

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 02/25/25 M&C FILE NUMBER: M&C 25-0150

LOG NAME: 60NSIII54INWTMPH2FRR-THALLE

SUBJECT

(CD 7 and ETJ) Authorize Execution of a Contract with Thalle Construction Company, Inc in the Amount of \$32,316,280.74 for Northside III, Phase 2, 54-inch, Part 1 and Chapel Hill West Addition, Phase 1 and 2, Adopt Resolution Expressing Official Intent to Reimburse Expenditures with Proceeds of Future Debt, and Adopt Appropriation Ordinance in the Cumulative Amount of \$34,108,381.30 to Provide Additional Funding for the Northside III 48-inch Water Transmission Main Study & Land Project And Effect a Portion of Water’s Contribution to the Fiscal Years 2025-2029 Capital Improvement Program and Amend The Transportation & Public Works 2025-2029 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a contract with Thalle Construction Company, Inc. in the amount of \$32,316,280.74 for the Northside III, Phase 2, 54-inch, Part 1 and Chapel Hill West Addition, Phase 1 and 2;
2. Adopt the attached Resolution expressing official intent to reimburse expenditures with proceeds from future debt for the Northside III 48-inch Water Transmission Main Study & Land project;
3. Adopt the attached Appropriation Ordinance adjusting appropriations in the Water and Sewer Commercial Paper by increasing appropriations in Northside III 48-inch Water Transmission Main Study & Land project (City Project No. 104940) in the amount of \$30,479,731.00 and decreasing appropriations in the W&S Commercial Paper project (City Project No. UCMLPR) by the same amount, to effect a portion of Water’s contribution to the Fiscal Years 2025-2029 Capital Improvement Program;
4. Adopt the attached Appropriation Ordinance increasing estimated receipts and appropriations in the Transportation Impact Fee Capital Fund in the amount of \$324,702.15 from available transportation impact fees within the Revenue Service Area E Transportation Impact Fees project (City Project No. UN9915) for the purpose of funding the Fleming Ranch Road construction within the City Limits as part of the Northside III 48-inch Water Transmission Main Study & Land project (City Project No. 104940);
5. Adopt the attached Appropriation Ordinance increasing estimated receipts and appropriations in the Developer Contribution Fund in the amount of \$3,303,948.15 from available contributions from others for the purpose of funding the Fleming Ranch Road construction within the City Limits as part of the Northside III 48-inch Water Transmission Main Study & Land project (City Project No. 104940);
6. Amend the Fiscal Years 2025-2029 Capital Improvement Program.

DISCUSSION:

As part of Water Department’s efforts to provide increased water supply and reliability to the fast-growing northern sector of the city, it is necessary to install a 54-inch water main from the Eagle Mountain Water Treatment Plant to the existing 36-inch Northside III water main at the Willow Springs Road/Blue Mound Road West intersection. A segment of this proposed water main will be constructed in the right-of-way of future Fleming Ranch Road.

Construction of the project was advertised for bid on November 13 and November 20, 2024 in the *Fort Worth Star-Telegram*. On December 19, 2024 the following bids were received:

Bidder	Total Bid	Contract Time
Thalle Construction Company, Inc.	\$32,316,280.74	450 Calendar Days
S.J. Louis Construction of Texas, LLC	\$32,407,007.14	
Belt Construction of Texas, LLC	\$33,727,601.11	
Mountain Cascade of Texas, LLC	\$43,094,301.28	

In addition to the contract amount \$1,218,347.00 (Water) is required for project management, material testing, and inspection and \$573,753.00 (Water) is provided for contingencies.

Available cash within the Water and Sewer portfolio and the City’s portfolio along with the appropriation authority authorized under the Callable Commercial Paper Program (CP) will be used to provide interim financing for this project until debt is issued. Once debt associated with this project is sold, bond proceeds will be used to reimburse the Water and Sewer portfolio and the City’s portfolio in accordance with the attached Reimbursement Resolution.

Capital Fund Name	Project Name	FY2025 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2025 Budget
56022 – W&S Rev Bonds Series 2024	104940- NSIII 48 WTM Align Study & Land	\$0.00	M&C 60NSIII48INWTMASA1-KHA	\$1,274,037.00	\$1,274,037.00
56023- W&S Commercial Paper Fund	104940- NSIII 48 WTM Align Study & Land	\$0.00	This M&C	\$30,479,731.00	\$30,479,731.00

Funding is budgeted in the Commercial Paper Project within the W&S Commercial Paper Fund for the purpose of the NSIII WTM Align Study and Land after the sale of Water and Sewer Bonds.

Staff proposes using \$324,702.15 of Transportation Impact Fee funding and \$3,303,948.15 of Future Improvement Agreement funding to construct new capacity roadway lanes for Fleming Ranch Road within the City Limits as part of this project. This project is located in Transportation Impact Fee Service Area E and was identified as transportation impact fee eligible in the 2022 Transportation Impact Fee Study. Revenues from Service Area E (City Project No. UN9915) of the Transportation Impact Fee Capital Fund will be used to fund the construction of these improvements. Any transportation impact fee funds left after project completion and acceptance will be returned to Service Area E revenues. Fleming Ranch Road was identified for developer contribution funding via Future Improvements Agreement executed on January 10, 2025 (CSCO 62603). This additional funding will enable the construction of Fleming Ranch Road as part of NSIII 48 WTM Align Study and Land project to proceed as planned and is included in the table below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Rev Bonds Series 2024-Fund 56022	\$3,349,770.00	\$0.00	\$3,349,770.00
W&S Commercial Paper Fund 56023	\$0.00	\$30,479,731.00	\$30,479,731.00
Service Area E – Transportation Impact Fees – Fund 30108	\$0.00	\$324,702.15	\$324,702.15
Developer Contribution – Fund 30104	\$0.00	\$3,303,948.15	\$3,303,948.15
Project Total	\$3,349,770.00	\$34,108,381.30	\$37,458,151.30

*Numbers rounded for presentation purposes.

Funding for this project was not included in the Fiscal Years 2025-2029 Capital Improvement Program (CIP) because the project and funding sources were unknown at the time of its development. This action in this M&C will amend the Fiscal Years 2025-2029 Capital Improvement Program as approved in connection with Ordinance 27107-09-2024.

Business Equity: The Business Equity Division placed a 14.72 percent business equity goal on this solicitation/contract. Thalle Construction Company, Inc., will be exceeding the goal at 15.46 percent, meeting the City’s Business Equity Ordinance. Any changes in subcontractors will be reviewed by the Business Equity Division.

The project is located in COUNCIL DISTRICT 7 and Extra Territorial Jurisdiction.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds will be available in the Commercial Paper project within the W&S Commercial Paper Fund and are currently available within the Transportation Impact Fee Cap Fund and the Developer Contribution Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the W&S Commercial Paper Fund and in the Transportation Impact Fee Cap Fund and the Developer Contribution Fund for the NSIII48 WTM Align Study &Land project to support the above recommendations and execution of the construction contract. Prior to any expenditure being incurred, the Water Department and Transportation and Public Works Department have the responsibility to validate the availability of funds.

<u>Originating Business Unit Head:</u>	Chris Harder	5020
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<u>Additional Information Contact:</u>	Preeti KC	5467
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