

| <b>MATERIALS - NEW CONSTRUCTION (51)</b>       |    |           |  |                     |                     |                     |                     |
|--|----|-----------|--|---------------------|---------------------|---------------------|---------------------|
|  | PC |           | Project Name/Description   | Materials           | Contract Labor      | HU Labor            | Total               |
| 1  | 51 | 523200-51 | Replacement of Fusion Equipment For PE   | \$ 14,000           | \$ -                | \$ -                | \$ 14,000           |
| 2  | 51 | 523400-51 | Replacement of Fusion Equipment For PE   | \$ 14,000           | \$ -                | \$ -                | \$ 14,000           |
| 3  | 51 | 523500-51 | Replacement of Fusion Equipment For PE   | \$ 14,000           | \$ -                | \$ -                | \$ 14,000           |
| 4  | 51 | 523700-51 | Replacement of Fusion Equipment For PE   | \$ 14,000           | \$ -                | \$ -                | \$ 14,000           |
| 5  | 51 | 523900-51 | Installation of fences around meter and regulator stations                     | \$ 4,000            | \$ -                | \$ -                | \$ 4,000            |
| 6  | 51 | 607120-51 | New construction - general development and main extensions                     | \$ 300,000          | \$ -                | \$ 800,000          | \$ 1,100,000        |
| 7  | 51 | 607120-51 | New construction - expansion   | \$ 50,000           | \$ 1,200,000        | \$ -                | \$ 1,250,000        |
| 8  | 51 | 607120-51 | New construction - County Line Road extension                                  | \$ 150,000          | \$ -                | \$ 400,000          | \$ 550,000          |
| 9  | 51 | 607120-51 | New construction - completion of the Gas High Pressure Eastern Loop via Hwy 72 | \$ 2,500,000        | \$ 3,500,000        | \$ -                | \$ 6,000,000        |
| <b>MATERIALS - NEW CONSTRUCTION (51) TOTAL</b> |    |           |  | <b>\$ 3,060,000</b> | <b>\$ 4,700,000</b> | <b>\$ 1,200,000</b> | <b>\$ 8,960,000</b> |