

Mayor and Council Communication

DATE: 02/16/21

M&C FILE NUMBER: M&C 21-0130

LOG NAME: 60LFSIIM292P2AL2-MOUNTAINC

SUBJECT

(Haltom City Adjacent to CD 4) Authorize Execution of a Contract with Mountain Cascade of Texas, LLC, in the Amount of \$1,559,450.00 for the Little Fossil Creek Interceptor (M-292) Improvements Part 2A, Location 2, Provide for Project Costs for a Project Total in the Amount of \$1,837,913.00, Adopt Resolution Expressing Official Intent to Reimburse Expenditures with Proceeds of Future Debt and Adopt Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the execution of a contract with Mountain Cascade of Texas, LLC, in the amount of \$1,559,450.00 for the Little Fossil Creek Interceptor (M-292) Improvements Part 2A, Location 2 project;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds of future debt for the Little Fossil Creek Interceptor (M-292) Improvements Part 2A, Location 2 project; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water and Sewer Commercial Paper Fund by increasing appropriations in the amount of \$1,837,913.00 in the Little Fossil Creek Interceptor (M-292) Improvements Part 2A, Location 2 project (City Project No. C01960) and decreasing appropriations in the Unspecified project (City Project No. UNSPEC) by the same amount.

DISCUSSION:

This project provides for the replacement of a segment of the existing Fort Worth Sanitary Sewer Main-292 beginning from a point in Haltom City adjacent to Council District 4 located 310 feet west and 730 feet north of the Fossil Creek/Field Street intersection, then southerly 730 feet to Fossil Drive and then easterly 1,500 feet to Kerry Lane.

The project was advertised for bid on November 12, 2020, and November 19, 2020, in the Fort Worth Star-Telegram. On December 10, 2020, the following bids were received.

Bidder	Amount	Time of Completion
Mountain Cascade of Texas, LLC	\$1,559,450.00	180 Calendar Days
William J. Schultz Inc. dba Circle C Construction	\$1,585,660.00	
S.J. Louis Construction of Texas, Ltd	\$1,800,363.00	
Jackson Construction, LLC	\$1,825,791.00	

In addition to the contract cost, \$200,490.00 is required for project management, inspection, and material testing and \$77,973.00 is provided for project contingency.

This project is anticipated to be included in a future revenue bond issue for the Water & Sewer Fund. Available cash within the Water & 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 the debt is issued. To the extent resources other than the Water and Sewer portfolio are used to provide interim financing, the Water & Sewer Fund will be charged interest that is equivalent to the overall rate of return being earned by the City portfolio (currently approximately .079 percent annually for FY2020). Should the City's portfolio not support the liquidity needed to provide an interim short-term financing source, another funding source will be required, which could mean issuance of securities under the CP Program or earlier issuance of Water and Sewer revenue bonds than is currently planned. 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.

Appropriations for the Little Fossil Creek Interceptor (M-292) Improvements Part 2A, Location 2 are as depicted below.

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Capital Projects - Fund 56002	\$145,919.00	\$0.00	\$145,919.00
Water Capital - Fund 59601	\$14,200.00	\$0.00	\$14,200.00

Sewer Capital Legacy - Fund 59607	\$3,874,193.00	\$0.00	\$3,874,193.00
W&S Commercial Paper - Fund 56019	\$0.00	\$1,837,913.00	\$1,837,913.00
Project Total	\$4,034,312.00	\$1,837,913.00	\$5,872,225.00

*Numbers rounded for presentation.

This project will have no impact on the Water Department's operating budget when completed.

M/WBE OFFICE: Mountain Cascade of Texas is in compliance with the City's BDE Ordinance by committing to 25 percent MBE participation on this project. The City's MBE goal on this project is 16 percent.

This project is part of the Water Department's Sewer Overflow Initiative Program.

The project is located in HALTOM CITY ADJACENT TO COUNCIL DISTRICT 4.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the W&S Commercial Paper Fund for the Little Fossil Creek Intercepto project. Prior to any expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

Submitted for City Manager's Office by: Dana Burghdoff 8018

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Additional Information Contact: Walter Norwood 5026