

Mayor and Council Communication

DATE: 02/11/25

M&C FILE NUMBER: M&C 25-0105

LOG NAME: 60VCWRF PRIMARY CLARIFIERS RPR-CAROLLO

SUBJECT

(CD 5) Authorize Execution of a Professional Services Agreement with Carollo Engineers, Inc. in the Amount of \$3,977,400.00 for Resident Project Representation Services for the Village Creek Water Reclamation Facility Primary Clarifiers Improvements, 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 2025-2029 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a Professional Services Agreement with Carollo Engineers, Inc. in the amount of \$3,977,400.00 for Resident Project Representation Services for the Village Creek Water Reclamation Facility Primary Clarifiers Improvements;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds from future debt for the Village Creek Primary Clarifiers Replacements Phase 1 project; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water and Sewer Commercial Paper Fund by increasing appropriations in the Village Creek Primary Clarifier Replacements Phase 1 project (City Project No. 103295) in the amount of \$3,977,400.00 and decreasing appropriations in the W&S Commercial Paper project (City Project No. UCMLPR) by the same amount.

DISCUSSION:

The Village Creek Water Reclamation Facility (VCWRF), a 166 million gallons per day (MGD) plant, comprised of primary, secondary and tertiary treatment, chlorine disinfection and de-chlorination. The VCWRF produces anaerobically digested biosolids, which is processed at the Biosolids Dewatering and Processing Facility. The VCWRF currently has 18 primary clarifiers, consisting of 12 small 80-foot diameter clarifiers and 6 large 160-ft diameter clarifiers, located in the southeast corner of the plant.

On October 15, 2024, Mayor and Council Communication (M&C) 24-0855, the City Council authorized a contract with Eagle Contracting, LLC in the amount of \$98,319,734.00 for the Village Creek Water Reclamation Facility Primary Clarifiers Improvements project consisting of the replacement of the 12 small clarifiers, which were constructed in 1956, 1963, and 1971 and have outlived their useful lives.

This M&C will allow Carollo Engineers, Inc. to provide resident project representation services during construction of the project. Staff considers the proposed fee to be fair and reasonable.

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

Available cash within the Water and Sewer portfolio and the City's portfolio along with the appropriation authority 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 of the City to reimburse from tax-exempt bond proceeds.

It is the practice of the Water Department to appropriate its Capital Improvement Program (CIP) plan throughout the Fiscal Year (FY), instead of within the annual budget ordinance, as projects commence, additional funding needs are identified, and to comply with bond covenants. The action in the M&C will appropriate funds in support of the Water's portion of the City of Fort Worth's Fiscal Years 2025-2029 Capital Improvement Program.

Funding for VCWRF Primary Clarifier Replacements Phase 1 project is depicted below:

60VCWRF PRIMARY CLARIFIERS RPR-CAROLLO

Capital Fund Name	Project Name	FY2025 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2025 Budget
56023 – W&S Commercial Paper Fund	103295 – VC Primary Clarifies REPLPH1	\$30,676,608.36	This M&C	\$3,977,400.00	\$34,654,008.36

Funding is budgeted in the Commercial Paper project within the W&S Commercial Paper Fund, for the purpose of funding the Village Creek Primary Clarifiers Replacement Phase 1 project.

Funding for the Village Creek Primary Clarifiers Replacement Phase 1 project is depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
Fund 56020 - Water & Sewer Revenue Bonds Series 2022	\$1,623,300.00	\$0.00	\$1,623,300.00
Fund 56022 - W&S Rev Bonds Series 2024	\$4,035,605.00	\$0.00	\$4,035,605.00
Fund 56024 – W&S Rev Bonds Series 2024B	\$57,000,000.00	\$0.00	\$57,000,000.00
Fund 56023 – W&S Commercial Paper	\$30,676,608.36	\$3,977,400.00	\$34,654,008.36
Fund 56018 – WS Capital Project 2020	\$1,839,596.94	\$0.00	\$1,839,596.94
Fund 57003 – Sewer Impact Fee	\$11,068,124.00	\$0.00	\$11,068,124.00
Project Total	\$106,243,234.30	\$3,977,400.00	\$110,220,634.30

*Numbers rounded for presentation.

Business Equity: The Business Equity Division placed a 7.41 percent business equity goal on this solicitation/contract. Carollo Engineers, Inc., will be exceeding the goal at 7.66 percent, meeting the City’s Business Equity Ordinance. Any changes in subcontractors will be reviewed by the Business Equity Division.

The project is located in COUNCIL DISTRICT 5, VCWRF serves ALL COUNCIL DISTRICTS.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the UCMLPR 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 VC Primary Clarifier REPL PH1 project to support the above recommendations and execution of the construction 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: William Johnson 5806

Originating Business Unit Head: Chris Harder 5020

Additional Information Contact: Farida Goderya 8214