

# Mayor and Council Communication

**DATE:** 05/11/21

**M&C FILE NUMBER:** M&C 21-0336

**LOG NAME:** 60SHALE CREEK 24-INCH WATERLINE

**SUBJECT**

(CD 7) Authorize Execution of a Community Facilities Agreement with Lennar Homes of Texas Land and Construction, Ltd. with City Participation in an Amount Not to Exceed \$1,333,556.39, for Oversizing a Twelve Inch Water Main to a Twenty-Four Inch Water Main in the Vicinity West of North Freeway and State Highway 114 to Serve Shale Creek and Anticipated Future Growth in North Fort Worth and Adopt Attached Appropriation Ordinance

**RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize execution of a Community Facilities Agreement with Lennar Homes of Texas Land and Construction, Ltd. with City participation in an amount not to exceed \$1,333,556.39, for oversizing a twelve-inch water main to a twenty-four inch water main in the vicinity west of North Freeway and State Highway 114 to serve Shale Creek and anticipated future growth in north Fort Worth (City Project No. 103158); and
2. Adopt the attached appropriation ordinance adjusting receipts and appropriations in the Water and Sewer Bond 2020A Fund by increasing receipts and appropriations in the CFA Bucket programmable project (City Project No.P00001) in the amount of \$1,515,419.00 and decreasing receipts and appropriations in the Unspecified project (City Project No. UNSPEC) and by the same amount to fund the Community Facilities Agreement – Shale Creek Phase 3A project.

**DISCUSSION:**

Lennar Homes of Texas Land and Construction, Ltd. (Developer) is constructing the Shale Creek Phase 3A Development (Development) located west of North Freeway and State Highway 114. The Water Department would like to cost participate to oversize approximately 5500 linear feet of 12-inch water main to a 24-inch water main. The Shale Creek Phase 3A project is assigned City Project No. 103158 and Accela System Record IPRC21-0014.

In accordance with Chapter 212, Subchapter C of the Texas Local Government Code, the City's participation in the contract is exempt from competitive bidding requirements because the contract is for oversizing public improvements being constructed by the Developer, the Developer will execute a performance bond to cover the total project cost, including all of the City's cost participation, and the City's cost participation will be determined in accordance with the City's Community Facilities Agreement (CFA) Unit Price Ordinance. The City's cost participation in the construction and oversizing of the water mains are estimated to be in an amount not to exceed \$1,333,556.39, which is 64.3% of the cost as shown in the table below. Payments to the Developer are estimated to be \$1,212,416.16 for construction cost, \$37,711.23 for material testing and \$70,000.00 for design cost. The remaining City participation in the estimated amount of \$13,429.00 will cover the City's portion of inspection fees, administrative material testing fees, and water lab testing fees.

	<b>Developer Cost 35.7%</b>	<b>City Cost 64.3%</b>	<b>Total Cost</b>
A. 24" WL Construction			
1. Water	\$673,145.52	\$1,212,416.16	\$1,885,561.68
2. Water Contingency	\$0.00	\$181,862.42	\$181,862.42
B. Inspections & Testing			
1. Construction Inspection Fee	\$68,750.00	\$9,500.00	\$78,250.00
2. Admin Material Testing Fee	\$31,213.00	\$3,479.00	\$34,692.00

3. Water Lab Fee	\$3,450.00	\$450.00	\$3,900.00
4. Material Testing Cost Contingency	\$0.00	\$37,711.23	\$37,711.23
C. Design Services Cost			
1. Design Services Cost	\$0.00	\$70,000.00	\$70,000.00
Total Project Cost*	\$776,558.52	\$1,515,418.82	\$2,291,977.34

\*Numbers will be rounded up for accounting purposes.

The cost stated herein is based upon an engineer's estimate. The reimbursement of the participation, excluding inspection and material testing fees, is not a lump-sum amount and may be less than the stated amount depending upon the actual quantities and unit prices from the Notice of Final Completion package, commonly referred to as the Green Sheet package.

Funding for the CFA-Shale Creek Phase 3A as depicted in the table below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
Water and Sewer Bond 2020A- Fund 56017	\$0.00	\$1,515,419.00	\$1,515,419.00
Project Total	\$0.00	\$1,515,419.00	\$1,515,419.00

Business Equity: Offerors are strongly encouraged to comply with the intent of the City's Business Diversity Enterprise Ordinance to utilized Minority Business Enterprises or Small Business Enterprises on the City-funded portion of the Community Facilities Agreement.

This Development is located in Council District 7.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are currently available in the Unspecified - All Funds project within the Water & Sewer Bond 2020A Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the Water & Sewer Bond 2020A Fund for the CFA Bucket programmable project to support the approval of the above recommendations and execution of the agreement for the CFA-Shale Creek Phase 3A project. Prior to an 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

**Originating Business Unit Head:** Chris Harder 5020

**Additional Information Contact:** Soon Wong 8369

Expedite Requested