

City of Fort Worth, Texas

# Mayor and Council Communication

DATE: 03/19/24M&C FILE NUMBER: M&C 24-0203

LOG NAME: 20HISTORIC SOUTHSIDE-WOODY

SUBJECT

(CD 8 and CD 11) Authorize Execution of a Contract with Woody Contractors, Inc., in the Amount of \$13,679,758.35 for Combined Water, Sanitary Sewer, Storm Drain and Street Paving Improvements for the Historic Southside Improvement Project, Authorize Execution of an Amendment to a Tax Increment Financing Development Agreement, Adopt Appropriation Ordinances and Amend the Fiscal Years 2024-2028 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a contract with Woody Contractors, Inc., in the amount of \$13,679,758.35, for combined street paving improvements, stormwater improvements, and water and sanitary sewer main replacements for the Historic Southside Improvement project (City Project No. 102932);
2. Authorize execution of an amendment to a Tax Increment Financing Development Agreement with the Board of Directors of Tax Increment Reinvestment Zone Number Four, City of Fort Worth, Texas in the amount of \$3,150,000.00, for a total agreement amount of \$5,400,000.00 for the Historic Southside Improvement project (City Project No. 102932);
3. Authorize the re-categorization of Fiscal Year 2024 appropriations in the TIRZ #4 - Southside Med Dist Fund in the amount of \$3,150,000.00, from the General Operations & Maintenance category to the Transfers & Other category, for the purpose of transferring to the TIRZ - General Capital Fund for the Historic Southside Improvement project (City Project No. 102932);
4. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the TIRZ - General Capital Fund in the amount of \$3,150,000.00, transferred from the TIRZ #4 - Southside Med Dist Fund, for the purpose of funding the Historic Southside Improvement project (City Project No. 102932);
5. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Water and Sewer Capital Projects Fund in the amount of \$8,920,978.00, from available PayGo residuals, for the purpose of funding the Historic Southside Improvements project (City Project No. 102932) to effect a portion of Water's Contribution to the Fiscal Years 2024-2028 Capital Improvement Program;
6. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Stormwater Capital Projects Fund by increasing estimated receipts and appropriations in the Historic Southside Improvement project (City Project No. 102932) in the amount of \$733,399.00 and decreasing estimated receipts and appropriations in the Stormdrain Pipe Rehab programmable project (City Project No. P00114) by the same amount; and
7. Amend the Transportation & Public Works Department's Contribution to the Fiscal Years 2024-2028 Capital Improvement Program.

DISCUSSION:

This Mayor and Council Communication (M&C) is to authorize a construction contract for the Historic Southside Improvement project including water, sanitary sewer, storm drain, and street paving improvements on approximately 4.87 lane miles, on the following streets:

Street	From	To	Scope
Arizona Avenue	East (E.) Magnolia Avenue	E. Allen Avenue	Water/Sewer/Paving
E. Magnolia Avenue	Arizona Avenue	South Freeway Service Road (SR) Southbound (SB)	Water/Paving
E. Magnolia Avenue	South Freeway SR Northbound (NB)	New York Avenue	Water/Paving/Storm Drain
E. Morphy Street	South Freeway SR NB	Evans Avenue	Water/Paving

E. Myrtle Street	South Freeway SR NB	Illinois Avenue	Water/Paving
Evans Avenue	250 ft South of E. Magnolia Avenue	E. Magnolia Avenue	Storm Drain
Maddox Avenue	150 ft West of Arizona Avenue	Arizona Avenue	Water/Paving
Missouri Ave	150 ft South of E. Magnolia Ave	E. Magnolia Avenue	Storm Drain
New York Avenue	E. Terrell Avenue	E. Vickery Boulevard	Water/Sewer/Paving
E. Vickery Boulevard	South Freeway SR NB	New York Avenue	Water/Sewer
E. Stella Street	Kentucky Avenue	E. Dead End	Paving
Alley north of Stella Street	Kentucky Avenue	Alley west of New York Avenue	Sewer
Williams Street	Stella Street	E. Daggett Avenue	Water/Paving
E. Daggett Avenue	Alley west of Daggett Avenue	Alley east of Daggett Avenue	Sewer/Paving

The storm drain improvements will involve relocating portions of the existing storm drain system to the public right-of-way. These improvements made in conjunction with street improvements will improve capacity and improve future maintenance.

