

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 05/13/25 M&C FILE NUMBER: M&C 25-0431

LOG NAME: 20KELLER HICKS PH 2 CONSTRUCTION-MCCLENDON

SUBJECT

(CD 10) Authorize Execution of a Construction Contract with McClendon Construction Company, Inc., in the Amount of \$10,613,708.00, for Keller Hicks Road from Park Vista Boulevard to Lauren Way Project and Adopt Appropriation Ordinance to Effect a Portion of Water’s Contribution to Fiscal Years 2025-2029 Capital Improvement Program (2022 Bond Program)

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a contract with McClendon Construction Company, Inc., in the amount of \$10,613,708.00 for the construction of Keller Hicks Road from Park Vista Boulevard to Lauren Way project (City Project No. 103276); and
2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Water and Sewer Capital Projects Fund in the amount of \$1,064,906.00, transferred from available PayGo funds within the Water and Sewer Fund, for the purpose of funding the Keller Hicks Road from Park Vista Boulevard to Lauren Way project (City Project No. 103276) to effect a portion of Water’s Contribution to the Fiscal Years 2025-2029 Capital Improvement Program.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to authorize the execution of a contract with McClendon Construction Company, Inc. in the amount of \$10,613,708.00 for Keller Hicks Road from Park Vista Boulevard to Lauren Way. Keller Hicks is approximately 3,100 feet in length and is identified in the City’s Master Thoroughfare Plan as a 3-lane commercial connector. The proposed project will replace the existing two-lane asphalt road with a three-lane concrete street with travel lanes in each direction and, a two-way left turn lane, drainage, relocation and replacement of an existing 12-inch PVC water line that is too shallow, street lights, ten-foot sidewalks and American with Disabilities Act (ADA) facilities.

The project was advertised for bid on January 8, 2025, and January 15, 2025, in the *Fort Worth Star-Telegram*. On February 13, 2025, the following bids were received:

Bidders	Total Alternate Acceptable Backfill Material (ABM)*	Total Alternate B Controlled Low-Strength Material Backfill (CLSM)*
McClendon Construction Company, Inc.	\$10,613,708.00	\$11,059,724.00
DDM Construction Corporation	\$12,127,812.50	\$12,802,752.50
Tiseo Paving Company	\$12,367,705.70	\$12,858,361.70
McMahon Contracting, L.P.	\$12,822,947.88	\$13,344,751.72
Jackson Construction Ltd.	\$13,144,958.50	\$13,588,028.50
Rebcon, LLC	\$13,424,216.00	\$13,915,736.00
Axis Contracting, Inc.	\$14,102,591.43	\$14,494,060.43

In an attempt to expedite the construction of the water main that is included in the project, staff advertised the project with two alternate backfill materials: Acceptable Backfill Material (ABM) and Controlled Low-Strength Material (CLSM). Staff recommends award of the contract with ABM due to the significantly higher cost of the CLSM backfill (\$440,960.00 vs \$886,976.00)

The Transportation & Public Works Department’s (TPW) share on this contract is \$9,703,337.45. The Water Department’s share of this contract is \$910,370.55 and will be available in the Water & Sewer Capital Projects Fund for the project (City Project No. 103276). In addition to the contract amount, \$109,016.45 is required for project management, material testing, and inspection, and \$45,519.00 is provided for project contingencies.

This project will have no impact on the Transportation & Public Works’ nor the Water Department’s operating budgets when completed.

It is the practice of the Water Department to appropriate its Capital Improvement Plan throughout the Fiscal Year (FY), instead of within the annual budget ordinance. As projects commence, additional funding needs are identified and appropriated to comply with bond covenants.

The actions of this M&C will appropriate funds of the Water Department’s portion of the City of Fort Worth’s Fiscal Years 2025-2029 Capital Improvement Program as follows:

Capital Fund Name	Project Name	FY2025 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2025 Budget
56002 - W&S Capital Projects Fund	103276 - Keller Hicks Road	\$0.00	This M&C	\$1,064,906.00	\$1,064,906.00

Funding is currently available in the Transfer to Water/Sewer account of the Water and Sewer operating budget for the purpose of funding the Keller Hicks Road from Park Vista Boulevard to Lauren Way project. Funding is also budgeted in the 2022 Bond Program Fund and Transportation Impact Fee Cap Fund for the Keller Hicks Road project.

FY2025 - Water PAYGO Appropriations per City ordinance 27107-09-2024

FY2025 Original Adopted PayGo	FY2025 Amended PayGo (includes any council actions subsequent to budget adoption)	YTD PayGo Approved for/Moved to Capital projects	This M&C	FY2025 Remaining PayGo Balance
\$92,597,771.00	\$92,597,771.00	(\$41,009,169.00)	(\$1,064,906.00)	\$50,523,696.00

Note: there may be other pending actions or recently approved actions that are not reflected in the table due to timing.

Appropriations for the water, sanitary sewer, and paving improvements for Keller Hicks Road from Park Vista Boulevard to Lauren Way project by Fund will consist of the following:

Funds	Existing Appropriations	Additional Appropriations	Project Total*
34027 - 2022 Bond Program Fund	\$9,200,000.00	\$0.00	\$9,200,000.00
56002 - W&S Capital Projects Fund	\$87,250.00	\$1,064,906.00	\$1,152,156.00
30104 - Developer Contribution	\$700,000.00	\$0.00	\$700,000.00
30108 - Transportation Impact Fee Cap	\$1,150,000.00	\$0.00	\$700,000.00
Project Total	\$11,137,250.00	\$1,064,906.00	\$12,202,156.00

*Numbers rounded for presentation purposes.

(1) Existing 2022 Bond funding is in the amount of \$9,200,000.00. Appropriation of an additional \$1,500,000.00 will precede this M&C via the M&C 20_2022 Funding Shuffle, with an anticipated Council meeting date of May 13, 2025.

Construction of Keller Hicks from Park Vista Boulevard to Lauren Way is anticipated to begin in the Summer of 2025.

This project is included in the 2022 Bond Program. The City's Extendable Commercial Paper (ECP) (M&C 22-0607; Ordinance 25675-08-2022) provides liquidity to support the appropriation. Available resources will be used to actually make any interim progress payments until debt is issued. Once debt associated with a project is sold, debt proceeds will reimburse the interim financing source in accordance with the statement expressing official Intent to Reimburse that was adopted as part of the ordinance canvassing the bond election (Ordinance 25515-05-2022).

DVIN-BE: The Business Equity Division placed a 9.84% business equity goal on this solicitation/contract. McClendon Construction Company, Inc., will be exceeding the goal at 17.10%, meeting the City's Business Equity Ordinance. Any changes in subcontractors will be reviewed by the Business Equity Division.

Funding for this project was not included in the FY2025-2029 Capital Improvement Program (CIP) because construction cost estimates were not complete at the time of CIP development. The action in this M&C will amend the FY2025-2029 Capital Improvement Program.

The Project is located in COUNCIL DISTRICT 10.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the Water & Sewer Fund and in the Keller Hicks Road project within the 2022 Bond Program Fund and the Transportation Impact Fee Cap 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, 2022 Bond Program Fund and Transportation Impact Fee Cap Fund for the Keller Hicks Road project to support the above recommendations and execution of the contract. Prior to any expenditure being incurred, the Water Department and Transportation & Public Works Department have the responsibility to validate the availability of funds.

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Expedited