

Mayor and Council Communication

DATE: 04/12/22

M&C FILE NUMBER: M&C 22-0291

LOG NAME: 60WSSEXTSHERATON-GRATEX

SUBJECT

(CD 5) Authorize Execution of a Contract with Gra-Tex Utilities, Inc., in the Amount of \$454,856.63 for the Water and Sanitary Sewer Extensions on Sheraton Drive Project and Adopt the Attached Appropriation Ordinance to Effect a Portion of Water’s Contribution to the Fiscal Years 2022-2026 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a contract with Gra-Tex Utilities, Inc., in the amount of \$454,856.63 for the Water and Sanitary Sewer Extensions on Sheraton Drive project; and
2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Water and Sewer Capital Projects Fund in the amount of \$101,330.00, transferred from available funds within the Water and Sewer Fund, for the purpose of funding the Water and Sanitary Sewer Extensions on Sheraton Drive project (City Project No. 103124) to effect a portion of Water’s contribution to the Fiscal Years 2022-2026 Capital Improvement Program.

DISCUSSION:

On May 5, 2020, City Council approved the expenditure of \$400,000.00 in Community Development Block Grant (CDBG) funds from the United States Department of Housing and Urban Development (HUD), for the Sheraton Drive Water/Sewer Installation project (Project) that would provide water and sewer improvements to support future affordable infill housing development on Sheraton Drive (Mayor and Council Communication (M&C) 20-0285). The Project includes five sewer and water taps to 2510, 2512, 2514, 2516, and 2518 Sheraton Drive, which are owned by the Fort Worth Housing Finance Corporation, and will be used for the development of affordable single-family houses.

Initially, it was anticipated that the Project would be designed by City staff and would be constructed using existing City job order contracts. After further review of the scope, Neighborhood Services staff was informed that the initial scope did not contemplate the reconstruction of Sheraton Drive or the construction of curb, gutter and sidewalks. Therefore, the original Project budget was revised to include the additional scope to meet City standards and design, including necessary engineering, design and construction.

On May 18, 2021, the City Council authorized a change in use and adjustments to the existing appropriations in the CDBG program to add \$300,000.00 to the project (M&C 21-0343) for a total allocation of \$700,000.00 in CDBG funds. If there are any remaining CDBG funds at the completion of this project, those funds will be reallocated to other CDBG-eligible projects.

This M&C is to authorize a construction contract for Water and Sanitary Sewer Extensions on Sheraton Drive from Ramey Avenue to Sunshine Drive.

The Neighborhood Services Department’s share of this contract is \$379,421.13 and the Water Department’s share of the contract is \$75,435.50 for a total cost of \$454,856.63.

The project was advertised for bids on December 19, 2021, and December 26, 2021, in the *Fort Worth Star-Telegram*. On January 20, 2022, the following bids were received:

Bidder	Amount	Time of Completion
Gra-Tex Utilities, Inc.	\$454,856.63	90 Calendar Days
R & D Burns Brothers, Inc.	\$469,803.50	
Reyes Group	\$569,834.50	

In addition to the contract amount, the following funds (as described in the table below) are necessary for the project.

Activity	Neighborhood Services Department		Water Department		Total*
	Water	Sewer	Water	Sewer	
Material Testing and Inspection	\$20,670.00	\$18,330.00	\$8,737.00	\$5,842.00	\$53,579.00

Project Contingencies	\$23,391.00	\$16,551.00	\$6,060.00	\$5,255.00	\$51,257.00
Total	\$78,942.00		\$25,894.00		\$104,836.00

***Numbers rounded for presentation purposes.**

This project will have no impact on the Neighborhood Services Department's or the Water Department's operating budgets when completed.

It is the practice of the Water Department to appropriate its CIP plan throughout the fiscal year as projects commence, additional funding needs are identified, and to comply with bond covenants. The actions in the M&C will amend the City of Fort Worth's Fiscal Year 2022-2026 Capital Improvement Program as follows:

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Capital Fund Name	Project Name	FY2022 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2022 Budget
56002 - W&S Capital Projects Fund	103124 - WATER & SS EXTENSIONS on Sheraton Drive	\$0.00	This M&C	\$101,330.00	\$101,330.00

Appropriations for the Water and Sanitary Sewer Extensions on Sheraton Drive project are as depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
Water & Sewer Capital Projects Fund 56002	\$0.00	\$101,330.00	\$101,330.00
Grants Operating Federal Fund 21001	\$700,000.00	\$0.00	\$700,000.00
Project Total	\$700,000.00	\$101,330.00	\$801,330.00

Business Equity: Gra-Tex Utilities, Inc., is in compliance with the City's Business Equity Ordinance by committing to 20 percent Business Equity participation on this project. The City's Business Equity goal on this project is 12 percent.

The project is located in COUNCIL DISTRICT 5.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the Water & Sewer Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the W&S Capital Projects Fund and for the W&SS Extensions Sheraton Dr. project and in the Grants Operating Federal Fund for the CDBG Restricted Cash (PY19/20) and CDBG (PY20-FY21) projects to support the approval of the above recommendations and execution of the contract. Prior to any expenditure being incurred, the Water and Neighborhood Services Departments have the responsibility of verifying the availability of funds.

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