The project was advertised for bid on October 19, 2023, and October 26, 2023, in the *Fort Worth Star-Telegram*. On November 16, 2023, the following bids were received:

Bidder	Total Bid	Time of Completion
<b>Woody Contractors, Inc.</b>	<b>\$13,679,758.35</b>	<b>450 Calendar Days</b>
Jackson Construction, Inc.	\$14,330,963.75	

The Transportation & Public Works Department's (TPW) share on this contract is \$5,581,617.25 (Paving: \$4,958,218.25; Stormwater: \$623,399.00). The TPW funds for this project will be included in the General Capital Projects, TIRZ - General Capital and the Stormwater Capital Projects Funds upon approval of this M&C. The Water Department's share on this contract is \$8,098,141.10 (Water: \$6,020,770.70; Sewer \$2,077,370.40) and will be available in the Water & Sewer Capital Projects Fund for the project (City Project No. 102932).

In addition to the contract amount, \$1,154,892.00 (Water: \$423,695.00, Sewer: \$156,197.00, Paving: \$500,000.00, Stormwater: \$75,000.00) is required for project management, material testing, and inspection, and \$517,944.00 (Water: \$180,623.00, Sewer: \$62,321.00, Paving: \$240,000.00, Stormwater: \$35,000.00) is provided for project contingencies.

This project will have no impact on the Transportation & Public Works' or the Water Department's operating budgets when completed. The sanitary sewer component of this project is part of the Water Department's Sanitary Sewer Overflow Initiative Program. Approximately 4,765 linear feet of cast iron water pipe will be removed and replaced as part of this project.

Additional funding for TPW's portion of the project was not included in the Fiscal Years 2024-2028 Capital Improvement Program because the

additional funding needs for the project were unknown at the time of CIP development. The action in this M&C will amend TPW's contribution to the Fiscal-Years 2024-2028 Capital Improvement Program as approved in connection with Ordinance 26453-09-2023.

A Tax Increment Financing Development Agreement (City Secretary Contract No. 55081) with Tax Increment Reinvestment Zone Number Four (TIF 4) was authorized on December 1, 2020 via M&C 20-0878 in the amount of \$2,250,000.00. On March 6, 2024, the Board of Directors of Tax Increment Reinvestment Zone Number Four authorized a resolution increasing Tax Increment Financing (TIF) funding for the Historic Southside Street Repair Program in the amount of \$3,150,000.00, for a total cumulative TIF funding amount of \$5,400,000.00. Approval of recommendation 2 will authorize the amendment of the development agreement and approval of recommendations 3 and 4 will appropriate this additional TIF funding in the project.

It is practice of the Water Department to appropriate its CIP plan throughout the Fiscal Year, instead of within the annual budget ordinance. This is done 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 2024-2028 Capital Improvement Program as follows:

20 HISTORIC SOUTHSIDE-WOODY

Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2024 Budget
W&S Capital Projects – Fund 56002	102932 Historic Southside Improvements	\$0.00	This M&C	\$8,920,978.00	\$8,920,978.00

Funding is currently available in the Unspecified-All Funds project within the Water & Sewer Capital Projects Fund, in the Stormdrain Pipe Rehab Programmable project within the Stormwater Capital Projects Fund and in the TIRZ #4 - Southside Med Dist Fund for the purpose of funding the Historic Southside Improvement project.

After adoption of the appropriation ordinances in this M&C, appropriations for the water, sanitary sewer, storm drain and paving improvements for the Historic Southside Improvement project by fund will consist of the following:

Fund	Existing Appropriations	Additional Appropriations	Project Total
General Capital Projects - 30100	\$700,000.00	\$0.00	\$700,000.00
TIRZ – General Capital – 30286	\$2,250,000.00	\$3,150,000.00	\$5,400,000.00
Stormwater Capital Projects - Fund 52002	\$50,000.00	\$733,399.00	\$783,399.00
W&S Capital Projects - Fund 56002	\$296,224.00	\$8,920,978.00	\$9,217,202.00
Project Total	\$3,296,224.00	\$12,804,377.00	\$16,100,601.00

Business Equity: Woody Contractors, Inc. is in compliance with the City Business Equity Ordinance by committing to a 11% Business Equity participation and documenting a good faith effort. Woody Contractors, Inc. identified several subcontracting and supplier opportunities. However, the firms contacted in the areas identified did not respond or did not submit the lowest bids. The City's Business Equity Goal on this project is 20%.

This project is located in COUNCIL DISTRICTS 8 and 11.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Unspecified-All Funds project within the W&S Capital Projects Fund, in the Stormdrain Pipe Rehab programmable project within the Stormwater Capital Projects Fund and in the TIRZ #4 - Southside Med Dist Fund and upon the approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the W&S Capital Projects Fund, Stormwater Capital Projects Fund and the TIRZ - General Capital Fund for the Historic Southside Improvement project to support the approval of the above recommendations and execution of the contract. Prior to any expenditure being incurred, the Transportation & Public Works and Water Departments have the responsibility to validate the availability of funds.

**Submitted for City Manager's Office by:**    Jessica McEachern    5806

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