

Mayor and Council Communication

DATE: 09/27/22

M&C FILE NUMBER: M&C 22-0741

LOG NAME: 60RHWTP SCRUBBERA1 – CAROLLO

SUBJECT

(CD 8) Authorize Execution of Amendment No. 1 to an Engineering Agreement with Carollo Engineers, Inc., in the Amount of \$450,000.00 for Additional Services to the Rolling Hills Water Treatment Plant Chlorine Scrubber System Project, Adopt Resolution Expressing Official Intent to Reimburse Expenditures with Proceeds of Future Debt, and Adopt 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 Amendment No. 1 to City Secretary No. 56059 an engineering agreement with Carollo Engineers, Inc. in the Amount of \$450,000.00 for additional services to the Rolling Hills Water Treatment Plant Chlorine Scrubber System project for a revised contract amount of \$605,200.00;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds from future debt for the Rolling Hills Water Treatment Plant Chlorine Scrubber Systems project; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water & Sewer Commercial Paper Fund by increasing appropriations in the Rolling Hills Water Treatment Plant Chlorine Scrubber System Project (City Project No. 103127) in the amount of \$530,000.00 and decreasing appropriations in the W&S Commercial Paper project (City Project No. UCMLPR) by the same amount, to effect a port of Water’s contribution to the Fiscal Years 2022-2026 Capital Improvement Program.

DISCUSSION:

On June 8, 2021, Mayor and Council Communication (M&C) 21-0374, authorized an engineering agreement with Carollo Engineers, Inc. (City Secretary Contract No. 56059), in the amount of \$155,200.00, for an evaluation and to determine whether to replace or upgrade the existing chlorine scrubber system.

The proposed Amendment will provide plans, specifications, and contract documents for the replacement of existing chlorine scrubber system.

Carollo Engineers, Inc., proposes to perform the additional services not to exceed fee of \$450,000.00. Staff considers the fee to be fair and reasonable for the scope of services proposed. In addition to the amendment amount, \$80,000.00 is required for project management and material testing.

This project will have no impact on the Water Department operating budget when complete.

It is the practice of the Water Department to appropriate its Capital Improvement Program (CIP) plan throughout the fiscal year, instead of within the annual budget ordinance, as projects commence, additional funding needs are identified, and to comply with bond covenants. The actions in the M&C will appropriate funds in support of the Water’s portion of the City of Fort Worth’s Fiscal Years 2022-2026 Capital Improvement Program, as follows:

60RHWTP SCRUBBERA1 – CAROLLO

Capital Fund Name	Project Name	FY2022 CIP Appropriations	Authority	Budget Change (Increase/ Decrease)	Revised FY2022 Budget
56021 – W&S Commercial Paper Fund	103127 – RH Chlorine Scrubber System Project	\$0.00	This M&C	\$530,000.00	\$530,000.00

Funding for the RHWTP Chlorine Scrubber System Evaluation is depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Rev			

Bonds Series 2022 – Fund 56020	\$190,000.00	\$0.00	\$190,000.00
W&S Commercial Paper– Fund 56021	\$0.00	\$530,000.00	\$530,000.00
Project Total	\$190,000.00	\$530,000.00	\$720,000.00

***Numbers rounded for presentation purposes.**

This project is anticipated to be included in a future revenue bond issue for the Water & Sewer Fund. 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. Under federal law, debt must be issued within approximately three years in order for these expenses to be reimbursable. Adoption of the attached resolution does not obligate the City to sell bonds, but preserves the ability to reimburse itself from tax-exempt bond proceeds.

Business Equity: Carollo Engineers, Inc. agrees to maintain its initial M/WBE commitment of seven percent that it made on the original agreement and extend and maintain that same M/WBE commitment of seven percent to this first amendment. Therefore Carollo Engineers, Inc. remains in compliance with the City's Business Equity Ordinance and attests to its commitment by its signature on the Acceptance of Previous M/WBE Commitment form executed by an authorized representative of its company.

This project is located in COUNCIL DISTRICT 8 and serves all COUNCIL DISTRICTS.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the UCMLPR W&S Commercial Paper project within the W&S Commercial Paper Fund and 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 RH Chlorine Scrubber System project to support the approval of the above recommendations and execution of the contract. Prior to any expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

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

Originating Business Unit Head: Chris Harder 5020

Additional Information Contact: Farida Goderya 8214

Expedited